EPA
United States
Environmental Protection
Agency

Draft Revision for Public Comment

Nonpoint Source Program and Grants Guidelines for States and Territories

October 30, 2023

Preface

The U.S. Environmental Protection Agency (EPA) is releasing for comment draft revisions to the guidelines to states, territories, and the District of Columbia for the award of Section (§) 319 grants under the Clean Water Act (CWA) for the implementation of nonpoint source (NPS) management programs. These guidelines are requirements that apply to recipients of grants made with funds appropriated by Congress under §319 of the CWA. EPA expects to implement these guidelines in fiscal year 2024 and subsequent years. They will replace the *Nonpoint Source Program and Grants Guidelines for States and Territories* that have been in effect since the fiscal year 2014 grant cycle (hereinafter referred to as the "2014 guidelines").

The revisions included in this draft document were informed by two years of stakeholder engagements with §319 grantees, sub-recipients of §319 funding, and other important stakeholders. These engagements include a series of facilitated listening sessions in 2022 that focused on barriers and opportunities to achieve greater equity in the delivery of NPS program benefits. EPA also coordinated with the Association of Clean Water Administrators to facilitate four state/EPA workgroups and two webinars to collect state and territorial recommendations. Alongside the revised guidelines, EPA will be releasing a question-and-answer document to clarify and address project and location-specific considerations. More information on the process and recommendations from those workgroups can be found here.

NPS pollution is the leading source of water quality impairment in the United States. Of all the waterbodies across the nation that have been assessed and a possible source of impairment identified, 85% of rivers and streams and 80% of lakes and reservoirs are polluted by nonpoint sources.[1]

The success of our nation's overall effort to remediate impaired waters and protect healthy waters depends greatly on state and territorial agencies effectively coordinating the widespread implementation of watershed-based plans (WBPs) or acceptable alternatives to restore and maintain the chemical, physical, and biological integrity of the nation's waters. It requires the devotion and leveraging of resources and the use of program tools and authorities by a broad array of federal, state, and local agencies; nonprofit groups; and private citizens. This particularly includes pursuing new opportunities to finance watershed-scale implementation projects by investing §319 funding where it can better leverage other sources of funding for NPS water quality restoration and protection.

The vast extent and continuous nature of NPS pollution is a daunting challenge. Although not the entire remedy, the CWA §319 program is an essential part of the solution to the costly challenges of NPS pollution. It is a critical source of support for NPS management programs, watershed-based planning, and for on-the-ground projects. CWA §319 project funds are highly leveraged. For each dollar of §319 project funding, state, local, and federal partners contributed another eight dollars.[2]

[1] (USEPA, 2016) https://www.epa.gov/sites/default/files/2016-10/documents/nps_program_highlights_report-508.pdf

[2] This estimate is based on reported information for waterbodies removed from a state's list of impaired waters due in part to implementation of a §319 project in 2005–2016 and reported to EPA as a "success story."

These partnerships continue to grow over time, and water quality improvements are measured and documented as part of NPS program activities. The results are clear; the CWA §319 program is making a difference in communities. To date, the program has documented hundreds of water quality improvements, including 12,300 miles of rivers and streams and 230,000 acres of lakes and other waters.

The revisions included in this draft document are intended to advance new science and information, along with strategies to engage communities and to guide the next implementation phase of the national NPS Program. Some of the most notable changes include:

- Articulated five national NPS priorities for states to consider when updating their five-year NPS management program plans, including guidance on how states may balance national priorities with state-specific issues (Chapter 2).
- Added new expectations and flexibilities, as articulated in the September 2022 Equity Memo, for states to ensure more equitable access to NPS water quality benefits for disadvantaged communities, including:
    - Flexibility to use watershed project funds to support watershed planning and capacity-building in disadvantaged communities (Chapter 6.3).
    - New expectations to include a description of equity and environmental justice activities in annual NPS reports (Chapter 8.2).
- Clarified that the complexity of WBPs should be commensurate with the NPS problems that the plan addresses. Provided new guidance on existing plans that can be leveraged as part of a nine-element watershed plan and the requirements for alternative watershed plans (Chapters 4.4–4.6).
- Renewed the emphasis on activities to protect healthy waters and removed the limit on the amount of §319 funds that can be used for protection activities (Chapters 2.5 and 7.6).
- Increased the focus on planning for changing climate conditions, including a new emphasis on the climate adaptation and resiliency co-benefits provided by common NPS best management practices (Chapters 2.6, 3.2, 4.3 and 7.10).
- Reaffirmed the requirement that 50% of each state §319 grant be devoted to watershed project activities and provided new flexibilities for the kinds of NPS implementation activities that may be eligible for watershed project funding (Chapters 1.3 and 6).
- Provided a renewed emphasis for states and territories to establish and expand collaborations with Clean Water State Revolving Fund programs to advance NPS solutions, including a new priority to support watershed finance partnerships to implement WBPs or acceptable alternatives (Chapters 2.7, 6.2.3, and 11.2).
- Expanded the emphasis on targeting NPS control activities in areas that will protect or restore sources of drinking water (Chapters 4.5.5, 7.7, 8.4.2 and 11.24).
- Clarified the requirements for states to be granted a leverage exemption for the 50% watershed project funding requirement, including additional flexibility to exercise the exemption for only a portion of the §319 allocation (Chapter 6.6).
- Clarified the types of NPS regulatory program activities that may be funded with program versus project funding (Chapter 6.5).

- Offered additional options for reporting accomplishments, including metrics focused on protecting healthy waters, interim milestones, and other program accomplishments (Chapter 8.7).
- Expanded the description of how the §319 program may intersect with or leverage similar EPA or other federal programs, including more detailed ideas on how states can coordinate with and leverage U.S. Department of Agriculture and Federal Emergency Management Agency resources (Chapter 11).
- Updated the regulatory and statutory citations to reflect current requirements and policy, such as restrictions for implementing National Pollutant Discharge Elimination System permit requirements (Chapter 7.2) and expectations for complying with cross-cutting environmental laws and other regulatory requirements (Chapter 7.3).

EPA will continue to engage with §319 grantees and other key stakeholders on the draft revisions to these guidelines and is accepting comments through December 31, 2023. Please submit comments via online form, email to npsguidelines2023@epa.gov or by mail to 1200 Pennsylvania Avenue NW, MC-4503-T, Washington, DC 20460.

Acronyms

BIL	Bipartisan Infrastructure Law
BLM	Bureau of Land Management
BMP	best management practice
BRIC	Building Resilient Infrastructure and Communities
CERCLA	Comprehensive Environmental Response, Compensation, and Liability Act
CFR	Code of Federal Regulations
CNCPC	coastal nonpoint pollution control programs
CWA	Clean Water Act
CZARA	Coastal Zone Act Reauthorization Amendments of 1990
CWSRF	Clean Water State Revolving Fund
DWSRF	Drinking Water State Revolving Fund
EPA	U.S. Environmental Protection Agency
EQIP	Environmental Quality Incentive Program
FEMA	Federal Emergency Management Agency
GRTS	Grants Reporting and Tracking System
GPI	grants policy issuance
GSI	green stormwater infrastructure
HMP	hazard mitigation plan
HUC	hydrologic unit code
MOE	maintenance of effort
MS4	municipal separate storm sewer system
NEP	National Estuary Program
NPDES	National Pollutant Discharge Elimination System
NOAA	National Oceanic and Atmospheric Administration
NPDES	National Pollutant Discharge Elimination System
NPS	nonpoint source
NPSMP	nonpoint source management program
NRCS	Natural Resources Conservation Service
NWQI	National Water Quality Initiative
PPA	Performance Partnership Agreement
PPG	Performance Partnership Grant
RCRA	Resource Conservation and Recovery Act
RFP	request for proposals
TMDL	total maximum daily load
USACE	U.S. Army Corps of Engineers
USDA	U.S. Department of Agriculture
USFWS	U.S. Fish and Wildlife Service
WB	watershed-based plan
WQX	Water Quality Exchange

Contents

Chapter 1. Introduction

1.1 History and Statutory Overview

In 1987, Congress enacted Section (§) 319 of the Clean Water Act (CWA), which established a national program to control nonpoint sources of water pollution. CWA §101(a)(7) states, "it is the national policy that programs for the control of nonpoint sources of pollution be developed and implemented in an expeditious manner so as to enable the goals of this Act to be met through the control of both point and nonpoint sources of pollution."

CWA §319 elements discussed in these guidelines include:

- **CWA §319(a)**: To address NPS pollution, §319(a) required that all states develop NPS assessment reports that identify waters impacted by NPS pollution, identify the NPS pollution sources of concern, describe the processes or strategies to address NPS pollution, and identify the state and local programs that can assist in implementing NPS pollution control programs and priorities.
- **CWA §319(b)**: Under §319(b), Congress directed each state to adopt a state Nonpoint Source Management Program (NPSMP) to control NPS pollution and submit it to EPA for approval. These programs articulate each state's strategy to reduce nonpoint sources and to achieve/maintain water quality standards. (For more details on NPSMPs, see Chapters 3 and 6 and Appendix A.) CWA §319(b)(4) emphasizes that states should, as much as possible, develop and implement their NPSMPs on a watershed basis. Consistent with that emphasis, states are directed to use a minimum of 50% of their §319 grant[3] for watershed projects that will restore and protect NPS-impacted waters. (For more details on the watershed approach, see Chapter 4.)
- **CWA §319(h)**. To support states in implementing their NPSMPs, CWA §319(h) provides for grants to states for which EPA has approved NPS assessment reports and approved NPSMPs. (See Chapters 5, 6, 7, and 8 for more details about the primary requirements applicable to §319(h) grants.)

Nonpoint Source Pollution

The CWA does not explicitly define nonpoint source (NPS) pollution. However, NPS pollution occurs as pollutants are mobilized by rainfall or snowmelt flowing over and through the ground and into lakes, rivers, streams, wetlands, estuaries and other coastal waters, and groundwater. Atmospheric deposition, habitat alteration, and hydrologic modification are also sources of NPS pollution.

NPS pollution is the dominant source of water quality pollution and the leading cause of impaired waters in the United States. Our nation's water quality challenges continue to grow with increasing population and changing land use and climate conditions. For more details about NPS pollution, see EPA's *Polluted Runoff: Nonpoint Source (NPS) Pollution* website.

[3] The annual §319(h) grant is comprised of the federal allocation plus the 40% state match.

Since 1990, Congress has appropriated §319(h) funds annually to states to implement their approved state NPSMPs; these can include, as appropriate, nonregulatory or regulatory programs for enforcement, technical assistance, financial assistance, education, training, technology transfer, and demonstration projects to achieve implementation of best management practices (BMPs) and water quality goals. To date, the program has documented hundreds of water quality improvements, including 12,300 miles of rivers and streams and 230,000 acres of lakes and other waters. These success stories are available on the NPS Success Story Webpage.

CWA §319 grant recipients and subrecipients must meet all applicable statutory, regulatory, and other requirements, such as grant guidelines. (See Chapter 4 for a more detailed description.)

1.2 Scope

These guidelines are directed towards NPSMPs and grants administered by state and territorial lead NPS agencies designated under §319 of the CWA. These guidelines apply to states, the District of Columbia, and the U.S. territories of American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, the Commonwealth of Puerto Rico, and the U.S. Virgin Islands. (Hereinafter, "state" refers to states, the District of Columbia, and territories.)

1.3 Role of §319 Grants and Guidelines

CWA §319 grants provide important resources to states to support the implementation of NPSMPs to restore impaired waters and protect healthy waters. The guidelines provide a framework for states to use CWA §319 grant funds to achieve the specific goals, objectives, and milestones established in their approved NPSMPs. CWA §319 funds are considered one part of a multifaceted approach to control NPS pollution. The overall effectiveness of implementing state NPSMPs relies on the appropriate use of §319 funds, the states' ability to leverage funding and resources, and collaboration with other public and private sector entities with common goals to address NPS pollution.

Tribes and §319

EPA publishes separate §319 guidelines for Tribal grantees. CWA §518 authorizes EPA to treat eligible federally recognized Indian Tribes* in a similar manner as states ("treatment as a state," or TAS) for the implementation of several CWA programs, including §319. Each year EPA awards CWA §319 grants to eligible Tribes with TAS status and EPA-approved NPSMPs. In fiscal year 2023 there were 214 Tribes located in nine of the 10 EPA regions eligible to receive §319 grants from EPA.

EPA encourages states to collaborate with Tribal partners to address shared NPS water quality restoration or protection goals, including through state §319 subawards to eligible Tribal entities. (Note: Tribes are not required to have §319 TAS status from EPA to be eligible for state §319 subawards.) See Chapter 4.6.3 for a description of new state §319 program flexibilities aimed at increasing opportunities for state-Tribal NPS coordination.

*EPA recognizes the diversity of terms that Tribal partners use to self-identify. To enhance readability of these guidelines, Tribe is used as a collective term encompassing Tribe, Band, Nation, Pueblo, Indigenous group, or community.

1.4 Overview of the Grant Process

Each year, Congress appropriates funds to EPA for the §319 grant program. A portion of this amount is allocated for Tribal grants; the remaining funds are allocated to the state NPS agencies according to a national allocation formula (Appendix C). EPA notifies states of their §319 grant allocations once it receives a final budget. A state may award funds through subawards (contracts or subawards) to other entities in accordance with the state's NPSMP and procurement requirements. See Chapter 5.1 for more details on EPA, state, and subrecipient roles in implementing an NPSMP.

Annual reporting requirements to evaluate NPSMP progress (§319(h)(8), (10), and (11)) and federal grant rules (2 CFR part 200) are used to determine continued eligibility. As illustrated in Figure 1, a state will have multiple grants and ongoing work. Good program management and clear milestones are critical to keep tasks moving toward a state's objectives. See Chapter 8 for reporting progress.

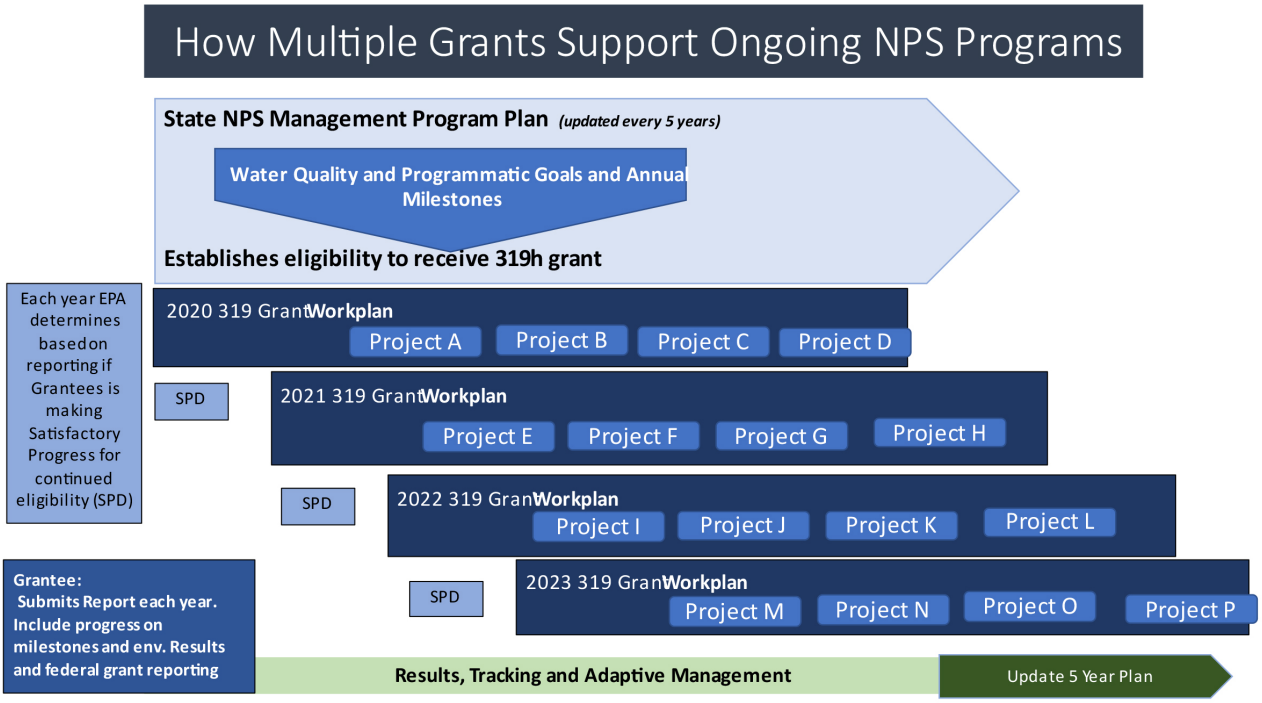

Figure 1. How multiple grants support NPS programs

Chapter 2. NPS Program Goals and National Priorities

2.1 Introduction

States each have their own NPS priorities. Federal grants must also align with the strategic goals and objectives within the federal awarding agency's performance plan and should support the federal awarding agency's performance measurement, management, and reporting (2 CFR 200.202). As outlined in these program guidelines, EPA can support state and national priorities in many ways. The following section outlines national priorities for the §319 Program that states should consider incorporating into future NPS management plans and work plans.

2.2 NPS Management Program Goals: General information on water quality improvements

The CWA §319 NPSMP is an integral component and funding source to help states control NPS pollution to achieve and maintain beneficial uses of waters. Effective state NPSMPs maintain and improve water quality by:

- Defining and focusing on water quality restoration and protection goals to achieve water quality standards in the state's priority waters/watersheds.
- Clearly articulating NPSMP plan goals and developing annual work plans with actions to advance those goals.
- Maintaining a balance between planning, staffing, statewide action, and watershed project implementation that maximizes resources to deliver measurable water quality results. To support this balance, these guidelines emphasize that a state use at least 50% of its §319 grant for watershed projects.
- Leveraging and integrating with additional federal/state agencies, local government, nongovernmental organizations, and other relevant programs to align planning, priority-setting, and resources to best use available resources to control NPS pollution.[4]
- Tracking and reporting results to demonstrate program progress and success.

2.3 Reduce Nutrient Pollution

Nitrogen and phosphorus pollution significantly affects drinking water supplies, aquatic life, and water quality in all types of waters—rivers, streams, lakes, reservoirs, estuaries, and coastal areas. Scientific and practical consensus shows that nutrient pollution's scope, impacts, and costs present a serious and compelling reason for more urgent and effective action. The §319 program plays an important role by investing in and pursuing strategies to reduce excess nutrients reaching our nation's waters. Efforts include deepening and expanding collaboration with the U.S. Department of Agriculture (USDA), states, Tribes, territories, local governments, agriculture, industry, academia, and the broader water sector to

[4] For example, under EPA's 2022–2032 Vision for the CWA Section 303(d) Program, states, territories, and authorized Tribes are developing integrated long-term "Prioritization Frameworks" to coordinate program activities in the context of broader water quality goals to strategically focus limited resources. See EPA's 2024 Integrated Reporting Memorandum.

identify, highlight, and scale effective nutrient-reduction approaches. Targeted NPS management of source waters may also help drinking water systems reduce health-based violations relating to drinking water contamination from microbial contaminants, harmful algal blooms, nitrate, and disinfection byproducts. These guidelines emphasize the leading role that state NPSMPs have in developing plans and building financial collaboration with other interested parties to implement nutrient-reduction practices. For more information on EPAs efforts to reduce nutrient pollution see the 2022 EPA nutrient reduction memorandum.

2.4 Ensure Equitable Access to NPSMP Benefits

EPA prioritizes integrating environmental justice considerations into EPA programs, plans, and actions to ensure all individuals have equitable and fair access to environmental program benefits.[5] [6] EPA's national NPS Program is devoted to protecting and restoring waters from sources of NPS pollution. In delivering this work, the NPSMP benefits thousands of communities through the efforts of state, territorial, and Tribal NPSMPs in collaboration with dedicated local organizations. EPA recognizes that water quality and climate change impacts can disproportionately affect urban and rural communities that are predominately of color, Indigenous, linguistically isolated, low-income, and/or impacted by other stressors. EPA is committed to ensuring that the resources to address NPS pollution and the benefits of cleaner water resulting from §319 grants reach disadvantaged communities. As such, these guidelines have incorporated new expectations and flexibilities articulated in recent national NPS Program memos.[7]

2.5 Protect Healthy Waters and Watersheds

EPA has long recognized water quality protection as a key part of NPS pollution management efforts to achieve the CWA objective "to restore and maintain the chemical, physical, and biological integrity of the Nation's waters" (33 United States Code (U.S.C.) §1251(a); CWA §101(a)). Proactively protecting watersheds and waterbodies can help protect communities from future threats, such as emerging water quality problems, drinking water supply disruptions and health-based violations, fragmentation of aquatic habitat, altered water flow, invasive species, and other impacts associated with changing climate conditions. These guidelines place a renewed emphasis on actions to protect healthy waters by providing states greater flexibility to use CWA §319 funds for protection activities consistent with state NPSMP goals. EPA recognizes the critical role of protection in achieving national NPS Program goals, including: (1) protecting healthy waters and watersheds can prevent the need for water quality restoration, as well as help ensure restoration success, (2) protection efforts help maintain healthy watersheds that are resilient to the effects of changes in land use, climate, and other water quality threats, and (3) proactive watershed planning and management can help organize partners and gather support in protecting critical water resources, such as public drinking water supplies. EPA is committed to supporting states in growing and refining their NPS protection efforts, including by facilitating technical exchanges and leveraging resources and collaboration advanced through EPA's Healthy Watersheds Program.

[5] https://www.epa.gov/newsreleases/epa-administrator-announces-agency-actions-advance-environmental-justice
[6] https://www.epa.gov/environmentaljustice
[7] https://www.epa.gov/nps/equity-resources

2.6 Advance Climate Resilience through NPS Solutions

As the historical climatic norms change, communities are impacted through regular interactions with water resources, bringing the consequences of a changing climate into everyday lives.[8] The changing climate creates more frequent and longer droughts, water supply shortages, wildfires, frequent and more intense storms, flooding, and sea-level rise. These events have broader effects on the NPS program. For example, higher temperatures can affect water chemistry, which can increase eutrophic conditions. More frequent and intense storms can result in more pollutant runoff, including sewer overflows and eroded shorelines. Longer growing seasons may also increase NPS pollution loadings over time. The resulting water quality impairments can threaten natural systems, affect community and economic health, and diminish or eliminate people's recreational opportunities. The §319 program plays an important role by supporting state, Tribal, and local government efforts to develop WBPs and implement NPS controls that provide significant climate resilience and adaptation co-benefits. These guidelines continue to prioritize nature-based solutions to help mitigate the impacts of those natural hazards. They also include expectations that BMPs are designed to be climate resilient.

2.7 Leverage Innovative Financing for NPS Solutions

The CWA includes an expectation for states to use §319 grants to help leverage long-term investments in NPS implementation at the watershed scale. EPA's NPS Success Stories show that §319 grants have played a critical role in attracting funds from various other sources, multiplying collective investments in the watershed. For example, EPA continues to encourage states to explore collaboration between their Clean Water State Revolving Fund (CWSRF) programs and NPSMPs to expand the use of CWSRF financing to address priority NPS needs. These guidelines provide new incentives for investments in CWSRF watershed finance partnerships. (See Chapter 6.3.3 for more details.)

Chapter 11 also highlights EPA and other federal programs that offer funding to address water quality problems and support programs with complimentary goals and the potential for expanding existing or establishing new collaborations.

[8] https://www.epa.gov/climate-adaptation/climate-adaptation-plans

Chapter 3. Nonpoint Source Management Program Planning

3.1 Introduction

CWA §319(b) requires all states to adopt NPSMP plans that guide the use of §319 resources to reduce NPS pollution. State NPSMP plans allow states to identify §319 strategic priorities, develop and track goals and milestones, and work more effectively to engage stakeholders to address the evolving condition of their waters and changing state and national NPS priorities. Statutory expectations of elements to include in an NPSMP Plan are in Chapter 3.3. State NPSMP plans should be current and inclusive of all potential state management activities and strategies because only those strategies and activities covered in the state's NPSMP are eligible for use of §319 grants.

3.2 Priority Setting

Plans should optimize resources and align with state-specific priorities to produce a plan that uniquely reflects the state's water quality goals. As states tailor their programs to address their NPS water quality goals, they should consider the current federal priorities outlined in Chapter 2. These national priorities align closely with NPS challenges; however, EPA recognizes differences in specific priorities due to unique state NPS pollutant sources or hydrogeologic and/or meteorologic conditions.

Climate Resilience and Adaptation: Strategies to address NPS pollutants should consider any BMP design changes that might be needed in response to increased climate variability (e.g., increased storm intensity, drought, wildfires, rising temperature). For example, rising water temperatures can contribute to increased algal growth and potential cyanobacteria blooms. In these cases, a state may consider implementing BMPs that specifically target nutrient or temperature reduction in affected areas. In addition, states might wish to implement nature-based solutions that reduce NPS pollutants and help mitigate the impact of natural hazards. For example, restoring or protecting floodplains can reduce NPS pollutant delivery to waterbodies, improve overall aquatic habitat conditions, and trap and control runoff from storms to mitigate high-flow events and reduce flood risk downstream. States may also wish to include the targeted ability to respond to natural disaster emergencies that threaten the water quality.

Equity: Incorporate a strategy to ensure equitable access to the benefits of NPSMP efforts for all communities. Depending on prior work in a state NPS program, this might range from simply conducting a preliminary assessment and identifying barriers to actively implementing engagement efforts to evaluating progress to address barriers.

Protection: States that have prioritized protection efforts as a part of their NPSMP plan should incorporate strategies for implementing and measuring protection efforts into their plan. State NPS protection priority waters may include, for example, waters assessed as unimpaired, outstanding natural resources waters, healthy aquatic resources, and source water (including groundwater).

Additional details can be found in Appendix A.

3.3 Components of an Effective State Management Program

Consistent with §319, an effective and approvable state NPSMP plan, includes the following seven components (additional details on these components can be found in Appendix A):

1. Identify water restoration and protection goals and program strategies (regulatory, nonregulatory, financial and technical assistance, as needed) to achieve and maintain water quality standards. It includes relevant, current, and trackable annual milestones for program implementation.
2. Identify the primary categories and subcategories of NPS pollution, the risks associated with changing climate conditions, any impacts of NPS pollution to disadvantaged communities, and a process for prioritizing impaired and unimpaired waters.
3. Identify BMPs and measures that will be undertaken to reduce pollutant loadings resulting from each category, subcategory, or particular nonpoint source identified in component 2 above. The measures should also consider the impact of the BMP on groundwater quality. The schedule containing annual milestones (component 1) will include implementation of the BMPs by category, subcategory, and/or for particular nonpoint sources.
4. Use both watershed projects and well-integrated regional or statewide programs to restore and protect waters, achieve water quality benefits, and advance any relevant climate resiliency goals.
5. Identify and strengthen its collaboration with appropriate federal, state, interstate, Tribal, and regional agencies as well as local entities (including conservation districts, private sector groups, utilities, and citizens groups) that will be utilized to implement the state program. Furthermore, the state supports capacity-building in disadvantaged, underserved, or overburdened communities.
6. Show how the state manages and implements its NPSMP efficiently and effectively, including necessary financial management.
7. Evaluate the state's NPSMP using environmental and functional measures of success and revision of its NPSMP plan at least every five years.

The state should also certify through the state agency's chief attorney (or state attorney general) that the laws of the state provide adequate authority to implement such management program (CWA §319(b)(2)(D)). A NSPMP that is not revised does not require re-certification.

3.4 Maintaining Up-to-Date State Management Plans

The NPSMP update process is necessary to ensure the implementation of an effective, targeted, and relevant approach to address NPS pollution while also guiding the use of §319 resources. States are required to review and update their NPSMPs every five years to keep them relevant. States that do not maintain current NPSMPs risk a determination of unsatisfactory progress under CWA §319(h)(8) and subsequent ineligibility for §319(h) grants (see Chapter 9.2). Updates need not be comprehensive unless warranted by significant program changes, but they may focus on specific outdated elements. States are encouraged to engage with EPA, Tribes, and other interested stakeholders early in the updating process. At a minimum, the update should ensure that the state's goals, objectives, and annual milestones are current while also addressing state and national priorities.

3.5 Role of EPA in Nonpoint Source Program Plan Updates

State NPSMP plan updates and amendments must be reviewed and approved by the EPA regional administrator (but more typically, the EPA regional water division director through redelegation). EPA recommends that states submit draft NPSMP plan updates for EPA review before the state's finalization procedures (e.g., response to public comment, submission to governor's office) are complete to ensure that EPA can address any concerns that may prevent its approval. NPSMP plan approvals should be consistent with EPA and state delegations or authorizations.

Chapter 4. Watershed-based Planning

4.1 The Watershed Approach

Watersheds provide beneficial uses to both humans and wildlife, including clean drinking water, recreational and economic opportunities, habitat, productive fisheries, and breeding grounds. As the United States faces increased environmental pressure from population expansion, land management,9 and altered environmental conditions due to climate change, continuing to restore and protect watersheds will be imperative to ensuring current and future generations have access to clean and safe water.

EPA and other entities, both inside and outside the government, have demonstrated that the watershed approach is the most effective means of addressing NPS pollution and the challenging condition of our water resources. The watershed approach focuses efforts on a particular watershed, which is the area of land that drains to a specific point, such as the confluence of two rivers, a lake, or a coastal estuary. The watershed approach provides a framework for working on a watershed basis and is used to generate a watershed-based plan (WBP) that addresses impairments and threats to water quality. Watershed-based planning is commonly characterized by diverse, well-integrated collaboration; coordinated priority setting; integrated solutions; and a specific geographic focus driven by environmental and public health objectives supported by strong science and data. A watershed-based planning framework addresses water quality problems holistically by fully assessing the causes and sources of pollution and prioritizing restoration and protection strategies to address these problems.

EPA continues to require that any watershed implementation projects funded under §319 directly implement nine-element WBPs. WBPs containing the nine elements identified in EPA's Handbook for Developing Watershed Plans to Restore and Protect our Waters, and in Appendix B of these guidelines, provide an effective, integrated approach to address the diverse realities and needs of each watershed as well as a roadmap to guide cost-effective, well-informed restoration and protection efforts. EPA strongly supports this approach and continues to emphasize nine-element WBPs as the primary planning framework for §319 watershed projects. However, a subset of those elements can be used for an EPA-approved alternative plan. In select scenarios, these guidelines provide states flexibility to use §319 watershed project funds to implement an EPA-approved alternative plan and support community demonstration projects in disadvantaged communities.

4.2 Prioritizing WBPs

State programs have the discretion to prioritize WBP development consistent with the goals and milestones articulated in their NPSMP plan. When choosing where to develop WBPs, states may wish to target watersheds that align with state program priorities for water quality restoration/protection, have willing stakeholders that can leverage other technical and financial resources, or extend NPS water quality benefits to underserved communities. Additionally, states may consider protection-focused WBP development in watersheds that are currently unimpaired, those that will be affected by projected land

[9] USGS, 2019. *Flow modification of the nation's rivers and streams*. Report 1461.

use alteration (e.g., urban sprawl), and containing communities already experiencing disproportionately high adverse impacts from changing climate conditions.

States and EPA regions should ensure that a proper balance exists between funding the development and implementation of WBPs and total maximum daily loads (TMDLs) to meet the annual milestones and schedules in the state NPSMP. States should support the development of WBPs at a sufficient pace to advance implementation efforts funded through §319 and other funding sources. However, states should also be careful not to use §319 funds for WBP and TMDL development at a pace that significantly exceeds the rate of implementation, as these plans may become outdated before they can be implemented. EPA may consider whether a plan reflects current conditions when reviewing work plans that implement a WBP. For states where many WBPs and TMDLs have been developed, EPA encourages the state to direct §319 funds to help implement these plans, either through watershed projects or by leveraging other funding sources for implementation.

4.3 Developing Resilient and Inclusive WBPs

States should continue developing WBPs that target the implementation of high-priority NPS restoration and protection goals identified in the state NPSMP plan. States should consider undertaking the following activities to ensure WBPs provide broad access to NPSMP benefits and adapt to future changes in climate conditions.

- **Climate Resiliency in WBPs:** WBPs should address NPS issues in a holistic manner, including guiding efforts to restore currently impaired waters and protect waters threatened by existing and future NPS pollution. When developing a WBP, states should consider how the plan strategically accounts for climate change impacts and how climate resiliency or vulnerability may affect implementation. Basing management recommendations solely on current watershed conditions can result in failure to address the increasing water quality problems that may accompany severe or even modest climate change impacts. All WBPs should include BMPs and measures that can be adapted to a changing climate and have built-in flexibility to scale implementation efforts as conditions change; this will allow the state to maintain the pollutant reductions needed to achieve or maintain water quality standards under future conditions.
- **Engaging in inclusive watershed-based planning with communities:** Successfully developing and implementing WBPs depends on the commitment and involvement of community members, including those who have historically been underserved and/or overburdened. EPA believes all individuals and communities should have fair and equitable access to the benefits of environmental programs and implementation activities. States should take steps to ensure that communities with disproportionately high and adverse human health, with water quality, climate-related, and socioeconomic cumulative impacts are represented in the development and implementation of WBPs. As part of their WBPs, states may prioritize and document NPS implementation activities that provide environmental benefits to these historically underserved and/or overburdened communities.

4.4 Developing the WBP for the Unique Scope and Scale of the NPS Problem

Watershed-based planning should include careful consideration of the unique challenges and opportunities inherent to a given watershed. For example, to reduce urban NPS impacts, urban WBPs must incorporate knowledge of stormwater control measures, green stormwater infrastructure (GSI), and hydrologic alteration. Arid-environment WBPs need to emphasize water quantity and water quality due to lower precipitation rates and/or wildfire risks. States with significant open space, forest areas, and agricultural/pasture lands could/should identify large, connected land masses that are eligible for land preservation, conservation easements, and riparian buffer protection. BMPs of this nature provide co-benefits such as climate resiliency, flood mitigation and drinking water protection. EPA expects WBPs to reflect the scale and scope of the issues in each watershed. Given the unique nature of individual watersheds and the goals of local stakeholders, WBPs should incorporate local priorities alongside current national priorities throughout the planning process.

The level of detail needed to address the nine elements of WBPs will vary in proportion to the homogeneity of land use types and the variety and complexity of pollution sources and solutions. For example, densely developed urban and suburban watersheds often have multiple sources of pollution from historical and current activities such as Superfund sites, point sources, solid waste disposal, road salt (storage and application) leakage from road salt storage, oil handling, stormwater-caused erosion, road maintenance, agricultural activities, etc. Because of this, plans in urban and suburban watersheds will often be more complex than in predominantly rural settings in these cases. For this reason, plans for urban and suburban watersheds may need to be developed and implemented at a smaller scale than watersheds with agricultural lands of a similar character. EPA encourages states and WBP developers to refer to the *Handbook for Developing Watershed Plans to Restore and Protect our Waters* to assess the right level of detail to fully address their planning needs. The level of detail needed to develop a WBP will be contingent on the scale and scope of the watershed; coordinating with EPA regional NPS staff is encouraged to help determine what is appropriate. While watershed planning is an iterative and adaptive process, all plans (including WBPs and acceptable alternatives) should include the necessary information to provide assurance that the water quality problem can be fully addressed through the recommended management strategies outlined in the plan.

States should also consider the appropriate scale for their planning efforts. Watershed programs are often encouraged to focus on small-scale WBPs to ensure effective restoration. For example, most watershed-based planning efforts to implement water pollution control practices occur at a 10-digit or 12-digit hydrologic unit code (HUC) level.10 This scale allows for effective monitoring/assessment as well as developing an achievable implementation plan.11 However, in some arid regions, a smaller geographic area might not include sufficient water resources or available stakeholders to allow implementation, thus requiring a plan that covers a larger area to be effective. In this case, a larger-scale WBP comprising a group of 12-digit HUC subwatersheds (local-level subwatersheds) or even an 8-digit HUC subbasin (equivalent to a medium-sized river basin) may be preferable to multiple smaller-scale WBPs. Regardless of the scale of planning objectives, implementation projects and effectiveness monitoring should target a smaller scale to support sufficient detail and achieve effective water quality

[10] *Handbook for Developing Watershed Plans to Restore and Protect our Waters*, page 4-7
[11] *Monitoring and Evaluating Nonpoint Source Watershed Projects*, page 2-31

improvements. Understanding broad-scale differences in geographic settings will allow states to implement programs more effectively in different regions with different planning needs. WBP developers should coordinate with EPA regional reviewers early in the process to agree on a level of adaptability, identify areas that may need updating, and agree on the appropriate spatial scale to achieve effective implementation.

4.5 Leveraging Existing Plans as Building Blocks

EPA encourages efficiency in the planning process by leveraging other relevant planning documents, and states are encouraged to use existing information to fulfill some or all the required elements. This can be done where the necessary information already exists, represents the current conditions, and is of sufficient quality and detail for the planning area. Examples of such documents may include various state and local watershed planning documents like TMDLs and associated implementation plans/approaches, source water protection assessments and plans, USDA's Natural Resources Conservation Service (NRCS) National Water Quality Initiative (NWQI) Watershed Assessments, EPA's National Estuary Program (NEP) Comprehensive Conservation and Management Plans, NEP annual project work plans, or geographic program management plans. In such cases, this information could be incorporated by reference[12] in a WBP while also ensuring that the nine elements are fully addressed in the WBP. To increase efficiency for plan reviewers and writers, states or plan developers who choose to incorporate existing planning documents should use a table or crosswalk to direct readers to the appropriate elements, documents (with hyperlinks), and pages. EPA regional reviewers are encouraged to work with writers to identify or provide clarification on using other planning documents to support or supplement elements as appropriate.

4.5.1 Integration with TMDLs

EPA encourages states to coordinate their efforts to develop and implement WBPs with efforts to develop and implement TMDLs. A TMDL is the calculation of the maximum amount of a pollutant that may enter a waterbody so that the waterbody will meet and continue to meet water quality standards. A TMDL determines a pollutant target (loading capacity), allocates loads to point and nonpoint sources, and provides a margin of safety. Where a TMDL for the affected waters is being developed or has already been developed and approved, the WBP must be designed to achieve the NPS pollutant load reductions necessary to meet the loadings set by the TMDL. In cases where a TMDL and TMDL implementation plan exist and adequately address many of the nine elements of a WBP, EPA encourages states and WBP developers to incorporate this information by reference in the WBP.

Where a TMDL has not yet been developed and/or approved, EPA encourages states and territories to address elements of WBPs simultaneously and in concert with TMDLs. By developing TMDLs and WBPs together, states can ensure that NPS load allocations are current and that WBP writers have the complete and up-to-date load reduction target information available as they develop a plan. States may use §319 funds to develop NPS-only and mixed-source TMDLs. The state must include the following information about the load allocations specified in the TMDL: (1) the total existing NPS loads and the total NPS load reductions necessary to meet water quality standards, by source type and critical source area; (2) the causes and sources of NPS pollution that will be addressed to achieve the load reductions specified in the TMDL (e.g., acres of various row crops, the number and size of animal feedlots, acres

[12] Reference to documents should include the page(s) or sections that are relevant to specific WBP elements.

and density of residential areas); and (3) an analysis of the NPS management measures, by source type, that are expected to be implemented to achieve the necessary load reductions, while recognizing that adaptive management might be necessary during implementation.

By integrating TMDLs and WBPs, states can use information submitted with the TMDL to inform the WBP. Specifically, details developed during the TMDL process may help complete elements (a), (b), and parts of (c) of a WBP—at least for the watershed areas subject to the TMDL. (See Chapter 6.2.2 for additional details, and see Appendix B for descriptions of WBP elements.)

States may also use §319 funds to develop a WBP in the absence of a TMDL. Nine-element WBPs written in areas without an approved TMDL should be designed to attain water quality standards to the greatest extent possible given the available information, or they should describe how implementing the WBP will make progress towards achieving water quality standards before a TMDL is established.[13]

Where a WBP was developed before a TMDL, the WBP should be modified as appropriate to be consistent with the load allocation in a subsequent TMDL. Alternatively, through the process of implementing the WBP, the state may find that water quality standards are met, obviating the need to establish a TMDL. EPA believes that better integrating TMDLs and WBPs to implement NPS management measures will improve efficiency and help accelerate the achievement of water quality standards.

TMDL and NPS programs often operate independently from one another. EPA encourages coordination between the two programs to best leverage available technical and financial resources and strengthen the links between watershed-based planning and achieving TMDL targets in the impaired waterbody, see Chapter 6.2.2 for additional details.

4.5.2 NRCS Watershed Assessments as a Basis for Nine-Element WBPs

NRCS requires that Watershed Assessments at the HUC-12 scale be developed before advancing watersheds to the "implementation" phase of the NWQI program. While the focus of these watershed assessments is on agricultural sources and is limited to nutrients, sediments, and pathogens, elements of these assessments overlap with and can serve as building blocks for §319 nine-element WBPs. For example, both the NRCS watershed assessment and EPA nine-element plans include sections related to background and purpose, watershed description/characterization, and watershed conditions/ hydrological characterizations, which could include similar information regardless of whether the NPS focus is on agricultural or other pollutants. Nine-element plans may also inform NRCS watershed assessments—states should coordinate with NRCS state conservationists and EPA to best use plans developed for the purposes of §319 funding for NWQI implementation or vice-versa (Chapter 7.5). If a state intends to use an NRCS watershed assessment to support a nine-element WBP in an agriculture-intensive watershed, additional flexibilities are available (see Chapter 4.6.3).

4.5.3 Federal Emergency Management Agency Hazard Mitigation Plans

When developing and/or approving a watershed plan, NPSMP staff should be aware of state or local hazard mitigation plans (HMPs) that include mitigation strategies or action items focused in the same geographic area as the target watershed. In particular, watershed planners should account for

[13] In appropriate cases, a WBP could qualify as an "Advance Restoration Plan" for purposes of EPA's 2022–2032 Vision for the CWA Section 303(d) Program and associated metrics. See EPA's 2024 Integrated Reporting Memorandum.

mitigation actions that may impact hydrology, flow, or water quality in the watershed and/or mitigation strategies/action items that include nature-based solutions. Watershed planners should look to the HMP to discern whether critical areas—areas within a watershed that contribute a disproportionality large amount of pollution—of the watershed align with target areas for mitigation strategies/action items.

To the extent possible in situations where planning areas align (i.e., a local HMP includes strategies/action items that intersect with critical areas of the target watershed), watershed planners should coordinate project planning and implementation with the mitigation planner(s)/emergency manager(s) responsible for HMP implementation. By communicating regularly about plans/projects occurring in the same geographic areas at the same time, NPS coordinators and hazard mitigation officers can avoid duplicating efforts while promoting opportunities to collaborate and share information and resources between agencies/organizations. If a draft HMP is being developed in an area that intersects with a watershed plan, NPS staff/watershed planners are encouraged to be involved in the HMP development process where appropriate. The Federal Emergency Management Agency (FEMA) has more information about hazard mitigation planning.

By collaborating with state or local hazard mitigation planners/emergency managers, all parties can understand if/where critical water quality and target areas for mitigation actions align, and they can identify and share data sources to better inform the watershed plan/HMP. Planners can work together to implement BMPs of mutual interest, which can produce resiliency and water quality co-benefits. This collaboration has the potential to produce more comprehensive WBPs and HMPs that appropriately plan for water quality priorities, climate adaptations, and resiliency considerations that can influence project design/selection and project implementation.

4.5.4 NEP Comprehensive Conservation and Management Plan and Annual Work Plans

NEPs must develop annual work plans that identify the year's priorities, activities, and deliverables. During the work plan process, states might want to work with their local NEP to identify opportunities for collaboration or leveraging funds. As per the NEP's 2021–2024 *National Estuary Program Funding Guidance*, the program areas of special interest align with the NPS national priorities outlined above, including reducing nutrient pollution, adding GSI, and building resiliency. Like WBPs, Comprehensive Conservation and Management Plans are living documents and should be assessed every three to five years, with revisions occurring every 10 years. During this assessment process, state NPSMPs should consider collaborating with their local NEP to align priorities and share resources as appropriate.

4.5.5 Source Water Protection Plans

The 1996 SDWA Amendments require Source Water Assessment Programs to include the delineation of the land area(s) that provide water to each public drinking water source, an inventory of existing and potential sources of contamination in those areas, and an assessment of the susceptibility of each drinking water source to contamination. State or local source water protection programs may also have an action plan to protect or restore the water quality or quantity of a drinking water source, including defined implementation tasks and milestones, resource needs, and a timeline for achieving goals. Source water protection planning documents likely include information on NPS pollution management strategies that may align with NPS objectives, such as reducing nutrient pollution and occurrence of harmful algal blooms, building resiliency to climate change, informed land use planning, responsible stormwater management, education and outreach, and effective water quality monitoring. These assessments and plans may be available from the state source water protection program or a public

water system. States NPSMPs may benefit from partnering with state source water protection and drinking water programs and/or public water systems to identify common goals and leverage funds and resources.

4.5.6 Geographic Programs

States in an EPA region that contains an EPA Geographic Program can utilize larger geographic planning documents to support WBP development. These planning documents are a good starting point but should not be used as is for watershed project implementation. However, they can be used to narrow the scope on areas where water quality improvements are likely. As mentioned in Chapter 5.5, plan developers should clearly identify where in the planning document a reviewer can find information related to specific elements.

4.6 Alternative Watershed-Based Plans

4.6.1 Overview

EPA recognizes that many states and local groups already have in place or are developing WBPs and strategies at varying levels of scale, scope, and specificity. In a few select cases listed below, EPA recognizes that alternative plans to a WBP, also called an alternative plan, may provide an effective roadmap to achieve the water quality goals of CWA §319-funded restoration or protection efforts.

In such cases, states must provide the Regional EPA NPS contact with justification for why a complete nine-element WBP is unnecessary and why an alternative plan is sufficient to guide watershed project implementation. This justification may be described in the state's NPSMP plan. Incorporating considerations for circumstances described below will allow states to respond quickly to NPS pollution issues that would benefit from an alternative plan.

Except when addressing an NPS pollution emergency or urgent NPS public health risk, EPA requires all projects implementing a WBP or acceptable alternative plan to directly address priorities outlined in the state NPSMP. Before implementation, all plans should include an analysis sufficient to ensure that the water quality problem or threat can be addressed through the recommended management strategies outlined in the plan.

The scope of an alternative plan is less than that of a nine-element WBP, although some states may choose to develop a nine-element plan for an alternative scenario. EPA encourages states and partners to build on existing planning documents that adequately address some or all the required elements (see below for a complete list). Like nine-element WBPs, existing planning documents, such as TMDLs and TMDL implementation plans and other restoration or protection plans, may serve as valuable building blocks for an alternative plan. When using existing planning documents, the alternative plan should clearly reference those documents.

4.6.2 Elements of an Alternative Plan

EPA regions will review and approve all alternative plans, with some exceptions (see Chapter 5.7), to ensure the following planning elements are adequately addressed:

- Describe watershed project goal(s) and explain how the proposed project(s) will achieve water quality goals.

- Identify the causes or sources of NPS impairments, water quality problems, or threats to healthy waters, including critical source areas addressed by the alternative plan.
- Propose management measures and BMPs (including a description of operation and maintenance requirements) and explain how these measures will effectively address the NPS impairment identified above.
- Establish a schedule and milestones to guide project implementation.
- Include a water quality results monitoring component describing the processes and measures (e.g., water quality parameters, stream flow metrics, biological indicators) that will help gauge project success.

4.6.3 Specific Circumstances

Plan developers are encouraged to notify their EPA regional and state contacts when situations may warrant using an alternative plan. EPA regions may authorize the use of watershed project funding to implement alternative plans described below in the following circumstances:

1. **When the impairment is caused by a change in physical conditions or is otherwise not pollutant specific.**

   The current WBP approach emphasizes identifying major NPS pollutant sources in critical areas as well as planning for and achieving NPS pollutant load reductions. In scenarios where a water body impairment is not caused by a pollutant (e.g., waters assigned to Category 4C in the CWA §303(d) program), an alternative plan may be sufficient to guide CWA §319-funded watershed projects. Circumstances where an alternative plan might be appropriate include hydrologic alteration (e.g., flow alteration) or habitat alteration (e.g., fish passage barriers). Sources of hydrologic and habitat alteration may include impoundments, dams, channelization, levees, water withdrawals, and culverts. Climate change is expected to exacerbate changes to the natural flow regime resulting from anthropogenic hydrological alteration. For this scenario, the state must provide assurance that appropriate watershed analyses were conducted to ascertain that the water quality problem will be fully addressed by dealing with the pollution source.

2. **When responding to an NPS pollution emergency or urgent NPS public health risk.**

   In scenarios where the proposed CWA §319 project(s) responds to an urgent, unplanned NPS pollution emergency or urgent NPS public health risk in an area for which a WBP does not exist or address the post-emergency situation (e.g., efforts to control erosion and re-establish vegetation in the immediate aftermath of a forest fire, efforts to reduce pollution affecting drinking water safety, other climate-related events), an alternative plan may be developed to ensure the timely, targeted use of watershed project funds.

   Where an existing WBP addresses the NPS pollution but does not address post-emergency circumstances, the alternative plan should simply provide the updates needed to supplement the WBP sufficiently to ensure CWA §319 funds are well used to successfully address the priority water quality problem(s) in the area addressed by the alternative plan.

   Efforts to respond to an NPS pollution emergency or urgent NPS public health risk should be handled by the appropriate state and local emergency or public health agencies. In the recovery phase, alternative plans can be used to guide short-term targeted restoration work. Because these events are unplanned, states may not have funds for developing and implementing

alternative plans to address these situations. If funds are needed, states should work with their EPA region to realign funds in existing CWA §319 budgets, set aside funds in future CWA §319 grant budgets, or use alternative funding mechanisms as appropriate.

Unless highly expedited, project solicitation processes are not likely appropriate for projects implementing this type of alternative plan. Alternative plans for NPS pollution emergencies and public health risks should target implementation at the beginning of the recovery or mitigation phase (phases following the response) and within months of the emergency or public health risk. They should not be started more than two years beyond the emergency or public health risk. Implementation, monitoring, and reporting of alternative plans for emergency response should be completed within 48 months to ensure the plan is truly an alternative plan. Restoration efforts starting more than two years after the emergency (including management of ongoing, longer-term vulnerabilities such as tree death that threatens slope instability) should be guided by WBPs.

An alternative plan for responding to an NPS pollution emergency or urgent NPS public health risk could be presented in a separate plan or in a project proposal format; existing planning documents may be summarized and cited to fully address the relevant elements listed below.

When developing an alternative plan, in addition to leveraging and citing existing planning documents and the elements listed in Chapter 4.6.2, the plan must:

- Demonstrate that the proposed project represents regional/community priority implementation work (e.g., prescribed treatments for implementation in a Burned Area Emergency Response (BAER) Report).
- Be limited to a sufficiently small geographic area so that the recommended management strategies in the plan will fully address the water quality problems (or threats) caused by the NPS pollution emergency or urgent NPS public health risk in that area.
- Identify the specific locations selected for implementation (describe and, if appropriate, develop maps) and the specific BMPs identified or designed (describe how far along the designs are, e.g., 60% design, and any permits needed/obtained).

3. When protecting priority healthy waters.

Proactive NPS management activities can play a critical role in maintaining healthy waters and helping to ensure and maintain water quality restoration success. Where a watershed includes both impaired and unimpaired waters, a WBP should be developed to address all actions needed to maintain and restore water quality. In the following cases, alternative plans can effectively guide §319-funded protection activities:

- In watersheds where a state has assessed waters that are near attaining or fully attaining water quality standards and where only protection actions are needed (i.e., measures to prevent future degradation) to address documented water quality threat(s).
- In portions of a watershed (e.g., intact headwater areas) where only limited protection actions are needed to address documented water quality threat(s) and help ensure restoration activities are effective.

- In watersheds where water quality monitoring and assessment information is limited, but watershed-scale assessments (e.g., EPA's healthy watersheds integrated assessments) indicate intact watershed function and structure to support healthy aquatic ecosystems.

4. **When addressing an isolated, small-scale water quality problem resulting from one or a few sources of pollution.**

   An alternative plan may be acceptable when the NPS problem and solution are extremely limited in scope and scale, such that the water quality problem is caused by one or a very few pollution sources (e.g., failing on-site septic systems). In such cases, the state must demonstrate (through upstream and downstream monitoring, watershed characterization studies, etc.) that this impairment is isolated from other potential contributing causes/sources of pollution in the watershed. Additionally, the state must provide assurance that the proposed watershed project will significantly address the water quality problem within one grant period. Restoration efforts that may take more than one grant period to address should be guided by nine-element WBPs. In meeting these conditions, the state will ensure that multiple smaller problems are not dealt with in a piecemeal fashion when they are part of a larger water quality problem involving multiple pollution sources in the watershed.

5. **When addressing only agricultural NPS sources in an NRCS NWQI watershed.**

   As noted above, NRCS requires that Watershed Assessments/Areawide Conservation Assessments at the HUC-12 scale be developed before enrolling NWQI watersheds in the "implementation" phase. If §319 watershed projects targeting agricultural sources and pollutants (e.g., nutrients, sediment, pathogens, pesticides) are being contemplated, NRCS Watershed Assessments and related Areawide Conservation Plans/Assessments, developed in accordance with USDA guidance and with EPA review and approval, may be considered as acceptable alternative plans for the purposes of §319 funding if the documents address all of the criteria listed above in Chapter 4.6.2. States should consult with the EPA regional coordinator to discuss the appropriateness of using these documents to address agricultural NPS pollution sources.

6. **When implementing an EPA-approved Tribal NPSMP plan.**

   Beginning in fiscal year 2023,14 a current EPA-approved Tribal NPSMP plan can be considered an acceptable alternative to a nine-element WBP. Tribes and intertribal consortia must meet the following four conditions for states to use CWA §319 funding for Tribal projects guided by EPA-approved NPSMP plans:

   - Be federally recognized by the Secretary of the Interior
   - Have an approved NPS assessment report in accordance with CWA §319(a)
   - Have an approved NPSMP in accordance with CWA §319(b)
   - Be approved for treatment in a similar manner as a state (TAS) in accordance with CWA §518(e)

[14] Continued Actions in FY23 to Increase Equity and Environmental Justice in the Nonpoint Source Program

States may award CWA §319 watershed project funds to CWA §319-eligible Tribes to implement project(s) consistent with these plans. In this scenario, Tribal NPSMP plans may be accepted as written and without the need to address all nine elements outlined in Appendix B. States should contact their Tribal regional coordinator with questions about Tribal NPSMP plans.

7. Other Circumstances.

An alternative plan may be used in other situations where EPA deems it appropriate. EPA regional contacts may use discretion in consultation with the state and EPA headquarters to make the case for situations not identified in these guidelines where an alternative plan would be appropriate.

4.7 EPA's Role in Developing and Reviewing WBPs (Nine-element and Alternative)

EPA regions will annually review a sample of WBPs from each state in their region and provide feedback and recommendations to help ensure these plans lay a good foundation for efforts to restore and/or protect waters while ensuring efficient and effective use of §319 funds. Each EPA regional office will have the discretion to determine the appropriate number of plans to review each year. At a minimum, EPA expects that a regional review of one WBP per state per year will serve as a threshold and that the actual number will vary based on regional and state experience and circumstances. EPA regions will select the plan(s) for review and conduct each review to assess whether the WBP meets the nine elements outlined in Appendix C of these guidelines. Completed WBPs reviewed by EPA regions and determined to meet the nine elements will be considered accepted by EPA.

Upon completion of each WBP review, the EPA region will provide written feedback to the state, identifying any opportunities for improving the plan to better satisfy the nine elements. In general, EPA regions have the discretion to determine when WBPs meet the nine key elements and thus are acceptable for implementation with watershed project funding.

EPA regions are encouraged to review draft WBPs currently under development, particularly where §319 funds support plan development. In those cases, EPA and the state should coordinate EPA's review so that the subgrantee has ample time and resources to make any necessary revisions before the subgrant closes. In cases when the EPA region selects a completed WBP to review, for which the §319 subgrant may have already closed, any adjustments to the WBP based on EPA feedback should occur concurrently with implementation. It is encouraged that revisions to the watershed plan be task one in the work plan prior to its implementation with additional §319 funds.

Before a state can proceed with implementing an alternative plan, the EPA region must review and approve the plan to ensure it meets the elements discussed above. However, if the EPA region determines that a state has a complete and comprehensive understanding of the requirements for developing a certain type of alternative plan, the region can waive review of that type of plan for that state. The region should periodically evaluate alternative plans from the state for which they have provided review flexibilities to ensure the state is still meeting expectations or if the state is developing an alternative plan for a circumstance that is not common in the state.

Like nine-element plan development, plan writers should engage with EPA early in the process and provide opportunities for draft review. EPA is expected to conduct reviews in a timely manner. However, in cases of an NPS pollution emergency or urgent NPS public health risk, EPA will expedite the review of an alternative plan. States should request the timeframe by which such a review must be completed (e.g., 'x' business days). The EPA regional office should prioritize accommodating such a request so that public health and safety are not compromised any longer than necessary.

Chapter 5. Grant Award Mechanics

5.1 Introduction

CWA §319 grants must meet all applicable statutory, regulatory, and other requirements, such as relevant EPA grant policies and guidance that have requirements for the use of EPA grant funds, including ensuring CWA §319 funds are used in a manner that is reasonable, necessary, and allocable to the grant. Statutory laws are codified in the United States Code and are created and approved by the United States Congress and the president. Federal agencies write and publish regulations yearly in the Code of Federal Regulations (CFR) to set specific rules under particular statutes. Table 1 lists some of the requirements for each of the three categories that pertain to §319(h) grants.[15]

Table 1. Primary Requirements Applicable to §319(h) Grants[a]

Categories of Requirements	Citations Relevant to §319(h) Grants
Statutes	**CWA §§ 101, 205, 208, 303, 319, 501**
Regulations	2 CFR parts 184, 200 and 1500 40 CFR parts 7, 29, 33, 34, and 35
EPA Grant Guideline	https://www.epa.gov/nps/cwa-ss319-grant-current-guidance

[a] This table reflects primary requirements applicable to grants awarded from fiscal year 2023 forward.[16]

State NPSMP managers should note EPA's Environmental Program grant regulations at 40 CFR part 35. Subpart A of these regulations contain §§ 35.260–35.268, which address the purpose of NPS management grants (40 CFR 35.260), the maximum federal share (40 CFR 30.265), the maintenance of effort (MOE) requirement (40 CFR 35.266), and some of the award limitations contained in CWA §319 (40 CFR 35.268).

5.2 Statutory and Regulatory Expectations

5.2.1 Obligate Funds Within One Year

Per CWA §319(h)(6), states must obligate the funds within one year; any such funds not obligated within this timeframe shall be available to EPA for granting to other states. EPA has interpreted §319(h)(6) to provide that the funds must be obligated one year from the date of the grant award. For example, grant funds awarded to a state on December 1, 2023, remain available for obligation until December 1, 2024. This requirement is intended to apply to obligations for subawards or contracts and not to internal, staff-related costs.

5.2.2 Nonfederal Share is 40% or Greater

The federal share may not exceed 60% of the NPSMP implementation cost, and the nonfederal share must be provided by nonfederal sources. The nonfederal share for the entire grant must be at least 40% (CWA §319(h)(3) and 40 CFR 35.265). The nonfederal match does not need to be provided at the time of the grant award, but the funds must be contributed as needed to meet the schedules established in the

[15] For more information on statutes, regulations, and guidelines related to §319 grants, see Section 1.3 of *Applying for and Administering CWA Section 319 Grants: A Guide for State Nonpoint Source Agencies*.
[16] Ibid., 8

work plan milestones and must occur during the grant period. EPA regions must verify that grantees have satisfied the match requirements upon review and approval of the grantee's final federal financial report.[17]

For §319 funds in Performance Partnership Grants (PPGs), the cost share requirement (40 CFR 35.136) is either the amount of funding required to meet the §319 40% match requirement or the amount of funding needed to meet the MOE requirement, whichever is greater. The nonfederal share of costs must be provided from nonfederal sources (CWA §319(h)(3), 40 CFR 35.265, and 2 CFR 200.306(b)(5)). With the qualifications listed in 2 CFR 200.306, a matching or cost-sharing requirement may be satisfied by any of the following:

- Allowable costs incurred by the grantee, subrecipient, or a cost-type contractor under the assistance agreement. These include costs borne by nonfederal grants or by cash donations from nonfederal third parties.
- The value of third-party, in-kind contributions (e.g., donated personnel time, supplies, equipment, landowner project cost) applicable to the period to which the cost-sharing or matching requirements apply.
- "Recycled" CWSRF dollars under Title VI of the CWA can be used to provide a match for §319 grants. These are funds that have been loaned by the state and subsequently repaid by the borrower to the state. The repaid funds are then recycled by the CWSRF program to provide loans that fund other water quality projects. These recycled funds are not treated as federal funds for the purposes of a cost share requirement or match; therefore, they are eligible to be used as a match for §319 funds, provided that they, like any other §319 match funds, are used to implement the approved §319 state NPSMP.

Consistent with 2 CFR 200.306, the following items may not be used as matching funds:

- Other federal funds, including in-kind services by staff, other than those that are available to match other federal grants by law.
- Unallowable costs for the project/program (e.g., lobbying).

5.2.3 Using §319 Funds for Demonstration Projects

CWA §319(h)(7) provides that states may use §319 funds to provide financial assistance to "persons" if the costs are related to implementing "demonstration projects." The provision means that BMP or management measures may be funded in multiple locations. BMPs may need to be evaluated in multiple locations to assess their potential utility in varied hydrogeological and sociological settings. Moreover, projects occurring in multiple locations within a state provide opportunities for knowledge transfer to others who may wish to use similar approaches. Watershed-scale demonstration projects should be guided by comprehensive plans that identify appropriate BMPs to be implemented at appropriate sites throughout the watershed.[18] Where a person[19] is the §319 subrecipient, the total cost for a demonstration project from all sources (§319 and other state, federal, or nonprofit funds) may not exceed 100%.

[17] Reported using standard form 425.
[18] See EPA's *Critical Source Area Identification and BMP Selection* (2018)
[19] The term "person" means an individual, corporation, partnership, association, State, municipality, commission, or political subdivision of a State, or any interstate body (33 U.S.C. §1362(5)).

5.2.4 States Must Maintain Level of Effort

CWA §319(h)(9) and 40 CFR 35.266 require any state applying for §319 grants to establish and maintain its aggregate annual level of state NPS pollution control expenditures for improving water quality at the average level of such expenditures in fiscal years 1985 and 1986. This level is referred to as the state's MOE requirement. The MOE is based on fiscal years 1985 and 1986 expenditures by the lead state agency or agencies responsible for the state's NPS pollution control activities. Federal funds may not be included in calculating the MOE base level.

The calculation of expenditures is based on activities of the state's lead NPS agency or agencies responsible for the state's NPS pollution control activities, not on related activities undertaken by other state agencies whose primary mission(s) are not related to NPS control. For example, if the state water quality agency and agricultural agency both have specific NPS water quality control programs, these should be counted in the MOE. State soil conservation programs having water quality improvement or maintenance as a primary objective also should be included in a state's MOE.

The MOE base level or annual level cannot include the MOE or matching expenditures for other federal programs, such as CWA §§ 106, 205(j)(5), and 117. Determining whether the state expenditures meet the MOE level for the purposes of awarding a §319 grant will be based on the grantee expenditures projected in the grant application. (The state will report whether it has met its MOE requirements in its final federal financial report at the end of the budget year.)

Note: As explained above, the MOE requirement in §319(h)(9) and 40 CFR 35.266 require a state to reference expenditures from fiscal years 1985 and 1986. EPA recognizes that this timeframe is more than 30 years ago, which is beyond typical requirements for records retention and management. EPA has determined that the following documentation is sufficient to satisfy the MOE requirement §319(h)(9):

- Where states have access to other documents that reference the amount of effort from 1985–1986, they may reference that documented amount when making statements to the grant project officer that the state satisfies the MOE.
- If a state cannot provide or does not have access to records documenting financial commitments from 1985–1986, they may provide a statement or letter certifying that they maintain, at a minimum, the same level of effort that the state had in the 1985–1986 timeframe. This letter should include a reasonable rationale for their estimate of the average expenditure level in 1985–1986. The determination could use, but not be limited to, historical documentation such as the earliest-available transmittal letter or official cover letter that may offer some mention of the monetary amount.

5.2.5 Cap on Administrative Costs

Pursuant to CWA §319(h)(12), administrative costs in the form of salaries, overhead, or certain indirect costs for services provided and charged against activities and programs carried out with the grant shall not exceed 10% of the total grant budget (EPA allocation plus match). The costs of implementing enforcement and regulatory activities, education, training, technical assistance, demonstration projects, and technology transfer are not subject to the 10% cap limitation.

Generally, activities that are required for states to develop, implement, and report on progress in their NPSMPs do not count as administrative costs (e.g., work plan/application development, grant annual reports). In many cases, work related to Grants Reporting and Tracking System (GRTS) activities (e.g., estimating and entering load reductions and programmatic information from a project) can be considered a program activity and does not need to be counted toward this 10% cap on administrative costs.

5.2.6 Allocation of Funds

EPA uses an allocation formula to set states' funding for §319 grants. The allocation percentages in Appendix C determine the amount of funding to be awarded to each state. The factors and weights used in the formula have remained the same since the §319 grant program began. Each year, after accounting for Tribal §319 program funds, the Congressional appropriation for §319 will be multiplied by the applicable percentage presented in Appendix C to determine each state's allocation for that year. Upon receiving the annual Congressional §319 appropriation and final Agency Operating Plan, EPA headquarters will notify the EPA regional offices of each state's allocation, and the regions will notify the states. In advance of the final appropriation, the EPA regions and states will begin grant negotiations based on the previous year's award amount or the president's budget, whichever is higher, as described in Grants Policy issuance (GPI) 12-06, *Timely Obligation, Award, and Expenditure of EPA Grant Funds*.

5.3 CWA §319 Grant Work Plan Requirements

CWA §319(h)(1) and 40 CFR 35.260(b) provide that §319 grants are to assist the states in implementing state NPSMPs. Under CWA §319 (h)(2), an application for a grant in any fiscal year shall contain information such as the identification and description of BMPs and the measures that the state proposes to assist, encourage, or require in such a year. The work plan is part of the grant application and is negotiated between the grant applicant and the EPA project officer and managers. State grant work plans must comply with all applicable federal regulations and EPA orders and guidelines. Work plans should be consistent with EPA policies and guidance, which are prepared to support effective state programs. A state work plan reflects consideration of factors such as goals, objectives, and priorities proposed by the applicant and other jointly identified needs or priorities. It must identify priority activities from the NPSMP for funding in the next fiscal year and is the basis for management and evaluation of performance under the grant.

Each state §319(h) grant application package must include the appropriate application forms, work plan, and project costs (40 CFR 35.104, 2 CFR 200 and 1500). The term "work plan" is used in 40 CFR 35.107 and 35.268(d)(5) to describe both the overall technical description to be funded in the annual grant application and the individual work plan component descriptions. For the purpose of these guidelines, a "work plan" refers to the annual grant application, and the individual work plan components contained in the overall grant application package will be referred to as "projects." Each funded program activity or watershed project in the state grant work plan must lead to the accomplishment of management program objectives identified in the EPA-accepted state NPSMP. State grant work plans must link the funded activities or projects to the relevant element(s) of the state NPSMP.[20]

[20] If a state proposes a work plan that is significantly different from the goals and objectives, priorities, or core performance measures for NPS activities in the *National NPS Program Guidance*, the EPA regional administrator (but, more typically, the EPA regional water division director through redelegation) must consult with the national NPS Program manager before agreeing to the work plan.

For each of the CWA §319-funded activities proposed, the state grant work plan should include a brief and concise summary explaining the state's strategy for using CWA §319 funds for the grant awarded. Each project summary should include the following:

- The problems to be addressed and the goals, including water quality targets, objectives, and tasks aimed at addressing problems.
- The lead implementing agency and other agencies that will be authorized to expend project funds.
- The types of measures or BMPs that will be implemented and the projected implementation schedule.
- Well-defined outcomes and outputs to the maximum extent practicable, including target dates for accomplishing interim outputs. The outcome of any work plan activity should be the long-term goal to be accomplished, such as achieving water quality standards. Outputs are the quantifiable activities undertaken to reach each outcome, such as the load reductions contributing to a delisting.
- The outcomes supported by the tasks and the indicators and/or other performance measures that will be used to evaluate success.

Outputs for all activities, including those funded through the NPS program funds, should be linked to water quality outcomes.[21] It is not sufficient to describe the funding of state or local staff positions to implement the state NPSMP. Staff time should be described in terms of support for specific outputs and outcomes geared toward water quality results. Activities funded with §319 project funds should be clearly identified as such in the state work plan. The work plan synopsis should provide references to locate the WBP or acceptable alternative plan for the project, including online sources where available.

States that include all or a portion of their §319 funds in a PPG should note that their work plan is required by regulation to describe each significant category of NPS activity to be addressed and the state work plan outcomes and outputs to be produced for each category (see 40 CFR 35.268(d)(4)).

If a project is located within a municipal separate storm sewer systems (MS4) permitted area or overlaps an MS4-permitted area due to the scope of the project (e.g., a watershedwide or regional educational effort), a state should assess, document, and confirm with the EPA region that the proposed work does not implement a National Pollutant Discharge Elimination System (NPDES) permit requirement(s) or serve to provide regulatory credit for meeting a performance requirement(s) in the permit. The state should include a declarative statement in the work plan that the project being funded with §319 funds is not required by the terms of the NPDES permit and/or will not be credited towards meeting any permit terms or conditions.

[21] EPA's Order Environmental Results under EPA Assistance Agreements defines outputs and outcomes. The term "outputs" means an environmental activity, effort, and/or associated work products related to an environmental goal or objective, which will be produced or provided over a period of time or by a specified date. The term "outcome" means the result, effect, or consequence that will occur from carrying out an environmental program or activity that is related to an environmental or programmatic goal or objective.

A §319-funded project may occur on a site listed on the National Priorities List or otherwise subject to a Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) remedial, removal, or Resource Conservation and Recovery Act (RCRA) cleanup action, provided that the CERCLA or RCRA program has determined no further remedial or corrective action is necessary at this time and confirmed the §319 work does not jeopardize or alter the protection of the site remedy.

EPA regions must ensure state grant work plans negotiated under CWA §319 follow all relevant EPA policies, including Grants Policy Issuance (GPI) 16-01: EPA Subaward Policy for EPA Assistance Agreement Recipients; *GPI 11-03, State Grant Workplans and Progress Reports*; and *GPI 12-06, Timely Obligation, Award and Expenditure of EPA Grant Funds*. For additional information about funding balance and the eligible use of funds in watershed projects please see Chapters 6 and 7.

5.4 Process and Schedule for Awarding §319 Grants

5.4.1 Grant process overview

Although this document is intended for state and territory NPS agencies, it is important to understand the major roles that EPA and subrecipients play in the grant process. Table 2 illustrates the "big picture" of the §319(h) grant process by showing the interrelationship of the roles of EPA, the state NPS agency, and the subrecipients.

5.4.2 State Project Solicitation and Selection

States are strongly encouraged to begin their internal project development and project solicitation processes (such as identifying priority areas for funding and request for proposals (RFPs)) as early as possible to ensure that project proposals are secured in advance of, or as early as possible in, the federal fiscal year of the §319 grant award. States should reference their approved state NPSMPs (e.g., in an RFP) so project sponsors focus on activities consistent with current state NPSMPs. States are encouraged, where feasible, to discuss proposed projects with EPA regions before submitting the draft work plan to EPA so that the subsequent submission can be reviewed and approved expediently. EPA encourages states to submit subrecipient project proposals to EPA as soon as possible, especially if they believe complex issues may arise (e.g., whether the proposed project is legally fundable or meets criteria established in applicable guidelines) or if they desire technical assistance from EPA. EPA's approval of a state's §319 work plans indicates the approval of projects for funding. Additionally, states must request prior approval from EPA for any additional projects not described in the work plan and funded in the approved award (2 CFR 200.308).

EPA encourages states with project solicitation phases to review and make appropriate adjustments to their solicitation processes and project selection criteria as necessary to ensure that criteria reflect priorities in their NPSMPs and the federal requirements (e.g., regulatory, programmatic). Project selection criteria are critical to ensuring the selection of well-designed projects implemented by project proponents with the capacity to deliver water quality improvements. States' subgrants must comply with EPA's GPI 16-01: EPA Subaward Policy for EPA Assistance Agreement Recipients.

Table 2. Overview of EPA's grant award, implementation, and review process

	EPA		State NPS Agency		Subrecipients
Pre-award: Work Plan Development	HQ announces §319 grant allocations Regions await state grant application Regions and state negotiate to finalize WPs Region approves WPs	↔ ↔	Develops grant WPs Submit final WP to EPA region	↔ ↔	Have access to funds via a state RFP[a] or other procurement process for implementing a regulatory NPS program
Grant Award	Awards §319 grants funds to state	→	Uses §319 fund to implement NPSMP and approved WP Distributes funds to subrecipients in accordance with state and federal requirements	↔ →	State reviews and ranks subaward proposals for §319 funds Use §319 funds to implement NPS projects
Post-award Reporting	Imports §319 grant fund information into GRTS Reviews progress reports and program/grant progress Determines satisfactory progress	↔ ← ←	Enter required NPS information into GRTS Submits periodic progress reports and interim FSR to EPA Submits annual report on NPSMP	↔ ←	May enter or provide data for states to enter into GRTS Submit progress and financial reports to state agency
Grant Closeout	Closes out state grant	←	Submits final FSR and final report and closes out grants	←	Submit final project and financial report and close out contract/grant

Notes:
The arrows indicate the typical flow direction of the grant process across EPA, the state, and subrecipients.
FSR = financial status report; GRTS = Grants Reporting and Tracking System; HQ = EPA headquarters; NPS = nonpoint source; NPSMP = nonpoint source management program; RFP = request for proposal; WP = work plan
[a] RFP process may occur before or after initial grant negotiations and/or award.

5.4.3 Process for Awarding §319 Grants

EPA recognizes that the §319 grant award process and timeline may vary from state to state (e.g., due to differing fiscal years, state RFP processes) and is presenting this process to provide a general outline of the steps to be followed without dictating a uniform schedule for state submissions.

EPA regions should review and comply with GPI 12-06, *Timely Obligation, Award, and Expenditure of EPA Grant Funds*, and GPI 11-01, *Managing Unliquidated Obligations and Ensuring Progress under EPA Assistance Agreements*, as amended on November 12, 2020. Among other provisions, these policies limit continuing state and Tribal environmental programs (40 CFR part 35 subparts A and B) grants, including §319, to five-year project periods, and they require EPA regional program offices to negotiate a target outlay strategy with their states to ensure the timely drawdown of federal funds.

Before beginning the award process, EPA regions will discuss a submittal/negotiation schedule with each state to ensure the timely award of the §319 grant. If any national annual guidance is needed, EPA headquarters will strive to issue such guidance as early as possible in the preceding fiscal year. The award process is summarized in the following six steps.

Step 1: States begin the subgrantee proposal processes, if applicable.

States should expeditiously implement their processes to develop or solicit subgrantee proposals (e.g., the RFP process used by many states to solicit grant projects). States are encouraged to solicit input from EPA regions on draft state RFPs. They should also develop expeditious processes to review subgrant project proposals and select the top subgrant projects for inclusion in their draft work plan. States should provide clear written guidance to all subgrant project applicants to ensure they are aware of federal requirements for project eligibility, state NPSMP priorities, and state project selection criteria. EPA regional involvement in the state subgrant process will follow the Grants Policy Issuance 16-01, *EPA Subaward Policy for EPA Assistance Agreement Recipients*.

Step 2: States submit draft work plans and budgets to their EPA regional office.[22]

Each state will submit a draft work plan and budget to EPA regional program staff. Each EPA region will work closely with the state to provide input as the state develops the grant work plan. EPA regions must be able to determine from the draft work plan that they conform to all applicable legal requirements of CWA §319, EPA's general grant regulations in 2 CFR Parts 200[23] and 1500, 40 CFR Parts 7, 29, 33, 34, and 35); and all other applicable EPA orders and policies including these guidelines. The EPA region will work with the state to ensure that its work plan:

1. Is designed to help achieve the goals and objectives contained in these guidelines and in the state's NPSMP and to help assess the state's success in meeting these goals.
2. Has programmatic, technical, and/or scientific merit.
3. Includes costs that are eligible, reasonable, necessary, allowable, and consistent with the grant, including costs for state and local staff.

[22] For states that include their 319 funds in a PPG once this work plan is approved in Step 3, that work plan is included in the PPG consolidated work plan 40 CFR 35.137(a)(3).
[23] Note that, as explained in 2 CFR 200.104, 2 CFR part 200 supersedes the requirements of certain OMB Circulars, including A-21, A-87, A-89, A-102, A-110, A-122, A-133, and the sections of A-50 related to audits under subpart F of 2 CFR part 200.

4. Is well-coordinated with other state and federal programs.
5. Identifies and resolves gaps between program objectives and planned activities.
6. Identifies the specific outcomes, outputs, and other results (e.g., water quality restoration targets) linked to the funding and includes target dates and milestones for achieving them.
7. Facilitates tracking progress toward national goals in reducing NPS pollutant loads and achieving and maintaining water quality standards.

Step 3: EPA regions conduct reviews of state draft work plans and budgets and provide comments to the state.

EPA regional staff will review each state's draft work plan and budgets, coordinate with other programs as appropriate (e.g., SDWA, TMDL), and communicate with the state to resolve any technical, administrative, or eligibility issues. EPA regions will strive to conduct the reviews and provide feedback to states in a reasonable timeframe. This feedback should focus on consistency with the factors described in step 2 above. EPA regions may also provide technical comments to the state on how particular proposed projects or programs could be clarified, improved, or otherwise modified to result in a better project or program.

Step 4: States submit final work plans and budgets and grant applications via Grants.gov.

States should contact EPA to discuss any questions and the intended responses to EPA comments on the draft work plan; the final work plan must address all comments. After finalizing the work plans based on EPA feedback, states are encouraged to submit final work plans/grant applications via Grants.gov, generally at least 60 days before the proposed funding period begins (40 CFR 35.105).

Step 5: EPA regions award grants to the state.

The grant award is contingent upon the EPA region determining in writing that the state has made "satisfactory progress" in the preceding fiscal year in meeting the schedule and milestones specified in the state NPSMP (see Chapter 9.2).

Each EPA region will review and approve the final state grant work plan and application (see 40 CFR 35.111). If a state work plan meets all the requirements described under steps 2 and 3 above, the EPA region will conduct the final reviews of a completed state work plan and application and approve both within 60 days of receipt (see 40 CFR 35.110). Where issues remain unresolved, the EPA region and/or the state will elevate discussions to more senior management levels to quickly achieve resolution. The EPA region will strive to inform a state within 30 days of receipt of the state's grant application if the state's application is not complete. If the funds allocated to a state cannot be fully awarded to that state, the EPA may reallocate the funds to another state, eligible territory, or Tribe. EPA may also condition a grant so that funding may only be drawn down to a specified level until certain conditions are met. These conditions will be included in the terms and conditions of the grant (see Appendix E).

Step 6: States obligate funds as expeditiously as possible.

States will obligate the awarded funds as quickly as possible (see Chapter 5.2.1) and conduct funded activities according to the schedules in the approved work plan. EPA regions should include in each grant a condition requiring the grant recipient to award all proposed subgrants, contracts, and interagency

agreements no later than one year after the grant award.[24] Note that the term "obligate" does not mean to "expend." The term Financial obligations (2 CFR 200.1) means orders placed for property and services, contracts and subawards made, and similar transactions that require payment.

EPA recognizes that each state has a different process, often governed or influenced by state laws, regulations, or control mechanisms, which results in varying time periods for subgrants and contracts to implement projects. States should make every effort, including modifying state procedures, if appropriate, to ensure the funds are made available to project implementers as soon as possible after the grant is awarded to the state.

5.5 State Expenditure of Awarded Funds

Funds appropriated by Congress should be efficiently and effectively used for their intended purpose and should not remain unused for significant amounts of time. States must expend awarded funds as rapidly as practicable based on the approved work plan and the funds outlay strategy negotiated by the EPA region and the state. To increase the rate of expenditure of awarded funds for multiyear watershed project subgrants, a state's preferred approach might be to award the funds gradually over the years rather than all at once. EPA will continue to work with the states to streamline the §319 grant award process, facilitate best practices to ensure the expenditure rate of §319 funds is appropriate and commensurate with the outlay strategy and approved work plan negotiated with the state, and ensure that all funds awarded to the state are drawn down within the maximum five-year project period in accordance with EPA's *Amended GPI 11-01 – Managing Unliquidated Obligations and Ensuring Progress under EPA Assistance Agreements*[25] (also see *Section 319 Grants Streamlining Policy and Program Expectations for Expenditure of Funds*).

5.6 Grant Award Approaches

5.6.1 PPGs

PPGs are grant delivery tools that allow states and Tribes to combine eligible State and Tribal Assistance Grant Program grants, including CWA §319 grants, into one multi-program grant. PPGs typically reduce administrative costs by streamlining paperwork and accounting procedures, providing flexibility to direct resources toward the highest-priority environmental problems, and supporting cross-media approaches or initiatives. Administrative benefits typically include a consolidated grant work plan, budget, performance progress report, and federal financial report. Additionally, the PPG nonfederal cost share is a composite of the cost shares for each of the grants in the PPG and can be met using any combination of the appropriate funds the state has available. For more information on PPGs, see the *Best Practices Guide for Performance Partnerships with States*.

[24] This grant condition and others, including the sufficient progress term and condition to comply with GPI 11-01 and GPI 12-06, are included in EPA's nationally consistent §319 grant terms and conditions list for fiscal year 2023 and beyond (see Appendix E).

[25] Per Section 15 of *Amended Grants Policy Issuance (GPI) 11-01 – Managing Unliquidated Obligations and Ensuring Progress under EPA Assistance Agreements*, waivers to this policy may be approved by EPA.

CWA §319 funds are eligible for inclusion in a PPG. States wishing to include the §319 grant in a PPG should use these guidelines to develop their NPS work plans. Many states use a Performance Partnership Agreement (PPA), or portions of the PPA, as the PPG work plan. All state grant work plans, including the portions of a PPA that serve as a grant work plan, must meet the requirements of 40 CFR 35.107(b). In addition, the portions of the PPA that are used as the §319 work plan must be clearly identified and distinguished from other portions of the PPA and meet the requirements in 40 CFR 35.107(b) (see 40 CFR 35.107(c)). PPG work plans also are required by 40 CFR 35.107(b) to specify work plan components to be funded under the PPG and the related NPS activity category and the work plan commitments to be produced for each category (see 40 CFR 35.268(d)(4)).

States with §319 funding included in PPGs are subject to the same program reporting, evaluation, and other accountability requirements contained in EPA's grants regulations. As with any other EPA grant, states are held accountable for achieving the outcomes and outputs identified in PPG work plans. States are required to submit work plans and annual reports, and they must include project data through GRTS at a level of detail to ensure that EPA regions can measure and track states' outcomes and outputs. To meet the basic national NPS Program requirements under these guidelines, PPG states will be required to identify work plan outcomes and outputs as part of an NPSMP or watershed project-funded work (both federal share and nonfederal share) and to provide other identifiers, such as whether a project is focused on restoration or protection. While not required, states with §319 funding included in PPGs are strongly encouraged to track project-specific financial information (e.g., via GRTS).

5.6.2 Multiyear Work Plans

EPA encourages states to develop multiyear work plans for §319 grants when the plans can improve efficiency in grants management or program implementation. For example, a state may wish to present a three-year work plan that would guide the state's grant activities for the next three years. When approved by EPA, this work plan would not need to be resubmitted and re-approved except to the extent that the state wishes to change it to address new circumstances. In addition to the information required in Chapter 5.3 above, the work plan should include the interim milestones and final dates for completing activities. The interim milestones should be sufficiently frequent to ensure timely performance throughout the project period, allowing the state to identify problems and correct them expeditiously.

For multiyear awards, states should apply for the total amount of funds expected for the period covered by the award and include any required match in the application; the state work plan should cover the same time period. EPA will fund the application incrementally as funds become available. Note that, because a given project period for §319 grants is not to exceed five years, states will have less time to spend §319 funds in the later years of multiyear grants. For example, if a state is awarded a five-year grant in fiscal year 2023 that will be incrementally funded, the state will have a maximum of five years to expend fiscal year 2023 funds, four years to expend fiscal year 2024 funds, and so on. In other words, states should realistically estimate how long they and any subgrantees will need to spend a given year's funding and consider their multiyear work plans accordingly.

The multiyear planning approach can reduce paperwork and improve long-term planning and implementation with respect to both programmatic activities and specific watershed projects. States and EPA will, however, retain the option of negotiating modifications to multiyear work plans on an annual basis.

5.6.3 Territories

CWA §319 funds for American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the U.S. Virgin Islands may be managed through the Environmental Protection Consolidated Grants as provided by §501 of the Omnibus Territory Act of 1977, 48 U.S.C. §1469a. This consolidated program support grant is an alternative assistance delivery mechanism that allows an agency eligible for assistance for two or more pollution control programs to consolidate its assistance requests into a single application and receive a single consolidated award (www.sam.gov; assistance listing number: 66.600).[26]

[26] For details on consolidated grants to the Virgin Islands (EPA Region 2) or American Samoa, the Commonwealth of Northern Marianas Islands, and Guam (EPA Region 9), contact the appropriate EPA regional NPS coordinator.

Chapter 6. Funding Use

6.1 Activities Eligible for Funding Under CWA §319

Approved state NPSMP plans provide the framework for determining what activities are eligible for funding under §319(h). EPA expects each state to use §319 funds to restore and protect the priority waterbody types for the state, including all types of surface water and groundwater[27] (if applicable), as identified in the state's NPSMP. Including groundwater and lake protection activities in a state's overall NPSMP maximizes the state's flexibility to address all causes and effects of NPS pollution.

States must demonstrate that they maintain an appropriate balance between implementing activities supported by CWA §319 funds and other important activities, such as developing WBPs/TMDLs and conducting other planning, assessment, and NPSMP efforts. These guidelines emphasize the use of §319 funds for implementing WBPs to restore impaired waters, and they require states to set aside at least 50% of the §319 funds for watershed projects that implement WBPs. This set-aside is referred to as watershed project funding. States may use the remaining §319 funds, referred to as NPS program funds, for the full range of activities that support the goals of the state NPSMP.

CWA §319 funding cannot be used to support activities associated with implementing NPDES permit requirements because these requirements are considered point source controls. Please see Chapter 7.2 for more details.

6.1.1 Tracking §319 Funds to Balance Implementation and Program Management

EPA requires that §319 grantees document in GRTS that the 50% minimum watershed project funding requirement is being achieved. Additional information provided below will help staff correctly categorize the funds in GRTS for each type in specific situations. More information on the reporting and tracking requirements can be found in Chapter 8.

6.2 NPS Program Funds

NPS program funds comprise up to 50% of the total state CWA §319 grant and may be used for a range of activities that support the goals of the state's approved NPSMP plan within the parameters provided by these guidelines and other applicable statutory, regulatory, and administrative criteria. As with watershed project funds, states may use NPS program funds to support eligible NPS activities at the state level or through CWA §319 subawards and state contracts.

6.2.1 Program Management Activities

The following program management activities are generally supported with NPS program funds:

- NPS state programs, including nonregulatory or regulatory[28] approaches for enforcement, technical assistance, financial assistance, education, training, technology transfer, and demonstration projects to achieve implementation of BMPs and water quality goals.

[27] EPA's policy is to award all §319 grants under §319(h) in lieu of awarding separate grants under §319(i) or §314 to provide better integration, flexibility, and efficiency.
[28] For states that have a regulatory NPS program, see also Chapter 6.5.

- Managing other statewide NPS efforts (e.g., NPSMP coordination and reporting, managing subgrantee work plans, progress reports, and project deliverables).
- Performing activities such as statewide or regional outreach or education.
- Conducting activities related to data reporting, including GRTS and Water Quality Exchange (WQX) data entry.

6.2.2 Plan Development Activities

The following plan development activities are considered eligible for program funding:

- **Developing WBPs.** If a WBP being developed includes identified disadvantaged communities or information on climate preparedness (see Chapter 6.3.1 for additional details), then the planning activities can be considered either program or project funding.
- **Protecting healthy waters.** States can use §319 program funds for planning activities that support the protection of healthy waters, including healthy watersheds assessments and protection plans,[29] source water protection activities, and efforts to leverage other funding sources to protect watersheds.

Conducting TMDL development activities. States can use §319 program funds to develop NPS-only and mixed-source TMDLs (see Chapter 4.5.1). EPA strongly encourages states to prioritize §319-funded TMDL development in NPS priority watersheds (as identified in the state's NPSMP plan), where local groups are poised to plan and implement management strategies sufficient to achieve the TMDL load reductions in the near future. EPA encourages state NPS and TMDL program staff to work together when prioritizing and developing TMDLs. NPS staff bring knowledge of BMP effectiveness and feasibility to ensure that the TMDL's NPS load reduction goals are achievable. Once the TMDL is in place, coordination between programs can facilitate TMDL implementation.

As discussed in Chapter 4.5.1 of these guidelines, states benefit from integrating TMDL and WBP development priorities because they can address the common elements required in these planning documents while working towards a holistic water quality management approach. Because submitting this WBP information is a §319 NPSMP requirement, EPA regional NPSMP staff might review it for adequacy as part of the grant oversight process (e.g., as needed as part of the work plan review process and/or for subsequent reporting). This review would be separate from the EPA regional staff's review of the TMDLs submitted by states pursuant to CWA §303(d) and EPA's TMDL regulations at 40 CFR 130.7.

6.3 Watershed Project Funds

States must use at least 50% of the §319 grant on activities necessary to implement WBPs or acceptable alternative plans. Under these guidelines, the following activities are considered eligible for watershed project funds.

[29] For example, under EPA's 2022–2032 Vision for the CWA Section 303(d) Program and associated metrics, states, territories, and authorized Tribes may develop "Protection Plans." See EPA's 2024 Integrated Reporting Memorandum.

6.3.1 Implementing a Watershed-Based Plan

State or local group (subrecipient) on-the-ground watershed projects that are implementing an accepted or approved WBP or alternative plan should continue to be the most common use of watershed project funds.

With regional approval, a project could include both CWA §319 project funds and program funds if the project includes both the development AND initial implementation of a WBP or acceptable alternative plan. However, if the project is identified as benefitting a disadvantaged community, then, with EPA regional approval, all funds, including those for planning activities, can be project funds. Project funds can also be used for education and outreach activities if they support a specific §319 project or if they are identified in a WBP to encourage landowners' implementation of certain BMPs to improve water quality within a watershed.

EPA regions may allow states to use a very limited amount of watershed project funds to support minor updates to existing WBPs where technical analyses revisions are needed (e.g., updates to watershed modeling to account for land use changes, natural hazard impacts, or revised load reductions). In these instances, watershed project funds may not be used to conduct other planning work related to the WBP, including more general plan updates, soliciting public comments, etc. These projects may also include implementing community demonstration projects to address known sources of NPS impairment. EPA encourages grantees to invest in projects that build community capacity for NPS work, such as supporting local watershed coordinators and leveraging community resources (e.g., local minority-serving institutions, community organizations, businesses).

6.3.2 State Staff Activities

States may use watershed project funds to support all eligible activities that implement a WBP or acceptable alternative plan (including other items mentioned elsewhere in Chapter 6.3). Eligible activities also include staff for time spent directly implementing a WBP or acceptable alternative plan.

As all activities are ultimately contingent on EPA's approval of the state's CWA §319 grant work plan, EPA requires that work plans clearly describe all the proposed staff activities that will be supported with CWA §319 funds, including how the staff supported by watershed project funds will directly implement a WBP or acceptable alternative plan.

Watershed project funds may be used for state staff time spent providing technical assistance for prioritizing and implementing BMPs, including activities such as:

- Implementing a local cost-share program to fund BMPs in critical areas described in the WBP or acceptable alternative plan.
- Providing one-on-one technical assistance to confirm landowner participation in a watershed project(s) and to determine which suite of BMPs are most appropriate to achieve water quality targets articulated in a WBP or acceptable alternative plan.
- Providing technical expertise with siting and designing BMPs.
- Tracking implementation efforts in the watershed to evaluate progress towards the water quality targets in the WBP or acceptable alternative plan.

In addition, watershed project funds may be used for state staff time spent implementing watershed restoration and/or protection projects through activities such as:

- Providing coordination support for groups that are implementing a WBP or EPA-approved alternative plan.
- Acting to leverage state, private, and non-CWA §319 federal funds to implement a WBP or EPA-approved alternative.
- Providing technical assistance to support the implementation of a watershed restoration or watershed protection project.
- Supporting watershed plan development and capacity building in disadvantaged communities.

6.3.3 Coordinating a Watershed Finance Partnership

To incentivize greater use of CWSRF to support the implementation of WBPs, funding to create or support watershed finance partnerships[30] is an eligible use of watershed project funds, so long as there is a reasonable expectation that any such partnership will begin to implement a WBP or EPA-approved alternative within three years of the use of the §319 grant funds. Other funding sources, such as USDA EQIP funding and FEMA BRIC grants, may also support these types of partnerships.

6.4 NPS Program and Watershed Project Funds for Monitoring Activities

States may choose to use §319 grant funds to support monitoring activities as a part of their NPSMP.

Activities considered eligible for program funds include:

- Identifying nonpoint sources of pollution.
- Supporting the development of a WBP or acceptable alternative plan or an NPS or mixed-source TMDL.
- Evaluating activities to protect or identify healthy waters.
- Using funds to monitor water quality results in NWQI watersheds, including, if necessary, in cases where a WBP has not been developed, can be considered for both NPS program and watershed project funding.

Activities considered eligible for project funds include:

- Conducting monitoring to assess the effectiveness of BMP implementation to improve water quality (e.g., pollutant loading trend analysis) **as part of the implementation of a completed WBP** or acceptable alternative plan, regardless of the entity conducting this monitoring.

[30] EPA defined a watershed finance partnership in a 2019 CWSRF program bulletin as "a way to implement nonpoint source projects on a watershed basis using CWSRF financial assistance." The bulletin clarifies how the CWSRF program can be used to promote watershed financing partnerships and notes that "a watershed financing partnership differs from the typical loan model where CWSRF assistance is delivered on a project-by-project basis" in favor of funding groups of projects intended to address watershed-scale priorities in a single financial package.

- Supporting monitoring efforts that are included in EPA's National NPS Long-term Monitoring Program. While the program is not currently active, EPA plans to revitalize the effort in the near future to help evaluate the effectiveness of NPS BMPs and to improve understanding of how changing climate conditions impact the effectiveness of these practices.

Both the NPS program and watershed project funding may be used to monitor water quality results in NWQI watersheds. This may occur in waters where an NRCS-approved watershed assessment is being implemented, even if a separate WBP has not been developed.

6.5 NPS Program and Watershed Project Funds for State NPS Regulatory Programs

Some states have chosen to adopt NPS regulatory programs. State NPS regulatory programs, pursuant to §319(b), require that numerous staff take required training, process permit applications, conduct inspections, and develop and implement the program, including address citizen's complaints, issue notices of violation or administrative orders, and follow through with those orders.

During site visits, inspectors should be equipped to provide technical assistance for installing the most appropriate BMPs that should be used for particular site conditions and provide guidance to ensure successful implementation. Because implementing a state NPS enforcement program involves numerous staff tasks and BMP implementation, the use of both project and program funds is allowed. Regulatory programs should be entered as projects in GRTS, with §319 funds supporting the work identified, the related load reductions reported yearly, and the program progress reports attached.

Activities considered to be program funds include:

- Developing NPS regulatory guidance materials, inspection manuals, and BMP handbooks
- Supporting staff's work reviewing/processing applications and enrolling and tracking participants (can be referred to as issuing individual permits, etc.)
- Training inspectors

Activities considered to be project funds include:

- Responding to citizen complaints and following up on/documenting complaints (orders, etc.)
- Conducting preliminary site visits and inspections and preparing reports
- Developing interim reports to document project implementation and issues
- Inspecting the final project and developing a report (document the final project status/end date)
- Calculating mitigated load reductions (where appropriate)
- Carrying out enforcement-related activity (where appropriate)

6.6 Exemption from 50% Watershed Project Funding Requirement for Substantial State Fund Leveraging

These guidelines reaffirm that a 40% nonfederal match is required for each CWA §319 grant and 50% of each state §319 grant must be devoted to watershed project activities for implementing state NPSMPs. To encourage states to leverage additional state or local funding sources or recycled CWSRF funds, these guidelines provide an exemption to the 50% watershed project funding allocation requirement for states that invest substantial state and/or local funding towards NPS watershed project implementation (as defined by these guidelines). Fortunately, most states implementing their NPSMPs already routinely engage a wide array of state programs, federal programs, and local stakeholders to leverage staff time and funds to address NPS pollution problems, a key component of success stories.

To qualify for the exemption to the 50% watershed project funding allocation requirement, states must demonstrate that the additional state and local funding will double the investment in on-the-ground watershed projects. In other words, the state must demonstrate that they have leveraged additional funding for watershed projects at a 2-to-1 ratio relative to the §319 grant allocation that would have otherwise been directed to fulfill the 50% watershed project requirement. For example, if the amount of the 50% for watershed project funds federal allocation is $1.5 million, and the state wants to use the entire allocation amount for NPS program work, then the additional state-leverage nonfederal match requirement would be at least $3 million. If a state wants to use $750,000 of the $1.5 million (project funds) for NPS program work, then the additional state-leverage nonfederal match requirement would be $1.5 million.

If a state qualifies for this exemption, the federal watershed project funds allocated to the state may be used for the full range of activities to implement approved state NPSMP plans, subject to these guidelines. Consistent with the greater emphasis in these guidelines on watershed implementation, EPA wants to ensure that this exemption results in more, not less, on-the-ground implementation. If local funds are used to meet this exemption, the state must have a mechanism in place to ensure that the projects will meet the goals of the watershed project funding requirement and that the projects will be completed.

As expected with CWA §319-funded projects, states must include all the state or locally funded projects used to meet this exemption in the annual CWA §319 grant work plans. Additionally, all state or locally funded projects used to meet this exemption must be reported in EPA's GRTS database in the same manner as CWA §319-funded projects and all nationally mandated elements are required.

No federal funds may be counted toward this leveraging exemption. However, "recycled" CWSRF funds may be used after they have been loaned and paid back to the state. (Note that CWSRF funds can only be used for CWSRF-eligible activities.) Other federal funding for NPS projects, such as USDA's Farm Bill resources, may not be used to meet this exemption. Nonfederal funds used to meet the required 40% match for the CWA §319 grant award may not be used to meet this exemption.

Chapter 7. General Eligibilities, Requirements, and Limitations

7.1 Assessing Project Eligibility

Conducting a review of projects identified within the state work plan is an important part of implementing a state NPSMP. Reviewing projects is key to assuring, among other aspects, that the projects are eligible (they meet the requirements of the statute, regulations, and these and other programmatic guidelines), and that the technical merit and costs proposed in the plan are eligible, reasonable, necessary, and allowable (excerpt Chapter 5.4.3, step 2). The following sections, which explain the eligibility of some common project scenarios and parameters, are intended to help states and EPA regions during their project development and review processes.

7.2 NPS Work Limitations Related to NPDES Permits

CWA §319 funding cannot be used to support activities necessary to meet NPDES permit requirements except when the NPS project must comply with an NPDES General Permit for Stormwater Discharge Associated with Construction Activities. For example, a structural BMP to control NPS may result in disturbance of land surface above a specific area threshold, and the surface disturbance may trigger the need for NPDES permit authorization until the land surface is stabilized and re-vegetated. In such a case, §319 project funds may be used to implement and comply with the requirements in the NPDES general permit for the construction activity because the resulting project controls NPS.

7.2.1 Animal Feeding Operations

Water quality protection and pollution reduction activities at animal feeding operations that are not regulated as point sources subject to NPDES permits are eligible for §319 funding. Although activities at concentrated animal feeding operations necessary to meet NPDES permit requirements are not eligible (i.e., point source activities), certain activities associated with concentrated animal feeding operations covered by NPDES permits may be eligible for §319 funding, including projects to control runoff from land application areas where manure is applied in rates and concentrations that are agronomically appropriate for crop production.

7.2.2 Abandoned Mine Lands

Abandoned mine land reclamation projects designed to restore water quality are eligible for §319 funding except where funds are used to implement specific requirements in NPDES permits or unpermitted point source discharges. For example, §319 funds cannot be used to build treatment systems required by an NPDES permit or at an unpermitted point source to manage drainage at an inactive mine, but funds may be used to fund various other remediation activities at the same mine. Examples of activities that could be eligible for funding include:

- Remediating water pollution from abandoned mines that are not required to meet NPDES permit requirements.
- Remediating water pollution from portions of abandoned mine sites that are not within the geographic scope or regulated footprint in an NPDES permit.
- Mapping and planning remediation at abandoned mine land sites.

- Conducting the monitoring needed to design and evaluate the effectiveness of implementation strategies other than implementation of NPDES permit requirements.
- Providing technical assistance to state and local abandoned mine land programs.
- Conducting information and education programs.
- Offering technology transfer and training.
- Developing and implementing policies to address abandoned mine lands.

7.2.3 Urban Runoff

While green stormwater infrastructure may be required under the terms of the NPDES permit, GSI activities that occur within the jurisdiction of the MS4 but are not directly required in the NPDES permit may be eligible for §319 funding. Operators of medium and large MS4s located in incorporated places and counties with populations of more than 100,000 are subject to NPDES Phase I MS4 stormwater permit requirements that may specify both structural and nonstructural BMPs. In addition, operators of small MS4s, i.e., those located within "urban areas with a population of at least 50,000," are also required to obtain authorization under an NPDES permit.[31]

EPA recognizes the benefits of integrating §319 funds and NPDES stormwater activities to achieve the CWA goals, and EPA supports the flexibility to fund these activities through §319 as is legally allowable. In general, in cases where GSI is to be funded using §319 funds, the use of §319 funds should advance water quality protection or restoration beyond the requirements or measures required by the NPDES permit (i.e., implement projects, performance measures, and outreach and education efforts not in the NPDES permit). Examples of GSI that may be appropriate for §319 funding include green roofs, bioretention practices, rainwater harvesting, green street designs to promote infiltration of runoff into urban soils, urban trees, landscaped swales, nature-based solutions designed to reduce flooding or drought-related impacts on water quality and wetland/riparian area protection and restoration. In addition to installing GSI, the following urban runoff management activities may generally be considered eligible for §319 funding as long as they are not required by an NPDES permit or permit requirement (this list is not meant to be comprehensive):

- Providing technical assistance to state and local stormwater programs.
- Conducting the monitoring needed to design and evaluate the effectiveness of implementation strategies.
- Designing, implementing, or installing structural and nonstructural BMPs for pollution prevention and runoff control (except for BMPs that are required by NPDES permits.
- Developing and conducting education programs outside of NPDES permit requirements, i.e., outreach and educational efforts and activities conducted on the watershed, region, or state level that are not required by an NPDES permit but address NPS pollution in an area that includes an MS4 subject to an NPDES permit.

[31] EPA signed its final rule NPDES Small MS4 Urbanized Area Clarification on June 7, 2023 following the Census Bureau's 2022 urban area mapping revisions. The final rule replaces the term "urbanized area" in the Phase II regulations with the phrase "urban areas with a population of at least 50,000," which is the Census Bureau's longstanding definition of the term urbanized areas.

- Offering technology transfer and training.
- Developing and implementing regulations, policies, and local ordinances to address stormwater runoff. (These may apply to areas covered by NPDES permits, provided that the regulations, policies, and ordinances also apply to nonpermitted areas.)
- Implementing stormwater projects outside of the geographic area of the MS4 subject to the NPDES permit; developing WBPs that go beyond permit requirements or include areas not regulated by the permit.

In addition to not being used to meet requirements in NPDES permits for MS4s, §319 funds may not be used to implement NPDES permit application requirements. For example, §319 funds may not be used to map stormwater systems, identify illicit connections, characterize stormwater discharges, or other activities needed to meet permit application requirements. CWA §319 funds may not be used to conduct monitoring or pay for BMPs or "end of pipe" treatments that are required as part of an NPDES permit. These prohibitions are based on the statutory limitations on the use of §319 funds, specifically that §319 funds be used to address nonpoint sources rather than permitted point sources. Congress determined that permitted point sources would generally comply with NPDES permit requirements for MS4s without federal grants. (Note: "publicly owned treatment works," which include publicly owned methods or systems for preventing, abating, reducing, storing, treating, separating, or disposing of "stormwater runoff," are eligible to receive financial assistance under the CWSRF program.)

As NPDES permits for MS4s continue to evolve, more may include retention-based requirements and greater specificity in required management practices, and a review of permit requirements may be needed to determine the eligibility of specific projects for §319 funding. In these cases, states should consult with their EPA regional coordinator on §319 funding eligibility and are strongly encouraged to do so early in the project development process. In addition, states should consider whether municipal governments are sufficiently using other available funding sources for innovative stormwater management, such as funds derived from stormwater-related fees and CWSRF financial assistance.

7.3 NPS Work and Cross-Cutting Environmental Compliance Laws

For watershed projects that include the construction or creation of structural BMPs on land or in waters, states must document compliance with crosscutting laws, which can include, among other procedures:

- Use of the EPA Regulatory and Guidance Information by Topic: Cross-Cutting Issues, which contains information on the laws and links to relevant compliance actions for those state activities that may trigger a crosscutting law.
- Existing state processes for conducting assessments and ensuring compliance with CWA §§ 401 and 404, where applicable.
- Existing state processes for conducting assessments and other compliance activities under the Archaeological and Paleontological Resources Protection Act and the National Historical Preservation Act and/or Native American Graves Protection and Repatriation Act.
- Existing state processes to determine if any other Crosscutting Authorities apply.

- CWA §513 applies the Davis-Bacon and Related Act (Davis Bacon) requirements to "treatment works" projects for which grants are made under the CWA. CWA §212 defines construction and treatment works for grants under Title II. Although the §212 definition can be used as a guide for determining whether a project is a treatment works for purposes of §319(h) grants. If the project meets the definition and if the contract expense is greater than $2,000, Davis Bacon would apply. The Department of Labor has resources and a hotline to understand how to comply with Davis Bacon, including its updated Davis Bacon regulations, effective October 23, 2023.
- All recipients, including states, must comply with EPA's disadvantaged business enterprise (DBE) requirements at 40 CFR part 33, which supplement 2 CFR 200.321. These requirements include, among other requirements, that a recipient must make good faith efforts to contract with DBEs whenever procuring construction, equipment, services, and supplies under an EPA financial assistance agreement. See 40 CFR 33.301. For additional information on this and other procurement requirements, see EPA's Best Practice Guide for Procuring Services, Supplies, and Equipment Under EPA Assistance Agreements.
- The Build America Buy America (BABA) Act provisions of the IIJA (P.L. 117-58, §§70911-70917) state that "none of the funds made available for a Federal financial assistance program for infrastructure…may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States." See §70914(a). The Buy America preference requirement applies to an entire infrastructure project, even if it is funded by both Federal and non-Federal funds. A recipient must implement these requirements in its procurements, and these requirements must flow down to all subawards and contracts at any tier. For more information about BABA's applicability and the waiver process, see 2 CFR part 184, effective October 23, 2023; EPA's BABA website; and the Office of Management and Budget, Made In America Office's BABA website.

The National Environmental Policy Act is not applicable to §319 funds. CWA §511(c)(1) states that the only EPA actions under the CWA subject to the National Environmental Policy Act requirements for "major federal action significantly affecting the quality of the human environment" are new source permits and grants for the construction of publicly owned treatment works. CWA §319 grants do not fit within either category; therefore, they are not subject to National Environmental Policy Act requirements.

7.4 Coastal Zone Act Reauthorization Amendments

States that have chosen to develop state coastal zone management programs under the Coastal Zone Management Act of 1972 are required to develop and implement state coastal nonpoint pollution control programs (CNPCPs) under §6217 of the Coastal Zone Act Reauthorization Amendments of 1990 (CZARA) 15 U.S.C 1455b. CNPCPs are implemented through updates and expansions of state NPSMPs administered under CWA §319, as well as through updated state coastal zone management programs.

Coastal nonpoint pollution control program implementation

States with approved CNPCPs under CZARA should use §319 funds to help implement these programs. CZARA directs states to implement their CNPCPs through changes to the state plan for control of NPS pollution approved under CWA §319. Therefore, state NPSMP staff should work closely with state coastal nonpoint program staff to coordinate the state's CNPCP with the state's NPSMP. States with

approved CNPCPs are expected to include CZARA-related milestones in their five-year NPSMP plan to ensure planning and priorities are aligned between the two programs, track CZARA program progress, and provide updates on CZARA-related annual milestones in their §319 annual reports. An example milestone that may be included in an annual report might be that a state has committed to inspecting 50% of the decentralized wastewater systems across its coastal nonpoint management area by a certain year (See Appendix A for NPSMP plan elements and Appendix E for annual reporting).

CZARA set-aside

Consistent with EPA's 2013 *Nonpoint Source Program and Grants Guidelines for States and Territories*, any state that has developed a coastal zone management program but has not yet met conditions in the earlier CNPCP approval needs to set aside the lesser of $100,000 or 5% of its federal allocation in §319 funds. Affected states currently subject to this CZARA set-aside expectation are encouraged to coordinate with their regional office to determine the appropriate level of funds to be put toward the set-aside. The set-aside may be met on an average annual basis. For example, a §319-funded project that commits triple the state's minimum yearly set-aside in one grant year will also meet the set-aside requirements for the following two grant years, as long as the §319 funding allocations do not significantly increase in those years. The CZARA set-aside would remain until EPA and the National Oceanic and Atmospheric Administration (NOAA) jointly determine that all the conditions of the federal agencies' earlier approval of the state's CNPCP have been met. The CZARA set-aside applies only to any state with a program that EPA and NOAA approved subject to conditions that have not yet been met. Additionally, the CZARA set-aside does not apply if EPA and NOAA have already determined that the state has failed to meet the conditions on the earlier CNPCP, and the federal agencies have begun withholding grant funds under CZARA section (c)(4). EPA will implement this set-aside prior to determining the split between the watershed project funds and NPS program funds. States must detail the use of this set-aside in their annual §319 grant work plans to describe how it will support advancement towards full program approval under CZARA.

7.5 National Water Quality Initiative Monitoring

CWA §319 funding is an important complement to the dedicated USDA resources provided for the NWQI. In a national bulletin published each year, NRCS establishes a NWQI participation level of a minimum of three HUC-12 planning and/or implementation watersheds and/or source water protection areas per state. As described in the memorandum *Guidance on Monitoring in NWQI watersheds – EPA Expectations and Program Support in FY14*, EPA expects states to select at least one NWQI watershed for focused monitoring. States should devote sufficient resources—CWA §319 and others (e.g., CWA §106)—to meet NWQI expectations and objectives.[32] If §319 funds are used for BMP/project implementation and/or monitoring in connection with the NWQI, states should coordinate with NRCS as appropriate when developing related grant work plan elements (e.g., selecting watersheds and source water protection projects, developing and implementing monitoring programs).

[32] States are encouraged but not required to devote §319 funds to support NWQI implementation.

7.6 Protecting Healthy Waters and Watersheds

EPA has long recognized water quality protection as a key part of NPS pollution management efforts to achieve the CWA's objective "to restore and maintain the chemical, physical, and biological integrity of the Nation's waters" (33 U.S.C. §1251(a); CWA §101(a)). Because of the vast and pressing problem of water quality impairments nationwide and the primacy of NPS pollution as a cause of many of these impairments, these guidelines maintain the primary focus of CWA §319 funds on restoring NPS-impaired waters to meet water quality standards. However, EPA recognizes the critical role of protection in achieving NPSMP goals, including maintaining healthy waters and watersheds, maintaining the resiliency of watersheds to climate impacts, and investing in actions to prevent future water quality impairments and ensure restoration success. EPA is placing a renewed and increased emphasis on actions to protect healthy waters, including through the approaches outlined below.

Using CWA §319 Funds to Protect Healthy Waters

Under these guidelines, EPA requires that watershed project funds primarily support restoring impaired waters through the implementation of WBPs or acceptable alternative plans. However, when a state has an updated NPSMP that identifies protecting healthy waters as a priority and describes its process for identifying such waters, the state may be able to use watershed project funds to protect the identified waters after consulting with EPA through §319 grant work plan negotiations. The proportion of §319 watershed project funds allocated to protecting healthy waters could vary depending on the relative priority of restoration and protection activities in the state's NPSMP and the array of projects ready for §319 funding and implementation in that particular year. States may also use NPS program funds to protect healthy waters.

Chapter 8.7 includes a protection-focused NPS success story category to capture the cumulative impact of program activities that have resulted in the sustained minimization or avoidance of water quality degradation in healthy waters threatened by stressors and/or watershed alterations. EPA will continue working with states to expand opportunities to highlight protection investments and successes within the national NPS Program.

7.7 Source Water Protection and §319 Projects

States may use §319 funds for source water projects for both surface water and groundwater, consistent with the provisions of these guidelines. An NPSMP shares several common goals with the source water protection program under the Safe Drinking Water Act, including source water protection areas/delineations or plans or program priorities. In state NPSMPs that support resiliency efforts, increased planning efforts in disadvantaged communities may support the mitigation of public health issues related to threatened/impaired drinking water sources due to harmful algal blooms and other NPS pollution issues that affect drinking water quality. States may coordinate with state source water protection programs and local drinking water providers to design, through set-aside funds, NPS projects in areas critical to source water quality, furthering §319 funding. See Chapter 8.4.1 for the ability to track §319 funded projects in source water protection areas in GRTS.

7.8 Lake Restoration and Protection Activities

EPA continues to emphasize effective watershed management as the primary approach for lake restoration and protection. In-lake management practices have generally been discouraged, and EPA limits §319 funds for in-lake management practices strictly for situations where pollution sources in the watershed are being controlled as completely as is practical (e.g., addressing erosion and sedimentation sources before dredging a lake, controlling external nutrient loads before nutrient inactivation in a lake with internally driven algal blooms/phosphorus recycling). Upstream pollutant sources should be treated first, and implementation efforts should be well underway in the lake drainage area before EPA will consider approving the use of §319 funding for in-lake management practices.

If a state believes in-lake management practice(s) are warranted, they should consult with their Regional EPA NPS contact in advance to discuss project eligibility and provide proper documentation. EPA will review the project proposal(s) and additional documentation before making a funding determination for the specific project(s). Some of this documentation may include but not be limited to human health risks due to harmful algal blooms, a disproportionate burden or impact to disadvantaged communities, internal and external phosphorus loads analysis, recommended strategies identified in TMDLs or WBPs, and source water protection concerns.

With proper documentation, it can be appropriate to use §319 funds for an in-lake management practice. If it is determined that additional in-lake management practices may be needed or ongoing, any use of such treatment in the future should be funded from alternative sources as outlined in the WBP. Additionally, using §319 funding for ongoing operation and maintenance of a waterbody through in-lake treatments is not a practicable or eligible use of funds.

Because there are many unique project- and location-specific considerations, please consult the question-and-answer document for a more complete list of factors that could be considered.

7.9 Monitoring: Context, Flexibilities, and Long-term Programs

EPA recognizes that monitoring is essential for documenting the restoration of impaired waters and the protection of high-quality waters. EPA encourages states to use §319 funds as appropriate for eligible NPS monitoring activities identified in the state NPSMP (see Appendix A). Monitoring efforts are only eligible if related to identifying nonpoint sources of pollution, developing a WBP or TMDL, assessing the impact of NPS pollution control activities, or implementing projects aimed at protection; other monitoring activities cannot be supported with either NPS program or watershed project funds.

7.9.1 Integrating with Ambient Monitoring and Assessment Efforts

EPA encourages state NPSMPs to coordinate with state ambient monitoring and assessment efforts, including those supported through the §106 Water Pollution Control Program (see Chapter 11.2.6), to ensure that NPS monitoring needs are considered in the design and planning of the state water quality monitoring program. State NPSMPs can benefit from leveraging existing ambient monitoring programs[33] for water quality trends, using and expanding flow gauging stations, and coordinating with monitoring programs that routinely address water quality standards attainment, such as using state-scale statistical

[33] Existing data sets are consolidated and easily downloaded via sites like EPA's How's My Waterway, EPA's WATERS, and the U.S. Fish and Wildlife Service's National Wetlands Inventory, among others.

surveys or monitoring on a rotating basin basis. Approaches that can provide useful information for an NPSMP include monitoring required as part of regulatory programs to implement NPS Pollution control (e.g., monitoring to assess compliance), ambient water quality monitoring (e.g., small watersheds, multiple watersheds, in-lake monitoring, monitoring by public water systems), beneficial use assessment (e.g., biological/habitat assessment, attainment of biocriteria and water quality standards), tracking of implementation or land use activities affecting water quality (e.g., BMP audits, activity tracking, geographic information system tracking of land use and land management), and photographic evidence. Statewide monitoring councils made up of local, state, university, and federal agencies involved in monitoring can help state NPSMPs by providing a forum for the routine sharing of monitoring activities and supporting efforts such as citizen monitoring programs. In some cases, an NPSMP objective may benefit from additional monitoring supported by §319 or other funding sources (see Chapter 6.4 for examples of what types of funding—program or project—might apply).

States are encouraged to explore other cost-effective approaches for conducting monitoring or obtaining available data. For example, the U.S. Geological Survey, the U.S. Forest Service, the U.S. Bureau of Land Management (BLM), the U.S. Fish and Wildlife Service (USFWS), NOAA, USDA NRCS, the U.S. Army Corps of Engineers (USACE), universities, conservation districts, and others support assessment of various types and may house useful data. Some of these organizations also offer technical support and monitoring assistance. In addition, many states rely on volunteer monitoring programs to obtain water quality data cost-effectively. Any water quality monitoring or assessment program with a quality assurance project plan that has been reviewed and approved by the state (allowing confidence in the data for use by the NPSMP) can be used as appropriate.

7.9.2 National NPS Long-Term Monitoring

EPA, in collaboration with several states, implemented a rigorous and standardized monitoring framework of §319-funded projects from 1991 to 2011 that informed improved approaches to BMPs (https://www.epa.gov/nps/national-nonpoint-source-monitoring-program). The results and lessons learned from these longer-term project efforts helped shape several BMP expectations for NPS pollution control.

EPA recognizes the value of supporting longer-term monitoring (5–10 years) to further evaluate BMP effectiveness and longevity for addressing NPS impairments and protecting water quality in a changing climate. These projects might be broken into phases over different work plans and would be considered an eligible use of project funds. The total funding for long-term monitoring should not exceed 10% of project dollars. States opting to prioritize such longer-term monitoring should work closely with their EPA regional contacts. EPA intends to develop a broader national coordination soon to support states with project development, monitoring design, data management and analysis, and reporting. From time to time, and in close collaboration with relevant states and project managers, EPA will publish progress reports and results. In the interim, EPA encourages states to use available NPS-focused resources to support effectiveness monitoring if they choose to incorporate monitoring into project planning (see *Guidance: Monitoring and Evaluating Nonpoint Source Watershed Projects*).

7.10 Climate

CWA §319 funds are intended to improve, restore, and protect water quality. Considering changing climate conditions (see Chapter 2), EPA encourages states to consider resilience and natural hazards mitigation in project design and selection.

7.10.1 Resilience

When creating project descriptions, the state and EPA regional reviewer should consider if the project proposal has included BMP design considerations related to climate variations and risks that are geographically relevant to the project area. Examples may include selecting drought and temperature-tolerant plants considering the flood zones and potential stormwater volumes in streambank vegetation or culvert design.

7.10.2 Co-benefits

"Co-benefits" occur when a nature-based solution derives benefits beyond the intended function. For example, GSI implemented to improve water quality as a primary benefit can also provide recreational space, habitat diversity, flood/hazard risk reduction, and human health benefits. Additionally, BMPs such as living shorelines can reduce coastal erosion and improve quality while supporting community resiliency to sea level rise.

Please note the primary driver of §319-funded projects should be water quality improvement, and projects including co-benefits should be mainly implemented to meet goals identified in the approved NPSMP. Grantees are encouraged to describe potential "co-benefits" in project descriptions and reports. EPA plans to support easier capture/reporting of co-benefits in GRTS in the near future.

7.10.3 Integrated Planning

Agencies like FEMA and USACE support planning and projects that address natural hazards and climate risks. Because these agencies understand the resilience and risk reduction co-benefits that nature-based solutions can achieve, they encourage using these BMPs to achieve hazard mitigation, climate adaptation, and disaster recovery goals. In conducting watershed and/or project implementation planning, NPSMPs are encouraged to be aware of other plans such as state and local HMPs, floodplain management plans, or other local climate adaptation/resilience initiatives active in the watershed/project area. When possible, watershed planners should coordinate with the hazard mitigation officers, emergency managers, or other entities leading hazard mitigation and/or climate-focused planning efforts as the critical areas and/or priorities align.

Chapter 8. Reporting and Tracking

8.1 Statute and Regulatory Background

All §319(h) grants are subject to the Office of Management and Budget's general grant regulations in 2 CFR part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards); EPA's 2 CFR part 1500; 40 CFR part 33; and 40 CFR part 35, subpart A, which specify a variety of basic grant reporting requirements for federal financial assistance from EPA. The grant regulations outline a range of administrative reporting requirements, including performance and financial reports. CWA §319(h) (10) and (11) contain additional provisions related to reporting:

- CWA §319(h)(10) authorizes EPA to request information, data, and reports as necessary to determine a state's continuing eligibility to receive §319 grants.
- CWA §319(h)(11) requires states to report annually on their progress in meeting the schedule of milestones contained in their NPSMPs, report available information on NPS pollutant loading reductions, and report on improvements to water quality resulting from implementing NPSMPs.

The basic reporting requirements discussed in more detail below are NPSMP annual progress reports, grantee performance reports, and financial status reports. EPA uses reporting through §319 GRTS for web-enabled data entry to support those reporting expectations.

Reporting requirements are included in the Terms and Conditions for §319(h) grant recipient. The specific reporting requirements for §319 grants are discussed below. EPA regions and states should assess the effectiveness of the reporting process and determine annually if adjustments or modifications are necessary.

In general, reporting should be sufficiently detailed to enable a reviewer to ascertain whether outputs and milestones are being achieved on schedule, identify any problems that may be arising in carrying out tasks in the grant work plan, identify corrective actions to address such problems expeditiously, and adequately account for all federal funds expended. Performance reporting is separate from the financial information in the Federal Financial Report, and includes content such as regular updates on subaward spending and match accrual (2 CFR 200.329).

8.2 NPSMP Annual Progress Report

States must report annually on progress in implementing the NPSMP plan[34]. The report provides an effective means of assessing progress to date and the need to modify the program, providing case studies of particular projects, and conveying information to a broader audience on the activities being conducted by the state. This information may be provided in various formats[35] and, while brief, should

[34] §319(h)(11) requires states to report annually on progress in meeting the schedule of milestones contained in their NPS management programs, and, to the extent information is available, report reductions in NPS pollutant loadings and improvements in water quality resulting from program implementation.
[35] Formats that states have selected can range from interactive reports like story maps to printable hardcopy reports.

contain sufficient information to support the evaluation of progress. The annual progress report should include the following (unless already reported to EPA in grant progress reports, GRTS, etc.):

- A brief summary of progress, including evidence/examples, toward meeting approved milestones and the short- and long-term goals and objectives identified in the state NPSMP.
- A table displaying milestones from the current year for the approved state NPSMP with the following information for each milestone:
    - Applicable project or program
    - Scheduled project completion date
    - Percent completed
    - Leveraged funds
- A discussion of the extent to which federal agencies, lands, and activities within the state are supporting the state in meeting approved milestones.
- A summary of the available information on the extent of reductions in NPS loadings achieved due to implementation. (More detailed information should be provided through GRTS.)
- A summary of the available information on the improvement in water quality (including aquatic habitat quality) due to NPSMP implementation. This summary can address, for example, progress towards water quality standards, TMDL load reductions implemented, trends in aquatic biology, or other measures of progress used by the state. (More detailed information should be provided through GRTS.)
- Where information is not yet available on load reductions and water quality improvement for waters or watersheds where implementation is underway, surrogate measures of environmental progress should be used, and progress should be reported in terms of the degree or percentage of the completion of the project.
- A discussion of efforts, including recently completed, ongoing, and planned activities and anticipated results, to advance environmental justice in their CWA §319 programs.

Some states choose to include additional information in their annual report, using the report as a means of assessing progress to date and the need to modify the program, providing case studies of particular projects, and conveying information to a broader audience on the activities being conducted by the state. States may wish to include other types of information in their reports or on their websites (and refer to the information in their reports), such as:

- Brief case studies of any particularly successful NPS control efforts. Information on increased public awareness of NPS pollution and engagement in addressing it.
- Copies of products produced by the state program (e.g., outreach materials, BMP documents).
- Successful efforts to integrate and align CWA and other programs (e.g., SDWA) programs to better deliver water quality results or other especially successful collaborations.
- Lower public water supply treatment costs or requirements due to water quality improvements.
- Observed shifts in precipitation, temperature, or natural disasters and the impact that has on BMP design or prioritization.

8.3 Grant Progress

8.3.1 Grantee Performance Reports

2 CFR 200.329 requires states to submit performance reports on the status of §319 grants. At a minimum, states should submit these reports on an annual basis by a date specified in the grant agreement and/or work plan. Final reports are due no later than 120 days after the end of the period of performance for the grant, pursuant to 2 CFR 200.344. Performance reports must include (at a minimum):

- A performance/milestone summary. A listing of major program and project accomplishments for the period (based on the project and program milestones or commitments contained in the approved work plans, grant agreements, or special terms and conditions), as well as progress made toward meeting future milestones. The state may accomplish some or this entire reporting requirement through its annual report, as discussed above.
- The reasons for delays in meeting scheduled milestones/commitments and a discussion of what actions (state, federal, or other) will be taken to resolve any current or anticipated problems.
- Additional pertinent information including, when appropriate, an analysis and explanation of cost overruns, unanticipated events/consequences, etc.

8.3.2 Federal Financial Reports

2 CFR 200.328 requires grantees to submit federal financial reports using Standard Form 425 or 425(a) to report the status of funds under each grant. At a minimum, states should submit financial reports annually. Final financial reports are due no later than 120 days after the end of the period of performance for the grant.

8.4 The Grants Reporting and Tracking System (GRTS)

GRTS is an online database that enables states and EPA regions to fulfill §319 grant reporting requirements. This comprehensive database of NPSMP information tracks §319 activities and information and enhances the understanding of NPS projects and programs. GRTS reporting aids in the program's accountability, the transparency of the funds being awarded and leveraged, and the successes being achieved. Information in the GRTS database demonstrates the value and success of state and territory NPSMPs. GRTS is accessed regularly by EPA headquarters and regional staff and is the basis for responding to inquiries from Congress; the Office of Management and Budget; the Government Accountability Office; state NPSMP staff; nonprofit organizations; the public; and other federal, state, and local agencies.

Additionally, GRTS data is fed directly into and displayed in multiple EPA databases/data viewers, including Watershed Assessment, Tracking & Environmental Results System (WATERS), Drinking Water Mapping Application to Protect Source Water (DWMAPS), and How's My Waterway.

States are required to use GRTS to report all nationally mandated elements described in the most recent GRTS memorandum posted on the GRTS website. This requirement is included in the Terms and Conditions for §319(h) grant recipients. The mandated elements include parameters necessary to successfully account for accomplishments of the §319 program. GRTS has the capacity to accept additional information on state programs and projects beyond the mandated elements outlined in the

most recent GRTS guidance. States are encouraged to take advantage of nonmandated fields within GRTS, including uploading copies of WBPs (or acceptable alternative plans); project implementation plans; or other documents such as photographs, evaluations, and invoices into the GRTS system as a means for more complete data management and project reporting.

States may also allow subgrantees receiving §319 funds to directly enter data into GRTS, thereby reducing the state's reporting burden. States are responsible for the quality of any data entered into GRTS by any subgrantee and must adopt practices to ensure this accuracy. States are encouraged to work with EPA regions on developing such practices. Alternatively, an XML form outlining GRTS data fields is available for states to provide to their subgrantees to complete and return to the state if desired. The state can then enter the data provided by the subgrantee by uploading the final XML template into GRTS.

EPA regions are encouraged to work with their states to design reporting procedures using GRTS. To support the annual demonstration of satisfactory progress (per §319(h)(8)), states are strongly encouraged to attach elements of their annual report (per §319(h)(11)), along with other reporting elements identified by the region, into GRTS. Specifics should be discussed with the appropriate EPA region.

Note that states may use NPS program funding to support the staff time spent using GRTS (entering data, etc.) because GRTS is an official reporting vehicle for programs or projects conducted by states under §319(h) grants. EPA regions and states should work together to ensure sufficient resources are available to meet reporting requirements and support needs. Examples of GRTS support needs include providing adequate staff support; purchasing necessary equipment, materials, and supplies (including high-speed internet access or other links that enable the fast and efficient transfer of data to and from GRTS); and attending GRTS workshops and participating in GRTS training opportunities. In many cases, GRTS-related activities (e.g., estimating and entering load reductions, entering project data) can be considered a program activity and need not be counted towards the 10% cap on administrative costs (see Chapter 4.2.5).

EPA continues to enhance GRTS to incorporate improved tracking and reporting requirements and minimize the reporting burden of the states and/or subrecipients. EPA will continue to communicate with the states on the development of these enhancements and will ensure adequate notification, training, and direction are provided.[36] For the most up-to-date guidance pertaining to GRTS reporting and tracking, visit the GRTS website or contact the national GRTS coordinator.

8.4.1 Tracking Protection Investments and Water Quality Outcomes

In 2014, EPA added a data field in GRTS to track NPS projects according to their primary goal of water quality restoration or protection. Within GRTS, protection projects are defined as those in which more than 50% of the project budget is used to protect a healthy waterbody. Since 2014, approximately 4% of all state NPS projects reported to GRTS were classified as those aimed primarily at protecting healthy waters. EPA will work with states to leverage these project data to highlight the increasing role of protection in the national NPS Program.

[36] EPA intends to ensure that any new financial reporting requirements implemented through updates to GRTS are consistent with PPG regulations.

8.4.2 Tracking Source Water Investments

States and EPA may use GRTS to track key metrics of the intersecting benefits of §319-funded projects with source water protection areas. The bottom of each GRTS project entry page includes an additional subsection under "Supplemental Information," which automatically calculates source water protection metrics and can be optionally tracked by GRTS users.

8.5 Water Quality Exchange

EPA requires states to enter their water quality monitoring data—for data collected in a waterbody as a part of implementing a §319 project—into EPA's WQX data system. All water quality data generated with §319 funding, either directly or by subaward, must be transmitted into the data warehouse using either the WQX or WQXWeb. Water quality data appropriate for WQX include physical, chemical, and biological sample results for water, sediment, and fish tissue. The data may include toxicity data, microbiological data, and the metrics and indices generated from biological and habitat data. WQX is the water data schema associated with the EPA, State, and Tribal Exchange Network. More information about WQX and WQXWeb, including instructions, can be found at https://www.epa.gov/waterdata/water-quality-data and https://www.epa.gov/waterdata/water-quality-data-upload-wqx.

8.6 Responsibilities for Subrecipients and Reporting

States must ensure that subawards include requirements for subrecipients to comply with grant terms and conditions and applicable federal requirements. States are expected to work closely with subrecipients; review all reporting and financial paperwork submitted by subrecipients, conduct site visits, and act as a liaison to other state programs if needed (see 2 CFR 200.332). Just as the grant agreement specifies outputs and milestones to be achieved by the states, states should ensure that agreements with subrecipients specify outputs, milestones, and reporting and record-keeping requirements. States are required to include information from subrecipients' progress reports in the states' GRTS reporting, performance reports and/or annual reports. Finally, states are expected to properly close out projects with grant subrecipients and enter final reports, final budgets, and total load allocations into GRTS.

States may include in these agreements a provision requiring the subrecipients to enter data into WQX and GRTS. Access for subrecipients to GRTS data entry should be arranged between the state and EPA region. It is the state's responsibility to review data entered into GRTS for accuracy, and the state must adopt practices to ensure data reliability.

Where a subrecipient provides a portion of the state's match, the state should clearly report actual match funds used in GRTS and ensure that adequate records are kept with respect to that portion. 2 CFR 200.332 specifies that grantees shall not impose more burdensome requirements on subrecipients than they are subject to themselves. Also, for more information, refer to the Subrecipient Management and Monitoring requirements at 2 CFR 200.331, 200.332, and 200.333 as well as EPA's GPI 16-01: EPA Subaward Policy for EPA Assistance Agreement Recipients.

8.7 Measuring and Tracking National Program Progress

EPA's national NPS Program currently relies on NPS success stories to measure and track progress on a national basis. "Type 1" NPS success stories track the number of waterbodies identified by states as being primarily NPS-impaired that have been partially or fully restored as a result of NPS restoration efforts. This national NPS Program reporting measure is important to illustrate the achievements to control NPS pollution through §319 investments. States that have NPSMP plan milestones to deliver a certain number of NPS success stories help the national NPS Program demonstrate how investments have led to improved water quality. Since 2009, states have reported success in over 1,100 waterbodies, including 12,300 miles of streams and rivers and 230,00 acres of ponds, lakes, and reservoirs. This is a considerable achievement, as attaining water quality standards in impaired waters that were once impaired typically takes many years of concerted effort and investment.

8.7.1 Waters that are Partially or Fully Restored/Delisted (Type 1 – Primary National NPS Program Reporting Measure)

These stories feature waterbodies that meet water quality standards for one or more pollutants (e.g., nutrients, sediment, mercury) and/or designated uses (e.g., drinking water supply, recreation, aquatic life support) after being previously listed as impaired on the CWA §303(d) list of impaired waters and/or being moved from the Integrated Report Category 4 or 5 to Category 1 or 2. These improvements can be attributed to NPS control or restoration efforts.

EPA reports results from these stories to Congress via the NPS measure outlined in EPA's *National Water Program Guidance*, which is defined as "the number of waterbodies identified by states as being primarily NPS-impaired that have been partially or fully restored as a result of restoration efforts." This measure is reported quarterly and is an important indicator of the §319 programs accomplishments. This measure is regularly referenced by EPA senior management when describing the §319 program's impact.

8.7.2 Additional Success Story Options

EPA recognizes that the Type 1 Success Story national NPS Program measure does not capture incremental milestones that lead to water quality improvements nor reflect the impact of protection efforts. This section describes options available to state NPSMPs for measuring, tracking, and reporting program progress and success, including optional new interim and protection metrics. For the comprehensive and most up-to-date definitions for each measure of success, see the NPS success stories web page (note, new healthy waters and interim metrics are forthcoming).

Water Quality Improvements

These stories (also known as Type 2) feature water bodies that show measurable, significant progress toward achieving water quality goals but do not yet meet water quality standards. In these cases, water quality improvements include either achieving (1) measurable reductions in a specific pollutant or (2) improvement in a parameter that indicates water quality improvement (e.g., an increase in fish or macroinvertebrate counts).

Habitat/Ecological Restoration

These stories (also known as Type 3) generally include waterbodies with water quality problems but were not listed on the CWA §303(d) list or the Integrated Report (for unspecified reasons). However, restoration efforts were implemented that resulted in one or more uses being restored.

Healthy Waters Protected from Water Quality Impairment

These stories feature NPS activities that have resulted in the sustained prevention of water quality degradation in healthy waters threatened by NPS pollution, including pollutant stressors and/or watershed alterations. Through these stories, EPA seeks to highlight NPS activities that were strategically targeted to achieve water quality protection goals.

Interim Metrics/Reporting and NPSMP Accomplishments

These stories feature other qualitative measures of an NPSMP's progress toward restoring/improving water quality and hydrology that has not yet resulted in a measurable or observed water quality improvement. Interim metrics/measures stories can include a wide range of indicators of success including, but not limited to:

- Completion of all management measures to address critical source areas identified in a watershed plan.
- Number and types of BMPs implemented through a watershed plan, alternative plan, and/or TMDL implementation (e.g., at least 80% implementation of management measures identified in the watershed plan).
- Co-benefits beyond water quality goals (e.g., flood risk reduction [water quality volume stored/captured], urban heat island reduction, increased green space, source water protection achievements).
- Number and description of landowners in a watershed engaging in the program by implementing targeted water quality BMPs.
- Reported changes in community behavior relating to a water quality NPS issue or quantified success in disadvantaged communities.

EPA also recognizes the importance of other program efforts to further water quality results and agrees with feedback to also capture those key milestones in a state's programs' efforts.[37] State measures that are part of an approved state NPSMP will be considered by EPA for demonstrating progress toward meeting annual milestones under §319(h)(8). These measures may include but are not limited to:

- Progress and accomplishments achieved by state NPS regulatory programs (number of acres under regulation, percentage acreage in compliance if applicable).
- Key NPS program milestones accomplished (featured in the NPSMP plan annual report).
- Program efforts that further equity and environmental justice.

[37] The latest definitions for these programmatic metrics are found at www.epa.gov/nps/success.

Chapter 9. Management and Oversight

9.1 Overview of Management and Oversight of §319 Grants

EPA's oversight role is vital to ensuring that the national NPS Program is strategic, science-based, and focused on environmental results and that the states' implementation of NPSMPs meets statutes, regulations, and guidelines. EPA headquarters and regions coordinate to ensure an appropriate level of program oversight in the implementation of these grant guidelines while also allowing states to implement NPSMPs in a manner that meets their unique circumstances and NPS priorities. EPA headquarters provides leadership and support to regions and states through policy development, technical assistance, and programmatic reporting. EPA regional staff have day-to-day oversight and support responsibilities that require technical and regulatory knowledge and a strong working understanding of how each state implements its unique program.

Through these various oversight mechanisms, EPA and the states work collaboratively to implement an effective national NPS Program. In conducting oversight activities, EPA relies on information and reports provided by the state, the data entered into GRTS and WQX, and periodic site visits. EPA regions are primary responsible for reviewing, commenting on, and accepting documentation required under the §319 program. Relevant documentation/information includes the approved state NPSMP, the annual report required by §319(h)(11), the annual grant work plan along with grant progress reports, WBPs and other plans (e.g., TMDL implementation plan, protection plan) that guide §319-funded projects, subaward reporting, and reported environmental results, including load reductions and water quality improvements. See Chapter 8 for more information on tracking results. In addition to reviewing reports, EPA regions will confer and engage with each state regularly to discuss progress in implementing the state's NPSMP. As required by 2 CFR part 200, EPA regions also conduct periodic reviews of states' NPSMPs. State programs are also subject to audits by the Government Accountability Office. EPA will contact states if additional information is needed.

Important oversight activities for EPA include ensuring and supporting states' updates and implementation of NPSMPs; ensuring that annual work plans link to the goals and milestones within state NPSMPs; ensuring state work plans represent an appropriate balance of staffing, programmatic activities, and projects to meet the goals of the state NPSMPs; supporting development and implementation of WBPs or acceptable alternative plans; and ensuring that state actions translate into on-the-ground results. EPA regions should also review and discuss with the state the balance between developing and implementing TMDLs and WBPs. See Chapter 4.5.1 for more discussion of the integration of watershed-based planning with TMDLs.

9.2 Annual Performance and Progress Determinations

9.2.1 Satisfactory Progress Determination

EPA has a statutory obligation under §319(h)(8) to determine if a state made satisfactory progress in meeting the schedule of relevant annual milestones specified in their current NPSMPs. EPA is prohibited from awarding grants under §319(h) in the absence of such a determination for the preceding fiscal year. This is another essential reason that EPA requires that NPSMPs be reviewed and updated every five years—so the program objectives and milestones are relevant for each grant period. As noted in

Chapter 3.5 of these guidelines, states that do not maintain current NPSMPs risk a determination of unsatisfactory progress. EPA determinations are based on state activities, reports, reviews, other documents, and discussions with the state in the previous year. EPA is also responsible for ensuring accountability for the management of §319(h) grant funds broadly and is authorized by §319(h)(10) and under its grant-making authority to request certain information needed to determine the state's continuing grant eligibility and performance.

EPA regions must include in the §319 grant funding recommendation—or in a separate document such as a grant issuance cover letter—a written determination that the state has made satisfactory progress during the previous fiscal year along with brief explanations to support these determinations. The final determination of state NPSMP progress is made by the EPA regional administrator (but more typically the EPA regional water division director through redelegation). This determination is based on a review conducted by the appropriate regional staff[38] using a standardized template (Appendix D), which addresses the requirement under §319(h)(8), as well as key information regarding §319(h) grant performance more broadly.

Note that specific practices related to documenting and concurring on satisfactory progress may vary from EPA region to region. However, regions and states should agree on the general procedures for ensuring states are notified in a timely manner of determinations and for discussing regional comments/concerns. For example, a best practice is for EPA regional §319 project officers to email the state the determination result in addition to attaching it to the funding recommendation.

9.2.2 Interim Approval Process: Satisfactory Progress Determination

States may occasionally encounter unexpected challenges in implementing their NPS management plan (e.g., excessive unliquidated obligations or delayed update of their NPSMP plans), resulting in a situation where the EPA region cannot find that the state has met *all* the requirements of §319(h)(8). In these rare cases, the region may conclude that progress has been *partially* demonstrated satisfactory. Rather than withholding the entire §319 grant until all requirements of §319(h)(8) are met, the region may elect to make a conditional or partial grant award that includes a term and condition requiring that any outstanding item, task, or program element be addressed to demonstrate satisfactory progress. The EPA regional water division director may approve the conditional or partial award with the concurrence of the national NPS Program manager in EPA's Office of Water.

[38] This is typically the §319 grant project officer or regional EPA NPS program contact for standalone grants or §319 program coordinator for states that include §319 in a PPG.

Chapter 10. Waiver Process

Circumstances may arise in which a state believes it has no choice but to develop and submit a work plan for a grant that fails to meet one or more requirements in these guidelines. If such circumstances arise, and the state believes the circumstances justify a waiver from one or more requirements in these guidelines, the state may submit a request for a waiver to the EPA regional water division director. The request should identify the requirement for which a waiver is requested, identify the circumstances requiring the waiver (explaining why the waiver is necessary to successfully implement the approved state NPSMP), describe the activities and projects that the state will be implementing in lieu of those required by these guidelines, and make a commitment to adhere to the guidelines to the greatest extent possible. The regional water division director may approve the waiver for the year requested with the concurrence of the national NPS Program manager in EPA's Office of Water. EPA may not waive statutory requirements.

The waiver provision is intended for use only in unusual circumstances. For example, a waiver may be considered if national §319 funding levels are substantially reduced, and compliance with the guidelines would result in substantially less environmental benefit (NPS pollution reduction) than the state's proposed alternative use of the funds.

This waiver process applies only to the requirements established by these guidelines; it does not apply to any statutory or regulatory requirements or requirements in the EPA orders or policies referenced in these guidelines.

Chapter 11. Relationship to Other Federal Programs

11.1 Introduction

Building connections to and identifying additional funding sources to accomplish state NPS management plan goals is an important part of successful implementation. A wide array of CWA and non-CWA programs align with and are available to support states' efforts in leveraging funds for more effective implementation of NPS management plans and projects. States are strongly encouraged to develop relationships with local, state, and federal programs; explore how program goals can potentially align; and assess how different organizations can work together to accomplish individual goals and long-term NPS management measures.

This section highlights a few particularly important programs that have the most potential for collaboration and leveraging funds to support NPS pollution management.

11.2 EPA Programs

11.2.1 CWA §303(d)

Under §303(d) of the CWA, states must develop a list of "water quality limited segments" still requiring TMDLs. States must develop TMDLs for waters on the §303(d) list of impaired or threatened waters. As mentioned in Chapter 4.5.1, a TMDL is the calculation of the maximum amount of a pollutant that may enter a waterbody so that the waterbody will meet and continue to meet water quality standards. A TMDL determines a pollutant target (loading capacity), allocates loads to point and nonpoint sources, and provides a margin of safety.

Because implementation of the load allocations established by these TMDLs (for waters impaired solely or partly by nonpoint sources) is not directly enforceable under the CWA, the primary implementation mechanism is generally the state NPS management program coupled with state, local, and federal land management programs and authorities, and other programs and authorities. Thus, the §319 program is an important mechanism to implement TMDLs and restore the impaired waters listed under §303(d) where NPS pollution contributes to the water quality impairment. Implementing these TMDLs often can best be achieved through WBPs that use information derived from relevant TMDLs. Implementing WBPs has been—and continues to be—one of EPA's highest priorities for using §319 funds. WBP/TMDL integration may pose a challenge because TMDLs can be developed at varying watershed scales or for single segments, while the scope of a WBP often targets a planning area at the HUC-12 watershed level. However, in appropriate cases, developing TMDLs on a watershed basis can effectively and efficiently address TMDL development commitments and facilitate integration with the §319 program activities.

EPA encourages states to coordinate their CWA TMDL and §319 programs to align priorities and leverage resources available for the assessment, planning, and implementation of water quality restoration projects. Additionally, local watershed organizations can contribute important local knowledge on their watershed and for the timing and selection of management measures. EPA strongly encourages states to coordinate their efforts to prioritize, develop, and implement WBPs with state and EPA efforts to prioritize, develop, and implement TMDLs, consistent with The Vision for the Clean Water Act Section 303(d) Program. This integration can achieve efficiencies in cost and is particularly valuable

when prioritizing planning efforts and using water quality models for determining TMDLs that include the ability to run various BMP treatment scenarios. Chapter 6.2.2 specifies requirements for TMDLs developed with §319 funding.

11.2.2 Clean Water State Revolving Funds and Recycled Loan Funds

Congress established the CWSRF in 1987 under the same amendments to the CWA that created the §319 program as a means for sustainably addressing problems caused by both point source and NPS pollution alike, without partiality to one source over the other. The CWSRF under Title VI of the CWA is particularly well-suited to help implement NPS projects requiring capital investment, and states are encouraged to increase their use of these financial resources to help implement WBPs and other NPS projects. The CWSRF is the nation's largest fund dedicated to addressing water quality problems and it presents a significant opportunity for leveraging §319 investments. Additionally, in 2014, Congress expanded CWSRF eligibilities by adding watershed partnerships under CWA § 603(c)(7), defined at 33 U.S.C. § 1274(a)(3) as: "[e]fforts of municipalities and property owners to demonstrate cooperative ways to address nonpoint sources of pollution to reduce adverse impacts on water quality."

Under the CWSRF, each state develops an annual Intended Use Plan (IUP) subject to public review, which describes the state's plan for using the CWSRF funding. Typically, IUPs indicate that a portion of the CWSRF funds will be used for projects implementing the state's NPSMP plan; while not required, in some cases the IUPs contain a list of the specific NPS activities under §319 that the state expects to fund. State NPS staff should work closely with state CWSRF staff, when possible, to include high-priority NPS projects from a state's NPSMP in the state's CWSRF IUP. When updating their NPSMPs, states should clearly identify any potential opportunity to utilize the CWSRF program for eligible activities. Where applicable, the state NPSMP should explain how NPS projects fit into the state's prioritization scheme for CWSRF funding and describe state efforts to increase the use of the state CWSRF to address NPSMP priorities.

In 2021, EPA released *CWSRF Best Practices Guide for Financing Nonpoint Source Solutions: Building Successful Project Funding* (EPA 841-B-21-012) as a resource to help states expand the use of CWSRF for NPS projects.

In addition, "recycled" CWSRF dollars under Title VI of the CWA can be used to provide a match for §319 grants. These are funds that have been loaned by the state and subsequently repaid by the borrower to the state. The repaid funds are then recycled by the CWSRF program to provide loans that fund other water quality projects. These recycled funds are not treated as federal funds for the purposes of a match; therefore, these funds are eligible to be used as a match for §319 funds, provided that they, like any other §319 match funds, are used to implement the approved §319 state NPSMP.

These guidelines provide an incentive for states to use state revolving funds and other state funding for NPS activities by providing additional flexibility with the federal §319 funds for states that provide significant amounts of state funding for NPS watershed project activities (see Chapter 6.5).

11.2.3 Sewer Overflow and Stormwater Reuse Municipal Use Grants Program

The Sewer Overflow and Stormwater Reuse Municipal Grant Program funds the planning, design, and construction of combined sewer overflows, sanitary sewer overflows, and stormwater management projects. America's Water Infrastructure Act of 2018 amended CWA §221, which reauthorized the

Sewer Overflow and Stormwater Reuse Municipal Grants program. Grants are awarded to states, which then provide subawards to eligible entities for projects that address infrastructure needs for combined sewer overflows, sanitary sewer overflows, and stormwater management. In 2021, the Infrastructure Investment and Jobs Act (P.L. 117-58, Nov. 15, 2021), also known as the Bipartisan Infrastructure Law (BIL), amended the program to add a focus on funding projects in rural and finically distressed communities while also eliminating project cost share requirements for these communities.

11.2.4 Source Water Protection and Drinking Water State Revolving Fund

Many federal funding programs can be used to support source water protection efforts and implement NPS projects. In addition to leveraging CWSRF funds for NPS projects, states can set aside a portion of their Drinking Water State Revolving Fund (DWSRF) capitalization grants to fund source water protection projects that also fulfill state NPSMP objectives. These set-asides can support conservation easements, agricultural BMPs, septic system management and replacement, development of watershed management plans, vegetative buffers, installing ambient water quality monitoring stations upstream of intake, and other activities.

Like CWSRF funding, each state develops an annual IUP subject to public review, which describes the state's plan for using the DWSRF funding. NPSMP staff should coordinate with their state source water protection program and state DWSRF program to identify common goals that can be addressed using DWSRF funding. The significant increase in funding to the state revolving fund programs through the 2021 BIL provides more opportunity for states to plan and implement NPS projects that also benefit drinking water sources.

Effective source water protection includes various actions and activities focused on safeguarding, maintaining, or improving the quality and/or quantity of sources of drinking water and their contributing areas. These activities may depend on the type of source being protected (e.g., groundwater, reservoir, river). The requirements and provisions for source water protection (including groundwater) programs fall under §§1428 and 1453 of the Safe Drinking Water Act. States and Tribes may use §319 funds for source water projects for both surface water and groundwater, consistent with the provisions of these guidelines.

Partnerships with drinking water and source water stakeholders could inform monitoring and assessment efforts (e.g., assessing previously unassessed waters that contribute to drinking water sources) and assist in measuring NPS project outcomes. NPSMPs can leverage various funding programs to implement BMPs to achieve water quality benefits for healthy, threatened, or impaired waters within source water protection areas. EPA's Funding Integration Tool for Source Water, or FITS, is a one-stop-shop tool that explains how users can integrate the state revolving funds and many other federal funding sources to support activities protecting drinking water sources, including many activities addressing NPS pollution (contact EPA regional source water coordinators and state source water protection programs for more information). EPA encourages strong coordination between NPS and source water programs, such as:

- Including source water protection information in state NPSMP plans.
- Prioritizing §319 project applications that include source water protection activities.
- Developing WBPs focused on source waters.
- Coordinating on NRCS conservation initiatives and projects (e.g., NWQI, Regional Conservation Partnership Program, priority watersheds).

- Exchanging ambient water quality monitoring data and watershed management information.

Source water protection assessments and plans can inform the development of nine-element WBPs. By leveraging the resources and assessments of source water protection programs, NPSMPs can produce a more comprehensive and effective outcome. Helpful source water information includes:

- Delineated source water protection areas – The land areas that contribute water to the public drinking water supply (surface water or groundwater) and where pollution from human activities or natural sources pose the greatest threat to source water quality.
- Inventory of potential contaminant sources – A list of all documented and potential contaminant sources or activities of concern within the source water protection area that might threaten drinking water supplies.
- Source water protection assessment – A report demonstrating the susceptibility of the public water system to threats included on the contaminant source inventory list, which connects the nature and severity of the threat to the likelihood of that threat contaminating source water.
- Source water protection plan – An action plan using the information gathered from the source water assessment process that includes long-term management strategies for preventing contamination of drinking water sources.
- Data – Public water system ambient source water quality and treated drinking water quality monitoring data provide valuable information.
- Drinking water program violation data – Safe Drinking Water Act violation data can be accessed through the Safe Drinking Water Information System (SDWIS) Federal Reporting Services website or by collaborating with local drinking water utilities to target contaminants of shared concern in watershed protection or restoration efforts.

In addition, EPA has an online mapping tool, Drinking Water Mapping Application to Protect Source Water (DWMAPS), that NPSMPs can use to understand where source water protection areas are concentrated and to locate drinking water providers, potential sources of source water contamination, polluted waterways, protection projects, and local source water collaborative initiatives.

11.2.5 CWA §604(b)

Water Quality Management Planning grants are awarded to states under CWA §604(b) to carry out activities in §205(j) and §303(e). Grant funding may be used to support planning-related activity categories relevant to the NPSMP (and other CWA program areas), including outreach and technical assistance, water quality planning, ambient monitoring, and program administration. BIL funding will infuse approximately $117 million into state §604(b) programs for fiscal years 2022–2026. EPA's guidelines emphasize the complementary nature of grants awarded under §§ 604(b) and 106 and encourage states to use a portion of additional BIL funding to integrate climate and equity considerations into water quality planning activities.

11.2.6 CWA §106

The Water Pollution Control Program under §106 of the CWA authorizes EPA to provide financial assistance to states, eligible interstate agencies, and eligible Tribes through water pollution control grants. CWA §106 grants can support various water pollution prevention and control programs and activities, including:

- Monitoring and assessing ambient water quality
- Developing water quality standards (informing §303(d) listing determinations)
- Identifying impaired waters and developing TMDLs
- Implementing NPDES permits
- Ensuring compliance
- Conducting enforcement actions
- Protecting source water
- Managing outreach and education programs

State NPSMPs are particularly encouraged to collaborate with state and Tribal ambient water quality and assessment programs supported through §106 to coordinate monitoring efforts in priority areas identified in the NPSMP plan (for more information, see Chapter 7.9).

11.2.7 Brownfields Program

EPA's Brownfields Program provides direct funding for brownfields assessment, cleanup, revolving loans, environmental job training, technical assistance, training, and research. To facilitate the leveraging of public resources, EPA's Brownfields Program collaborates with other EPA programs, other federal programs, and state agencies to identify and make available resources that can be used for brownfield activities.

11.2.8 Technical Assistance Programs

EPA also has centers dedicated to supporting technical assistance, including:

- EPA's Office of Water's Environmental Finance Centers offer targeted technical assistance to local governments, states, Tribes, territories, and nongovernmental organizations to protect public health, safeguard the environment, and advance environmental justice.
- The Environmental Justice Thriving Communities Technical Assistance Centers provide training and other assistance to build capacity for navigating federal grant application systems, writing strong grant proposals, and effectively managing grant funding. In addition, these centers provide guidance on community engagement, meeting facilitation, and translation and interpretation services for limited English-speaking participants, thus removing barriers and improving accessibility for communities with environmental justice concerns.

11.2.9 Other EPA Programs

State NPSMPs are encouraged to coordinate with the following programs to advance mutual goals.

- EPA's NEP, authorized under §320 of the CWA, supports 28 estuaries of national significance in their efforts to develop and implement long-term, EPA-approved Comprehensive Conservation and Management Plans and annual work plans to address NPS problems and other estuarine watershed challenges. For example, nutrient and sediment reduction goals from a state NPS management plan may be accomplished through a Comprehensive Conservation and Management Plan that aims to improve estuary habitat by reducing nutrients or sediment loadings in the NEP's study area.

- The Urban Waters Federal Partnership comprises EPA and multiple other federal agencies, and it aims to stimulate regional and local economies, create local jobs, improve quality of life, and protect Americans' health by revitalizing urban waterways in underserved communities across the country.
- Wetlands protection and restoration programs that are implemented under §404 of the CWA and under other federal and state authorities and programs.
- Geographic programs, including for the Chesapeake Bay (§117); Great Lakes Restoration Initiative (§118); Long Island Sound (§119); Lake Champlain (§120); Lake Pontchartrain (§121); Puget Sound (§320); Columbia River Basin (§123); and the Gulf of Mexico, Pacific Northwest, South Florida, Southeast New England Estuaries, and San Francisco Bay (CWA §320(a)(2)(B)).
- State programs that implement the NPDES point source program, particularly with respect to urban runoff, construction and development, and concentrated animal feeding operations. For example, states can find areas within their NPDES program that have similar pollutant reduction goals in their NPSMP. While §319 funds cannot be directly used to implement requirements in a permit, they can be used to supplement and accelerate nutrient reductions as an addition to within and outside of adjacent permitted areas when not implementing a permit requirement.
- Under the 2021 BIL, EPA established the Gulf Hypoxia Program to help Hypoxia Task Force member states, Tribes, and key partners implement actions to advance the Gulf Hypoxia Action Plan. These actions include practices to reduce NPS nutrient and sediment loading to the Gulf of Mexico. Specifically, Hypoxia Task Force member states are encouraged to use Gulf Hypoxia Program funds to implement and advance their respective Nutrient Reduction Strategies, while eligible Tribes are encouraged to build capacity towards implementing actions that reduce nutrient loading in the Mississippi/Atchafalaya River Basin.

11.3 Other Federal Programs

11.3.1 USDA: 2018 Farm Bill, NRCS, NWQI

The Conservation Title of the Farm Bill provides significant opportunities to work closely with the USDA and, more generally, the agricultural and working lands community to leverage funding and other resources to improve water quality affected by agricultural and silvicultural NPS pollution and to achieve our common goals of restoring and protecting water quality. USDA's Farm Bill conservation programs such as Environmental Quality Incentive Program (EQIP), Conservation Reserve Program, Conservation Stewardship Program, Regional Conservation Partnership Program, and Agricultural Conservation Easement Program, protect and restore water quality by supporting a range of activities, including: the implementation of agricultural conservation and restoration measures (suites of practices); the removal of environmentally sensitive land from agricultural production; and the protection of wetlands, riparian areas, and other areas of critical importance to the success of water quality improvement efforts (see https://www.usda.gov/farmbill and https://nrcs.usda.gov/wps/portal/nrcs/main/national/programs).

States should build and expand collaboration with USDA to enhance NPSMP work via these conservation programs. Where conservation programs implement conservation or restoration measures, §319 can fund complimentary activities, including: (1) developing WBPs, watershed assessments, and other plans for impaired watersheds, source water priority areas, or other high-priority watersheds that optimize conservation program implementation and collaborative opportunities; (2) funding watershed

coordinators and technical assistance providers to work in local communities to promote adopting conservation and restoration measures; and (3) monitoring water quality to assess project effectiveness and track improvements. Conservation programs can also address NPS pollution from nonindustrial private forests where a private landowner owns more than 10 acres, for example, by funding forest management plans and conservation and restoration measures to protect and improve water quality.

The NWQI began in fiscal year 2012 as a collaborative effort between EPA, NRCS, and states to improve water quality in agricultural watersheds by addressing nutrient, sediment, and pathogen pollution through targeted conservation implementation and enhancing working relationships among state NRCS and state water quality agencies. EPA, NRCS, and states will continue implementing the NWQI to encourage and facilitate program coordination in targeted priority watersheds nationwide. EPA expects states to meet minimum NWQI participation levels (at least three planning and/or implementation watersheds and/or source water protection areas per state) and urges states to go beyond this as appropriate to maximize coordination and leveraging of NRCS resources. NWQI promotes investments in critical watersheds over multiple years to achieve focused implementation of conservation and restoration measures that can yield sustained water quality improvements. From 2012 to 2022, NRCS invested over $299 million and worked with over 6,000 farmers and ranchers to implement conservation practices on more than 1.25 million acres. In fiscal year 2019, NRCS expanded the NWQI to include source water protection for surface waters and groundwater.

Further discussion of NWQI expectations and considerations regarding enrollment of watersheds, focused monitoring, and watershed planning can be found in Chapters 4.5.2 and 7.5. More detailed information about the NWQI is available in *Planning and Implementing Agricultural Water Quality Projects Through the National Water Quality Initiative: A Practitioners Guide* on EPA's website.

11.3.1.1 Opportunities for NPSMPs

This section provides examples of how state NPS programs may engage with NRCS.

1. Amplify NRCS involvement in watershed projects and successes via NPS Success Stories.
2. Be an active participant and stakeholder in NRCS's decision-making process.
    a. Work closely with NRCS to propose state Watersheds for NWQI, and work closely with NRCS to identify state priorities for Source Waters impacted by agricultural work. Stay involved in the Watershed Assessment Plan development and implementation phases and supplement information and resources to accomplish water quality goals.
    b. Participate in the state technical advisory committee meetings and share the state priority waterbody restoration plans.
    c. Participate in local coordinating and subcommittee meetings, e.g., EQIP subcommittee. The EQIP subcommittee is especially important in lieu of or in addition to the state technical advisory committee meetings.
3. Engage NRCS in a dialogue about state water quality priorities and share data and information.
    a. Engage with NRCS staff about priority NPS water quality issues, watersheds, and project plans. Discuss how these priorities can overlap with NRCS priorities and available funding. This may involve engaging with NRCS during grant application review and project deliverable review/development when projects are agriculture-related.

   b. Regularly share relevant information on the state NPSMP with NRCS. For example, copy the NRCS state conservationist/staff on emails related to the NPSMP RFPs.
   c. Share usable data and information on state priority areas with NRCS where available. If feasible, develop data layers that show critical areas for specific resource concerns and targeted focus areas for water quality resource concerns. Provide NRCS and other agencies with a better understanding of state water quality goals and other water quality programs.

4. Explore collaboration with NRCS in other ways to advance water quality and assist NRCS when possible.
   a. Encourage state or local watershed coordinators to participate at the local level and help develop local ranking criteria for EQIP contracts that allocate points for water quality benefits.
   b. Work with NRCS on projects where a farmer has "maxed out" of the funding they can access through NRCS. A state can match the funding that is needed with §319 dollars. However, any additional funding may not exceed the cost of relevant NRCS-funded conservation practices.
   c. Where appropriate and feasible, bring an NRCS liaison to the state water quality or NPS agency.
   d. Collaborate on efforts to conduct outreach to private landowners and operators.
   e. Where appropriate, share innovative practice demonstration outputs and results (e.g., regarding design changes that might be needed in response to increased climate variability) with the USDA Agricultural Research Service and NRCS.

5. Explore other suggestions/opportunities.
   a. Become more familiar with the issues facing NRCS and the agricultural community.
   b. Attend field days, local events, etc.
   c. Collaborate with the state or regional association of conservation districts where appropriate, as they often work closely with NRCS and §319 programs.
   d. Encourage the development of statewide forums for watershed/basin coordination and program information sharing if they do not exist.

11.3.2 Federal Emergency Management Agency

EPA recognizes that current and future impacts of climate change affect overall public health, safety, and water resources. Particularly regarding NPS management, factors including rising in-stream and in-lake temperatures, more frequent/intense storm events, and changes in precipitation and flow can negatively affect aquatic life while increasing pollutant loading and erosion/sedimentation.

FEMA manages and funds multiple natural hazard mitigation and recovery programs. While FEMA historically focused largely on disaster response, the agency has expanded to also focus heavily on pre-disaster hazard mitigation and climate change adaptation/resilience. FEMA Hazard Mitigation Assistance programs provide funding and technical support for eligible mitigation measures that help communities recover from disasters and reduce community vulnerability to future natural hazards and their effects. FEMA Hazard Mitigation Assistance promotes building resilience into urban and rural infrastructure and mitigation solutions that promote sustainable water supplies and functioning ecosystems.

To support community pre-disaster resilience to natural hazards and disaster events, FEMA encourages the use of nature-based solutions. FEMA defines nature-based solutions as "sustainable planning, design, environmental management, and engineering practices that weave natural features or processes into the built environment to promote adaptation and resilience." Nature-based solutions is a broad term that can include but is not limited to the following examples:

- GSI (bioretention, rain gardens, vegetated swales, etc.)
- Wetland construction, restoration, and/or protection
- Floodplain restoration
- Land conservation/conservation easements
- Living shorelines
- Agricultural conservation practices (cover crops, no/reduced till, etc.)

EPA and FEMA recognize the multiple "co-benefits" of nature-based solutions, including reduced flood risk, increased resilience to drought events, improved water quality, protection of vulnerable properties, and reduced urban heat effect/protection from rising temperatures, among others. FEMA also promotes using nature-based solutions as a lower-cost alternative to traditional infrastructure/natural disaster protection measures.

FEMA Hazard Mitigation Assistance includes multiple grant programs that provide opportunities for states, local communities, Tribes, and territories to fund nature-based solutions that provide water quality and natural hazard mitigation co-benefits. These programs include:

- Building Resilient Infrastructure and Communities (BRIC): FEMA's primary competitive pre-disaster mitigation and resilience grant. BRIC provides funding to address future natural hazards, including flooding, drought, wildfire, and extreme heat. BRIC funds can be used for on-the-ground project implementation (including nature-based solutions), capacity building, and planning.
    - BRIC Direct Technical Assistance: Separate from the national competitive grant program, FEMA provides technical support through BRIC Direct Technical Assistance for communities in need of resources/additional capacity to advance climate resilience planning and design of climate adaptation strategies.
- Flood Mitigation Assistance: Competitive grant that provides funding for on-the-ground projects that reduce or eliminate the risk of repetitive flood damage to buildings insured by the National Flood Insurance Program.
- Hazard Mitigation Grant Program: Noncompetitive grant that is available following a presidentially declared disaster event. The program may be used to develop state or local HMPs and support communities to rebuild in a way that reduces or mitigates future disaster losses.
- Hazard Mitigation Grant Program Post-Fire: Noncompetitive grant that supports communities in implementing hazard mitigation measures after wildfire disaster events.
- Community Rating System: Voluntary incentive program that encourages community floodplain management practices that exceed the minimum requirements of the National Flood Insurance Program. The Community Rating System program provides discounted flood insurance premium rates to participating communities.

To be eligible for certain types of FEMA funding, including Hazard Mitigation Assistance grants, the Stafford Act, 42 U.S.C. §5121 et seq., directs that state, territory, Tribal, and local governments develop and adopt HMPs. These plans focus on pre-disaster planning and address all natural hazards that can impact states and communities. Project applications for FEMA grants must be consistent with the HMP. Hazard mitigation planning follows a five-year cycle. These are "living" documents that are formally updated every five years. The planning cycle includes the following stages:

- Goal setting and a five-year planning process
- Natural hazard identification and risk assessment
- Mitigation strategy to address identified risks
- Consideration of current and potential resources and capabilities to address natural hazards
- Identification of action items to achieve the mitigation strategy

11.3.2.1 Opportunities for NPSMPs

FEMA's emphasis on integrated planning efforts and using nature-based solutions provides an opportunity for the NPSMP to bolster both NPS management and climate resilience. State NPSMPs are encouraged to:

- Review the most recent state, Tribal, or local HMPs applicable to NPSMP priority watersheds. Assess if and how threats to surface water and groundwater quality, collaboration with water quality programs, or nature-based solutions are included in the current HMP mitigation strategy/action items. Identify if any current "action items" or projects will be implemented in NPS priority areas.
- Engage with state hazard mitigation officers, state and/or local emergency managers, and state floodplain managers to identify areas where NPS critical areas and mitigation priority areas may overlap. Discuss any current opportunities to align planning for nature-based solution implementation.
- Encourage the development of statewide forums for coordinating and sharing information between programs if they do not exist.
- Coordinate with the groups listed above to engage early in the HMP update process to understand how water quality programs/priorities and nature-based solutions will be included.
- As appropriate, include state/local hazard mitigation/floodplain management/emergency management agencies or organizations in NPSMP plan and watershed plan development where priority areas align.
- Understand and use language that aligns with natural hazard mitigation and resilience priorities.
- Consider future climate conditions, natural hazards, and potential emergency response needs when developing NPS management plans and WBPs (see Chapters 3.2, 4.5.3, and 4.6.3).
- Report co-benefits of §319 projects (see Chapter 8.7) to natural hazard mitigation/resilience project stakeholders.

11.3.3 Additional Federal Collaboration Opportunities

The following describes additional federal agencies whose mission or efforts may intersect with NPS management priorities and provides examples of opportunities for NPS programs to engage with these agencies. These examples are not exhaustive and are meant to provide a starting point for engagement.

NPS programs are encouraged to seek additional information on these federal agencies as the mission, goals, or programs described below may support NPS management work in their state.

- The **Department of the Interior** supports multiple programs that provide opportunities for engagement on NPS issues and priorities. The Department of the Interior's BLM mission is to sustain the health, diversity, and productivity of public lands for the use and enjoyment of present and future generations. The BLM Land and Conservation Fund supports conservation and recreation projects to enhance public access to public waters under the direction of BLM's National Conservation Lands and Community Partnerships office. BLM's Aquatic Resources works with BLM managers, Tribal, federal, state and local governments and nongovernmental partners to conserve and restore riparian, fisheries, and water resources on BLM-managed lands.
- The **U.S Bureau of Reclamation's** mission is to manage, develop, and protect water and related resources in an environmentally and economically sound manner. The bureau develops strategies to manage and deliver water more efficiently and effectively to help satisfy the needs of irrigation, municipalities, power, and the environment and to serve as a technical resource for water users and planners. The WaterSMART program provides multiple funding opportunities related to water resource management, including the Cooperative Watershed Management Program, which supports watershed planning and management efforts.
- **NOAA's** mission is to understand and predict changes in climate, weather, oceans, and coasts; share that knowledge and information with others; and conserve and manage coastal and marine ecosystems and resources. NOAA's Coral Reef Conservation Program supports efforts to monitor and mitigate the impacts of land-based pollution on coral reefs, including nonpoint sources of pollution. NOAA's Coral Program has a strong history of supporting watershed-based planning and NPS management project implementation, particularly in U.S. territories. Additionally, NOAA leads robust marine HAB monitoring, forecasting, research, and outreach and education efforts.
- The **USDA's Forest Service** mission is to sustain the health, diversity, and productivity of the nation's forests and grasslands to meet the needs of present and future generations. The Forest Service supports research on watershed processes, functions, and conditions, with an emphasis on the impacts of forest land on water quality and best practices for managing forest lands to protect water quality. Additionally, the Forest Service supports the Landscape Scale Restoration Program competitive grant that promotes collaborative, science-based restoration of priority forest landscapes and furthers priorities identified in State Forest Action plans or equivalent restoration strategies.
- The **USDA Farm Services Agency** supports the Conservation Reserve Program, which provides a yearly rental payment to farmers in the program who agree to remove environmentally sensitive land from agricultural production and plant species that will improve environmental health and quality.
- The **USFWS's** mission is to work with others to conserve, protect, and enhance fish, wildlife, plants, and their habitats for the continuing benefit of the American people. USFWS supports tools and resources, including Recovery Plans and Biological Opinions that can aid in developing WBPs. USFWS also funds the National Fish Passage Program, which provides direct technical and financial assistance to provide fish (and other aquatic organisms) passage and restore aquatic connectivity. This program may support NPS management priorities, including removing dams and other fish passage barriers and reconnecting streams and habitats.

- The **National Park Service's** mission is to preserve unimpaired natural and cultural resources and values of the National Park system for the enjoyment, education, and inspiration of this and future generations. The National Park Service works collaboratively to extend the benefits of natural and cultural resource conservation and outdoor recreation throughout this country and the world. The National Park Service's Water Resources Division works to conserve, protect, and restore water resources in America's national parks. It provides assistance, expertise, and guidance for aquatic ecosystem stewardship in national parks through several program areas: fish, rivers, ocean and coastal resources, water quality, wetlands, water rights, wild and scenic rivers, natural resource condition assessments, and information management.
- The **USACE's** mission is to provide engineering solutions, in collaboration with our partners, to secure our nation, energize our economy, and reduce disaster risk. The USACE Institute for Water Resources supports research and provides technical assistance and resources on emerging water resources trends and issues, including flood risk mitigation and shoreline management. Additionally, the USACE Environmental Program supports initiatives including invasive species management and estuary restoration. State NPS programs have also previously collaborated with USACE to leverage USACE water quality monitoring data (see Chapter 7.9.1).
- The **U.S. Department of Transportation's Federal Highway Administration** supports state and local governments in the design, construction, and maintenance of the Nation's highway system. As part of this work, the Federal Highway Administration supports research and provides resources on managing stormwater runoff along highways, including the Stochastic Empirical Loading Dilution Model.
- The **Department of Defense's** Readiness and Environmental Protection Integration program supports cost-sharing agreements between the Military Services, other federal agencies, state and local governments, and private conservation organizations to avoid land use conflicts near military installations, address environmental restrictions that limit military activities, and increase resilience to climate change.

Appendices

Appendix A. Key Components of an Effective State Nonpoint Source Management Program

EPA expects all states to review and, as appropriate, revise and update their NPS management programs every five years or sooner if less extensive amendments are believed to be necessary. An updated, comprehensive program ensures that CWA §319 funding, technical support, and other resources are directed effectively and efficiently and are used to address water quality issues at both the state and watershed levels.

EPA developed and updated the following components that characterize an effective state NPSMP with input from state lead NPSMP control agencies.[39] States should refer to these components when developing updated programs for EPA approval.

1. **The state program identifies water restoration and protection goals and program strategies (regulatory, nonregulatory, financial and technical assistance, as needed) to achieve and maintain water quality standards. It includes relevant, current, and trackable annual milestones for program implementation.**

The state's long-term goals reflect a strategically focused state NPSMP designed to achieve and maintain water quality standards and maximize water quality benefits. Goals are focused on restoring and protecting waters by reducing and/or preventing NPS pollution statewide and on a watershed scale. The milestones built into the five-year program will provide an opportunity to gauge the effectiveness of programs, make needed mid-course corrections through an adaptive management process, and describe outcomes and key actions expected each year. Because the NPSMP is a longer-term planning document, the annual milestones could be more general than are expected in an annual §319 grant work plan. However, the annual milestones in the NPSMP should align with annual work plan actions and be specific enough for the state to track progress and for EPA to determine satisfactory progress in accordance with §319(h)(8).

Examples of annual milestones include anticipated improvements in water quality, reductions in water use, achievement of water quality standards, the delivering of a certain number of NPS success stories about restored waterbodies, implementing an expected number and type of watershed projects and BMPs in a certain number of high-priority impaired watersheds, completion of reports, the passing of NPS-related laws, and the establishment of NPS subprograms.

The state identifies key programs needed to achieve implementation of the measures, including, as appropriate, nonregulatory or regulatory programs for enforcement, technical assistance, financial assistance, education, training, technology transfer, and demonstration projects.

The state NPSMP describes its approach to addressing the twin demands of restoring waters that the state has identified as impaired by NPS pollution and preventing new water quality problems from current and reasonably foreseeable future NPS impacts, especially for waters that currently meet water quality standards. The state's program describes how it will set priorities and align resources between

[39] This is an update of Appendix A (Key Components of an Effective State Nonpoint Source Management Program) from EPA's 2013 *Nonpoint Source Program and Grants Guidelines for States and Territories.*

the restoration and protection of healthy waters based on their water quality challenges and circumstances.

In addition, the state incorporates existing baseline requirements established by other applicable federal or state laws to the extent they are relevant. For example, CZARA requires implementation through the state's NPSMP; therefore, a coastal state or territory with an approved coastal zone management program incorporates the program elements required by CZARA §6217 into its NPSMP. In this manner, the state ensures this program and other relevant baseline programs are integrated into and consistent with §319 programs.

2. The state program identifies the primary categories and subcategories of NPS pollution, the risks associated with changing climate conditions, any disadvantaged communities, and a process for prioritizing impaired and unimpaired waters.

The state identifies the primary categories and subcategories causing water quality impairments, threats, and risks across the state. The state may include emerging issues, such as pollutants and/or categories of NPS pollution, which require additional data to be collected to fully understand the scope and magnitude of the concern.

The state identifies waters impaired by NPS pollution based on currently available information (e.g., in reports under CWA §§ 305(b), 319(a), 303(d), and 320, and in assessments and analyses of changing land uses within the state) and revises its NPSMP plan priority lists periodically (at a minimum every five years) as updated assessment information becomes available. The state also identifies important unimpaired waters that are threatened or otherwise at risk from NPS pollution.

Biennial integrated reports will include a description of the nature and extent of nonpoint sources of pollutants and recommendations for the programs that must be undertaken to control each category of such sources, including an estimate of the costs of implementing these programs (CWA §305(b)(1)(E)). The state NPSMP plan includes a process to assign priority and progressively address identified waters and watersheds by conducting more detailed watershed assessments and developing and implementing WBPs.

Factors used by the state to assign priority to waters and watersheds may include a variety of considerations, for example:

- Human health considerations, including contact recreation and/or source water protection for drinking water.
- Ecosystem integrity, including ecological risk and stressors.
- Beneficial uses of the water.
- The value of the watershed or groundwater area to the public.
- The vulnerability of surface water or groundwater to additional environmental degradation and climate change impacts.
- The likelihood of achieving demonstrable environmental results.
- The degree of understanding of the causes of impairment and the solutions capable of restoring the water.
- Site-specific technical feasibility.

- The adequacy of existing water quality monitoring data or future monitoring commitments.
- The degree to which TMDL allocations assigned to point sources depend on achieving NPS reductions.
- The extent of coordination with other federal agencies; states; local, public, and private agencies/organizations; and other stakeholders to coordinate resources and actions.
- The degree to which pollution can be reduced in overburdened communities and/or the degree to which projects will address water quality problems in disadvantaged communities.
- Availability of and access to funding sources other than §319(h).
- The readiness and capacity to proceed among stakeholders.

In cases where states have **prioritized protection efforts**, they may wish to consider the following scenarios for prioritizing the protection of healthy waters:

- Outstanding Natural Resource Waters or other state-defined categories of high-quality waters.
- Watersheds currently supporting healthy aquatic ecosystems, as identified in assessments of watershed function and structure (e.g., EPA Healthy Watersheds Integrated Assessments).
- Waters and watersheds identified as protection priorities in the CWA §303(d) integrated report.
- Watersheds or portions of watersheds with unique, valuable, or threatened species or the critical aquatic habitats of these species.
- Waters and watershed areas (including groundwater where appropriate) that serve as source water for a public drinking water supply.
- Protecting healthy waters in watersheds where it complements efforts to restore NPS-impaired waters.
- Waters near geographic areas where rapid land use development is occurring.
- Waters where data trends indicate water quality degradation is occurring.
- Restored waters that require continued water quality assessment and maintenance of BMPs to ensure unimpaired status.
- Watersheds that contribute high nutrient loads to downstream waters.

The state links its prioritization and implementation strategy to other programs and efforts, such as those listed in components 1 and 4. In establishing priorities for groundwater activities, the state considers wellhead protection areas, groundwater recharge areas, and zones of significant groundwater/surface water interaction, including drinking water sources (see https://geopub.epa.gov/dwwidgetapp/).

Different approaches for prioritizing waters for restoration and protection are available, including several tools offered by EPA. For example, EPA's Recovery Potential Screening Tool is useful for comparing the restorability of impaired waters across various watersheds. It can also be used to determine protection priorities for unimpaired waters and now also includes social demographics. EPA developed and maintains the CyanoHAB story map as a user-friendly, interactive resource. The story map compiles monthly updates on state-issued recreational waterbody and drinking water health advisories due to cyanobacterial harmful algal blooms (cyanoHABs) from across the country. Another tool is EPA's Cyanobacteria Assessment Network (CyAN) mobile application, a customizable app that

provides access to cyanobacterial bloom satellite data for over 2,000 of the largest lakes and reservoirs nationwide. Bloom Watch is another resource that uses crowd-sourced data to find and report potential cyanobacteria blooms. EPA's Nutrient web page also offers several resources.

Climate Change: The NPSMP should identify the primary categories and subcategories of NPS pollution that will be exacerbated by changing climate conditions; for example, the increased likelihood of natural disasters (drought, wildfires, excessive heat, and storm frequency and intensity), depending on a state's climactic zones. The program can also prioritize areas or approaches for their potential co-benefits. For example, improving water quality while also mitigating natural hazard impacts, increasing soil health, improved filtration approaches, etc.

Equity: Incorporate a strategy to ensure equitable access to the benefits of NPSMP efforts for all communities. Depending on prior work in a state NPS program, this might range from simply conducting a preliminary assessment and identifying barriers to actively implementing engagement efforts to evaluating progress to address barriers.

Several screening tools are available to assist when considering factors related to climate change and advancing equity for disadvantaged communities. Tools include the Climate and Economic Screening Tool (CEJST)—with a preference for the screening factors for water/wastewater, climate, and legacy pollutant-burdened communities; the EJSCREEN Supplementary Index; and the Recovery Potential Screening Tool. The national NPS Program has worked with some states to develop a best practices approach for using the Recovery Potential Screening Tool in analyzing §319 work and demographic indicators. Some states also have their own prioritization approach to consider stressors related to climate change and advancing equity. The national NPS Program will continue to update analysis, barrier, and action approaches on their NPS equity resources page.

3. **The state program identifies BMPs and measures that will be undertaken to reduce pollutant loadings resulting from each category, subcategory, or particular nonpoint source identified in component 2, above. The measures should also consider the impact of the BMPs on groundwater quality. The schedule containing annual milestones (component 1) will include implementation of the BMPs by category, subcategory, and/or for particular nonpoint sources.**

Understanding the BMPs that are best suited for the state's pollutants and climate is essential for developing a strategy to address NPS pollution in varied landscapes. Being aware of historical effectiveness and landowners' willingness to implement BMPs is also important when selecting a suite of potential BMPs as part of a broader statewide strategy. Establishing preliminary suites of BMPs supports development of a more-focused, local nine-element watershed plan. Several resources are available to support establishing suites of BMPs, such as EPA's *Critical Source Area Identification And BMP Selection: Supplement To Watershed Planning Handbook*, EPA's 2001–2007 NPS pollution National Management Measures guidance documents; and the NRCS's Conservation Practice Standards (standards applicable to water quality).

Strategies to address NPS pollutants should consider any BMP design changes that might be needed in response to increased climate variability (e.g., increased storm intensity, drought, wildfires, rising temperature). For example, rising water temperatures can contribute to increased algal growth and potential cyanobacteria blooms. In these cases, a state may consider implementing BMPs that specifically target nutrient or temperature reduction in affected areas.

In addition, states might wish to implement nature-based solutions that reduce NPS pollutants and help mitigate the impact of natural hazards. For example, restoring or protecting floodplains can reduce NPS pollutant delivery to waterbodies, improve overall aquatic habitat conditions, and trap and control runoff from storms to mitigate high-flow events and reduce flood risk downstream. States may also wish to include the targeted ability to respond to natural disaster emergencies that threaten water quality.

Schedules to implement and evaluate the states' NPSMPs, including BMP approaches, are discussed in component 1, above.

4. The state uses both watershed projects and well-integrated regional or statewide programs to restore and protect waters, achieve water quality benefits, and advance any relevant climate resiliency goals.

The state has the flexibility to design its NPSMP in a manner that is best suited to achieve and maintain water quality standards. The state may achieve water quality results through a combination of watershed approaches and statewide programs, including regulatory authorities. The state NPSMP emphasizes a watershed management approach that advances equitable access to water quality benefits for underserved communities. The watershed approach provides a multidisciplinary science- and policy-based framework that balances local, state, and federal objectives and allows for cost-sharing and distribution of effort among diverse stakeholder groups. A watershed-based planning framework addresses water quality problems in a holistic manner by fully assessing the causes and sources of pollution and then prioritizing restoration and protection strategies to address these problems.

While the NPSMP plan is expected to identify and address NPS pollution in impaired waters, the NPS pollutant loadings will likely be influenced by changing climate conditions—making restoration or protection under future climate scenarios more difficult.

The NPSMP plan will discuss the climate change co-benefits expected from common NPS restoration measures (e.g., riparian restoration activities yield co-benefits such as carbon sequestration, flood resilience, and groundwater recharge). By accounting for co-benefits in the NPSMP plan, the state could measure positive progress during restoration activities even if the long-term impacts of a changing climate extend beyond the timeline for initial restoration goals.

The state NPSMP is well integrated with other relevant programs to restore and protect water quality, aligning the priority-setting processes and resources to increase efficiency and environmental results. These include the following programs, as applicable:

- CWA §303(d) assessments and TMDLs
- CWSRF and DWSRF
- USDA Farm Bill conservation programs (e.g., NWQI, EQIP, Regional Conservation Partnership Program, Conservation Stewardship Program, Agricultural Conservation Easement Program)
- State agricultural conservation
- State nutrient framework or strategy source water protection
- Climate change planning and resiliency
- FEMA – Hazard Mitigation and Climate Resilience

- Point sources (including stormwater, confined animal feeding operations, and enforcement of federally permitted facilities)
- Groundwater
- U.S. Geological Survey
- State and Tribal wetlands protection program
- NEP
- Geographic programs
- Coastal nonpoint pollution control program under CZARA (NOAA)
- Pesticide management
- Forestry, both federal (U.S. Forest Service) and state
- USACE programs
- BLM
- Other natural resource and environmental management programs, as needed

Because of the significant resources potentially available through USDA conservation programs, the state makes a strong sustained effort to coordinate and leverage programs with USDA NRCS.

Similarly, a state NPSMP clearly identifies processes to incorporate some of the significant resources of the CWSRF program for eligible NPS activities. The state NPSMP plan explains how NPS projects fit into the state's prioritization scheme for CWSRF funding and describes state efforts to increase the use of the state CWSRF for the NPSMP. If there are barriers to the prioritization of NPS projects, the state NPSMP describes efforts to coordinate with the CWSRF program and potential future steps to encourage NPS projects.

If, in reviewing federal programs, the state identifies federal lands and activities that are not managed consistently with state NPS program objectives, the state may seek EPA assistance to help resolve issues at the federal agency level. Federal programs subject to review by the state include the land management programs of the BLM and the U.S. Forest Service, USDA's conservation programs, and the USACE's waterway programs, as well as development projects and financial assistance programs that are, or may be, inconsistent with the state's NPSMP. Where appropriate, EPA will work with other federal agencies to enhance their understanding of the significance of NPS pollution, as well as to assist in resolving particular issues that arise between the state and federal agencies with respect to federal consistency. As EPA becomes aware of these issues, EPA works with the national NPS Program to improve consistency among federal programs.

5. The state identifies and strengthens its collaboration with appropriate federal, state, interstate, Tribal, and regional agencies as well as local entities (including conservation districts, private sector groups, utilities, and citizen groups) that will be utilized to implement the state program. Furthermore, the state supports capacity-building in disadvantaged, underserved, or overburdened communities.

"People are the foundation that sets everything into motion to restore our waters."[40]

The state NPSMP works collaboratively with partners and other key NPS entities to implement NPS control measures in priority watersheds. To form and sustain partnerships, the state uses a variety of formal and informal mechanisms, such as memoranda of agreement, letters of support, cooperative projects, the sharing and combining of funds, and meetings to share information and ideas. Creating and maintaining this cooperative approach is supported through formal engagement with interagency collaborative teams, NPS task forces, and representative advisory groups, as well as through more informal but ongoing NPS program coordination and outreach efforts.

Many states have committed to actions that address barriers to increased equity, including waiving nonfederal match for subrecipients, revising subaward application criteria to prioritize projects in disadvantaged communities, and supporting communities as they begin to implement watershed plans.[41]

The state works to ensure its local partners and grantees have the capacity to effectively carry out watershed implementation projects funded to support its NPSMP. To further address barriers, state programs can incorporate the additional flexibility provided in these guidelines to use project funds to support watershed plan development and capacity building in disadvantaged communities. States can also incorporate capacity development by supporting local watershed coordinators and leveraging community resources, such as local minority-serving institutions, community organizations, and local businesses.

The state seeks public involvement and comments on significant program changes from diverse sources such as:

- Local, regional, state, interstate, Tribal, and federal agencies
- Public interest groups
- Industry representatives
- Municipalities and public water systems
- Academic institutions
- Private landowners and producers
- Concerned citizens and others, as appropriate

Engaging with a wide range of stakeholders ensures that environmental objectives are well-integrated with economic stability and other social and cultural objectives.

[40] National Nonpoint Source Program Highlights report (USEPA 2016)
[41] Continued actions in FY23 to advance equity in the NPS program, September 2022

6. The state manages and implements its NPSMP efficiently and effectively, including necessary financial management.

The state implements its NPSMP to solve water quality problems as effectively and expeditiously as possible, report progress in meeting milestones and improving water quality (CWA §319(h)11), and make satisfactory progress each year by meeting its schedule of annual milestones (per CWA §319(b)(2)(C) and §319(h)(8); see also Appendix D of this document). To ensure that priority water quality problems are addressed in a cost-effective and efficient way, the state program includes a process for identifying water restoration and protection priorities and deploys resources strategically to address those priorities. The state's work plans for watershed projects and statewide activities are well-designed, with sufficient detail to ensure effective implementation. The state implements its activities and projects, including all tasks and outputs, in a timely manner. The state has established systems to ensure it meets its reporting obligations and uses EPA's GRTS effectively. The state employs sufficient staff and appropriate programmatic and financial systems to manage §319 funds for maximum water quality benefits while ensuring that §319 dollars and nonfederal match are used efficiently and consistently with legal obligations. The state ensures that §319 funds complement and leverage funds available for technical and financial assistance from other federal sources and agencies, including funding through CWSRF, DWSRF, CWA §604(b), USDA NRCS, and others.

7. The state evaluates its NPSMP using environmental and functional measures of success and revises its NPSMP plan at least every five years.

The state establishes appropriate measures of progress in meeting programmatic and water quality goals and objectives identified in key component 1 above. The state assesses the program's effectiveness in meeting its goals and objectives, revises its activities, and appropriately tailors its annual work plans based on a review of the monitoring/evaluation strategies. State program goals and objectives are revised as necessary to reflect progress or problems encountered, strategies towards achieving the goals, and indicators to measure progress. The state should use the five-year update to address evolving issues such as changing priorities, updated science, or natural hazard impacts on state NPS programs. For example, if an emerging contaminant is identified as a potential threat, the state can update its NPSMP plan to include strategies to address the contaminant. The state should include and deploy all potential strategies and management approaches in its management program to ensure issues can be readily addressed as they arise (e.g., natural hazard response, presence of emerging contaminants, changes in state priorities).

The state describes a monitoring/evaluation strategy and a schedule to measure success in meeting those goals and objectives. The state uses a process to assess both improvements in water quality and new NPS impairments or threats. Staff from the state's NPSMP, TMDL program, and other water quality-related programs collaborate on evaluation strategies to ascertain the following:

- Restored waters/NPS impairments eliminated (i.e., water quality impairments removed) and other documentable water quality improvements and successes.
- CWA §319-funded watershed projects with significant NPS pollutant load reduction.
- The number of remaining NPS-impaired waters.
- The number of remaining NPS-threatened, healthy waters.
- Any emerging NPS issues (e.g., emerging NPS pollutants or categories of concern).
- Additional data needs.

The state integrates monitoring and evaluation strategies with ongoing federal natural resource inventories and monitoring programs.

The state's annual report, as required under CWA §319(h)(11), characterizes the state's progress in meeting annual milestones, implementing BMPs and watershed projects, and, to the extent information is available, achieving reductions in NPS pollutant loadings and improvements in water quality resulting from program implementation (i.e., achieving water quality goals).

Water quality improvements are also a national NPS Program reporting measure as reported through the NPS Success Stories. NPS Success Stories and other significant milestones that are captured in annual reports and interim metrics are described in Chapter 8.7.

States can use feedback and findings from their EPA region's satisfactory progress determinations to support critical evaluation and strategize program improvements.

The state NPSMP is reviewed and revised at a minimum every five years. The revision is not necessarily a comprehensive update unless significant program changes warrant a complete revision; instead, an update targets the outdated parts of the program. At a minimum, this includes updating annual milestones and the schedule for program implementation to ensure they remain current and oriented toward achieving water quality goals.

Appendix B. Minimum Elements of a Watershed-Based Plan

Although many different elements may be included in a watershed plan, EPA has identified nine minimum elements that are critical for improving water quality. In general, EPA requires that nine-element WBPs be developed before implementing project(s) using §319 watershed project funding. In many cases, state and local groups have already developed watershed plans and strategies for their rivers, lakes, streams, wetlands, estuaries, and coastal waters that address some or all the nine elements. If these existing plans contain all nine elements listed below, they can be used to fulfill the WBP requirement for watershed projects. If the existing plans do not address all nine elements or do not include the entire watershed planning area, they can still provide valuable components to inform, develop, and update WBPs. See Chapter 4.5 for more details on leveraging existing plans. For more detailed information on developing WBPs, please see EPA's Resources for watershed planning, including the *Handbook for Developing Watershed Plans to Restore and Protect Our Waters* (EPA 841-B-08-002, March 2008).

Note: EPA recognizes that in select cases (see Chapter 4.6), alternatives to WBPs can provide an effective roadmap to achieve the water quality goals of a §319-funded watershed project.

The Nine Elements of Watershed-based Plans

The nine elements of WBPs and short explanations of how each element fits in the context of the broader WBP are provided below. Although listed as *a* through *i*, they do not necessarily occur sequentially.

The level of detail needed to address the nine elements of WBPs will vary in proportion to the homogeneity or similarity of land use types and the variety and complexity of pollution sources. For example, densely developed urban and suburban watersheds often have multiple sources of pollution from historic and current activities (Superfund sites, point sources, solid waste disposal, leakage from road salt storage, oil handling, stormwater-caused erosion, road maintenance, etc.) in addition to some agricultural activities. WBPs will be more complex in these cases than in predominantly rural settings. Therefore, plans for urban and suburban watersheds might need to be developed and implemented at a smaller scale than watersheds with agricultural lands of a similar character.

Element a. The identification of the causes of impairment and pollutant sources or groups of similar sources that need to be controlled to achieve the desired load reductions and any other goals identified in the watershed plan. Sources that need to be controlled should be identified at the significant subcategory level along with estimates of the extent to which they are present in the watershed (e.g., X number of dairy cattle feedlots needing upgrading, including a rough estimate of the number of cattle per facility; Y acres of row crops needing improved nutrient management or sediment control; or Z linear miles of eroded streambank needing remediation).

What does this mean?

Your WBP source assessment should encompass the watershed of the impaired waterbody(ies) and include map(s) of the watershed that locates the major causes and source(s) of impairment in the planning area. To address these impairments, you will set goals to meet (or exceed) the

appropriate water quality standards for pollutant(s) that threaten or impair the physical, chemical, or biological integrity of the watershed covered in the plan.

This element usually includes an accounting of significant point and nonpoint sources in addition to the natural background levels that make up the pollutant loads causing problems in the watershed. If a TMDL(s) exists for the waters under consideration, this element may be adequately addressed in those documents. If not, you will need to conduct a similar analysis (which may involve mapping, modeling, monitoring, and field assessments) to link the sources of pollution and the extent to which they cause the water to exceed relevant water quality standards.

Element b. An estimate of the load reductions expected from management measures.

What does this mean?

Using the existing source loads estimated for element *a*, you will determine the reductions needed to meet water quality standards. After identifying the various management measures that will help to reduce the pollutant loads (see element *c* below), you will estimate the load reductions expected as a result of implementing these management measures while recognizing the difficulty in precisely predicting the performance of management measures over time.

Estimates should be provided at the same scale and scope as described in element *a* (e.g., the total load reduction expected for dairy cattle feedlots, row crops, eroded streambanks, or implementation of a specific stormwater management practice). For waters in which TMDLs have been approved or are being developed, the plan should identify and incorporate the TMDLs; the plan needs to be designed to achieve the applicable load allocations in the TMDLs. Applicable loads for downstream waters should be included so that the water delivered to a downstream or adjacent segment does not exceed the water quality standards for the pollutant of concern at the water segment boundary. The estimate should account for reductions in pollutant loads from point and nonpoint sources identified in the TMDL as necessary to attain the applicable water quality standards.

Element c. A description of the NPS management measures that will need to be implemented to achieve load reductions in element *b* and a description of the critical areas in which those measures will be needed to implement this plan.

What does this mean?

The plan should describe the management measures needed to achieve the load reductions estimated under element *b* and any additional pollution prevention goals outlined in the watershed plan (e.g., habitat conservation and protection). Pollutant loads will vary even within land use types, so the plan should also identify the critical areas[42] in which those measures will be needed to implement the plan. This description should be detailed enough to guide needed implementation activities throughout the watershed and can be greatly enhanced by developing an accompanying map with priority areas and BMPs. Thought should also be given to the possible use of measures that protect important habitats (e.g., wetlands, vegetated buffers,

[42] Critical areas are those producing disproportionately high pollutant loads. For more information see the *Critical Source Area Identification and BMP Selection: Supplement to the Watershed Planning Handbook*, July 2018

forest corridors) and other nonpolluting watershed areas. In this way, waterbodies would not continue degrading in some watershed areas while being restored in others.

Element d. Estimate the amounts of technical and financial assistance needed, associated costs, and/or the sources and authorities that will be relied upon to implement this plan.

What does this mean?

You should estimate the financial and technical assistance needed to implement the entire plan. This includes implementation and long-term operation and maintenance of management measures, information/education activities, monitoring, and evaluation activities. You should also document which relevant authorities might play a role in implementing the plan. The plan's sponsors should consider the use of federal, state, local, and private funds or other resources that might be available to assist in implementing the plan. Shortfalls between the needs and the available resources should be identified and addressed in the plan.

Element e. An information and education component used to enhance public understanding of the plan and encourage early and continued participation in selecting, designing, and implementing the NPS management measures.

What does this mean?

The plan should include an information/education component that identifies the education and outreach activities or actions that will support implementing the plan. These activities may support the adoption and long-term operation and maintenance of BMPs and support stakeholder involvement efforts.

Element f. A schedule for implementing the NPS management measures identified in this plan that is reasonably expeditious.

What does this mean?

You should include a schedule for implementing the management measures outlined in your watershed plan. The schedule should reflect the milestones you develop in element g, and you should begin implementation as soon as possible. Conducting baseline monitoring and outreach for implementing water quality projects are examples of activities that can start right away. It is important that schedules not be "shelved" for lack of funds or program authorities; instead, they should identify steps towards obtaining needed funds as feasible.

Element g. A description of interim measurable milestones for determining whether NPS management measures or other control actions are being implemented.

What does this mean?

These milestones will be used to track the implementation of the management measures, such as whether they are being implemented according to the schedule outlined in element f. In contrast, element h (see below) will develop criteria to measure the management measures' effectiveness (e.g., via documenting improvements in water quality). For example, a watershed plan may include milestones for a problem pesticide found at high levels in a stream. An initial milestone may be a 30% reduction in the measured stream concentrations of that pesticide after five years and 50% of the users in the watershed have implemented integrated pest management (IPM). The next milestone could be a 40% reduction after seven years, when 80%

of pesticide users are using IPM. The final goal, which achieves the water quality standard for that stream, may require a 50% reduction in 10 years. These waypoints let the watershed managers document incremental progress and know if they are on track to meet their goals or need to re-evaluate the treatment levels or timelines.

Element h. A set of criteria that can be used to determine whether loading reductions are being achieved over time and substantial progress is being made toward attaining water quality standards.

What does this mean?

As projects are implemented in the watershed, you will need water quality benchmarks to track progress toward attaining water quality standards. The *criteria* in element *h* (not to be confused with the *water quality criteria* in state regulations) are the benchmarks or waypoints to measure against through monitoring. These interim targets can be direct measurements (e.g., fecal coliform concentrations, nutrient loads) or indirect indicators of load reduction (e.g., number of beach closings). These criteria should reflect the time it takes to implement pollution control measures and for water quality indicators to respond, including lag times (e.g., water quality response influenced by groundwater sources that move slowly; the extra time it takes for sediment-bound pollutants to break down, degrade, or otherwise be isolated from the water column). You should also indicate how you will determine whether the WBP needs to be revised if interim targets are not met. These revisions could involve changing BMPs, updating the loading analyses, and reassessing the time it takes for pollution concentrations to respond to treatment.

Element i. A monitoring component to evaluate the effectiveness of the implementation efforts over time, measured against the criteria established under element *h*.

What does this mean?

The WBP should include a monitoring component to determine whether progress is being made toward attaining or maintaining the applicable water quality standards for the waterbody(ies) addressed in the plan. The monitoring program should be fully integrated with the established schedule and interim milestone criteria identified above. The monitoring component should be designed to assess progress in achieving loading reductions and meeting water quality standards. Watershed-scale monitoring can be used to measure the effects of multiple programs, projects, and trends over time. Instream monitoring does not have to be conducted for individual BMPs unless that type of monitoring is particularly relevant to the project.

Appendix C. State-by-State CWA §319 Allocation

This appendix sets forth, for each state, its percentage of the total allocation of CWA §319 dollars each year. To calculate the allocation provided to a particular state in a particular year, do the following:

1. Begin with the total §319 funding appropriated by Congress for the year in question.
2. Subtract the current Tribal CWA §319 set-aside from the total §319 appropriation for distribution to Indian Tribes. CWA §518(f) allows EPA to provide up to one-third of 1% of the total §319 appropriation to Tribes. However, in light of the increasing number of §319-eligible Tribes and the effects of the statutory cap in limiting Tribes' ability to establish and maintain NPS programs, since fiscal year 2000, Congress has authorized the removal of the statutory cap on the Tribal CWA §319 set-aside in its annual appropriations language. In fiscal year 2023, EPA set aside 7.6% of the annual §319 appropriation to Tribes and articulated a long-term target of increasing the Tribal CWA §319 set-aside to 12% to meet Tribal NPS program needs more fully.
3. Multiply the funds remaining after step 22 by the applicable state percentage below.

	Percentage
Region 1	
Connecticut	0.98
Maine	1.17
Massachusetts	1.36
New Hampshire	0.76
Rhode Island	0.68
Vermont	0.74
Region 2	
New Jersey	1.67
New York	3.40
Puerto Rico	0.56
Virgin Islands	0.27
Region 3	
Delaware	0.72
Dist. Of Col	0.63
Maryland	1.34
Pennsylvania	2.95
Virginia	1.97
West Virginia	1.10
Region 4	
Alabama	1.96
Florida	3.92
Georgia	2.34
Kentucky	1.71
Mississippi	1.92
N. Carolina	2.33
S. Carolina	1.56
Tennessee	1.59
Region 5	
Illinois	4.12
Indiana	2.25
Michigan	2.93
Minnesota	3.46

Ohio	3.04
Wisconsin	2.59
Region 6	
Arkansas	1.97
Louisiana	2.44
New Mexico	1.22
Oklahoma	1.58
Texas	4.75
Region 7	
Iowa	2.29
Kansas	1.85
Missouri	2.31
Nebraska	1.82
Region 8	
Colorado	1.27
Montana	1.33
N. Dakota	2.42
S. Dakota	1.64
Utah	0.92
Wyoming	0.98
Region 9	
Arizona	1.64
California	5.34
Hawaii	0.77
Nevada	0.85
Am. Samoa	0.27
Guam	0.27
Marianas	0.27
Region 10	
Alaska	1.22
Idaho	1.24
Oregon	1.39
Washington	1.92

Appendix D. Guidance and Checklist for Determining Progress of State NPSMPs and Performance of CWA §319 Grants

Regions shall review each state's progress in implementing its NPSMP and provide written documentation of this progress. Specifically, before approving funding recommendations for the award of §319 funds, the Regions shall address all elements in this checklist covering the prior fiscal year using reports submitted annually (see Chapter 9.2). The checklist applies to all states that receive funds from §319; however, Section 5, below, applies only to states that include these funds in PPGs. Note that the Rate of Expenditure analysis in Section 4(B), below, is not required for §319 funds incorporated into a PPG.

The checklist is designed to document the extent to which each state meets foundational aspects of program progress and CWA §319 grant management requirements, including those specified in binding §319 grant guidelines available at www.epa.gov/nps/319. These aspects should be assessed as a whole in making a determination, with each response constituting information, or a line of evidence, that will lead towards a decision based on the Region's best professional judgment. Negative responses to a question may be supplemented with a justification or description of a corrective action underway or necessary. Yes-or-no questions should typically begin with "yes" or "no" responses (and sparingly with other responses such as "n/a," "unknown," or "somewhat"); additional succinct assessments or explanations are strongly encouraged where helpful, especially for "no" and "n/a" responses. In only one question in the checklist—question 1(A)(iv)—does a "no" response constitute a de facto finding of unsatisfactory progress per CWA §319(h)(8).

The final determination of the progress of a state's NPSMP is to be made by the EPA regional administrator (but will more typically be performed by the EPA regional water division director through redelegation). The checklist for this determination should be completed by the appropriate regional NPSMP staff (typically, the CWA §319 grant project officer for non-PPG awards and the CWA §319 NPSMP coordinator for states that include §319 grant funds in a PPG). A transmittal letter or memo for each determination shall include a summary of any significant outstanding concerns and notice of a corrective action plan if needed. Each state NPSMP manager shall receive a copy of this transmittal letter/memo and the completed checklist, with a copy to the state's water division director. The completed checklist and transmittal letter/memo may be attached to the grant funding recommendation.

1. **Meeting Statutory and Regulatory Requirements and Demonstrating Water Quality Results**
   - A. CWA §319(h)(8) requires EPA to determine if a state has made satisfactory progress in meeting a schedule of annual milestones to implement its NPSMP.
     - i) Does the state's NPSMP plan include relevant, up-to-date, and trackable annual milestones for program implementation? If not, in what document(s) is this schedule located?
     - ii) For the preceding fiscal year, has the state reported its progress in the annual report required under CWA §319(h)(11) in meeting its milestone(s) and demonstrated satisfactory progress in meeting its schedule of milestone(s)? Briefly elaborate. (If no, in accordance with CWA §319(h)(8), the §319 grant award for the coming year cannot be awarded.)

B. Each state must report the reductions in NPS pollutant loading and improvements in water quality on an annual basis.

   i) Where supporting empirical evidence is available, has the state reported improvements in water quality that have occurred in the prior fiscal year resulting from the implementation of its NPSMP and/or previous years' §319(h) grant work plans? (e.g., reporting a water quality improvement success story or other improvements such as shellfish bed and beach openings that have not yet led to the attainment of water quality standards)?

   ii) Did the state meet its annual commitment/target/goal (if any) to fully or partially restore prioritized NPS-impaired waters on the CWA §303(d) list? If not, have §303(d)-listed waters shown progress towards achieving water quality goals? Have waters not on the §303(d) list shown ecological restoration?

2. GRTS Reporting:

For this question, it is sufficient to report on the results of previously conducted post-award grants monitoring. No additional monitoring may be needed.

A. To ensure that the state meets the reporting requirements in §319(h)(11), did the state enter all mandated data elements into GRTS (including geolocational tags where available) for all applicable projects in the previous §319 grant award, including load reductions for all active projects that have NPS reduction goals for nutrients or sediment? Load reductions should be entered for any reporting period after the first year that BMPs were installed/implemented.

3. Focus on Watershed-Based Implementation

For this question, it is sufficient to document the results of previous findings (i.e., regional observations regarding WBP implementation in review of active grant work plans.

A. Is the state implementing nine-element WBPs—or approved alternative plans—at required grant expenditure levels in accordance with EPA's guidelines for CWA §319(h) grants? If no, please explain.

B. Or, has the state provided state funding for watershed projects equal to its total §319 grant(see Chapter 6.6 leverage exemption)? If no, please explain.

4. Ensuring Fiscal Accountability

For this section, it is sufficient to briefly report on the results of previously conducted grants management and oversight required of all grants.

A. *Tracking and Reporting*. For all active §319(h) grants, using existing post-award monitoring or best professional judgment:

   i) For states subawarding §319 funds to other entities, is the state's RFP process efficient and timely for selecting and funding projects within the work plan timeframe?

   ii) Did the state obligate all the §319(h) funds in the previous year's award within one year per the current §319 grant guidelines?

B. *Rate of Expenditures*. For categorical grants, include and examine a summary of expenditures for all open §319 grant awards listing the following: state; grant #; fiscal year; project period; grant award amount; balance (unliquidated obligation); percent unliquidated obligation. See the example below, which contains information readily available through Compass, EPA's financial data warehouse. This information could also be obtained from other EPA tools, such as GRTS or the Post Award Baseline Tracking Tool. Include a state total of the grant award amount, a balance, and the percent unliquidated obligation. Please reference the source and date of information used to answer the question below. *Note: This analysis is not required for §319 funds incorporated into a PPG*.

i) Relying on best professional judgment, do the figures in the Rate of Expenditures chart substantially match the expected drawdown rates or the negotiated outlay strategy from the associated grant work plan schedules? If not, briefly explain.

Example: CWA §319(h) Funds, Rates of Expenditures (Unliquidated Obligations)

Based on Compass Federal Data Warehouse Online on <PROVIDE DATE>

	Grant #	FY	Project Period	Grant Award Amount	Balance (ULO)	% ULO
SA	C9-97956808	08	07/01/18 – 06/30/23	$2,699,664	$89,089	3.3%
SA	C9-97956809	09	07/01/19 – 06/30/24	$2,759,386	$482,893	17.5%
SA	C9-97956810	10	07/01/20 – 06/30/25	$2,608,349	$957,264	36.7%
SA	C9-97956811	11	07/01/21 – 06/30/26	$2,257,140	$938,970	41.6%
SA	C9-97956812	12	07/01/22 – 06/30/27	$2,257,732	$1,763,289	78.1%
SA			**Total:**	**$12,582,271**	**$4,231,505**	**33.6%**

Notes: SA = state abbreviation; FY = fiscal year; ULO = unliquidated obligation

5. Performance Partnership Grants Considerations

For states that include CWA §319 funds in PPGs, briefly report on the following:

A. Has the state clearly identified activities in the PPG work plan to be funded by the §319 grant and followed the goals, objectives, and measures of the national NPS Program guidelines and priorities in implementing its NPSMP? If not, did the state negotiate with the EPA region to develop a work plan that differs significantly from the national NPS Program manager guidance? (If yes, the EPA region was required to consult with the national NPS Program manager.) Please explain.

B. Using best professional judgment, has the state adequately documented progress that is consistent with its listed priorities and expected environmental outputs/outcomes in the PPG work plan?

6. Identifying and Addressing Performance Issues/Progress Concerns

A. Considering issues itemized on this checklist, briefly summarize any significant outstanding §319 grant performance issues or progress concerns, including recommendation(s) for corrective action(s). For states with out-of-date NPSMPs or schedules of milestones, EPA regions are to ensure that forthcoming §319 grant awards are contingent on completing updates to these programs or milestones.

B. Are there other significant outstanding §319 grant performance issues or progress concerns that were not identified through this checklist? If so, please describe, including any recommendation(s) for corrective action(s), as appropriate.

C. For any element in the checklist above that is incomplete or not satisfactory, please include a description of the proposed tasks to be completed with a clear schedule to include in the next grant award's terms and conditions to ensure satisfactory progress.

Appendix E. Nationally Consistent Programmatic CWA §319 Terms and Conditions

A. Reporting Requirements

The recipient agrees to comply with all reporting requirements required by EPA regulation (40 CFR part 35, 2 CFR part 200), §§ 319(h)(10) and (11) of the CWA, and by the *Nonpoint Source Program and Grants Guidelines for States and Territories* (2013). Failure to comply with the above-referenced reporting requirements may result in a disruption of grantee funding and/or early termination of the grant agreement in accordance with 2 CFR part 200.

A.1. Project Reports

The recipient agrees to submit reports for all projects identified in the approved work plan, including those performed by the recipient, subgrantees, contractors, and through interagency agreements. Reports shall include a comparison of actual accomplishments to the outputs/outcomes established in the work plan for that period, the reasons for slippage if those outputs/outcomes could not be met, and any other pertinent information, such as cost overruns. Reports are due **annually/semiannually** on **insert date** each year until the grant is closed. Reports should be submitted in GRTS. In accordance with 2 CFR 200.329, the recipient agrees to inform EPA as soon as problems, delays, or adverse conditions arise that will materially impair the ability to meet the outputs/outcomes specified in the assistance agreement work plan. In addition, reports should include three essential elements:

- Strategic Plan Goal 5.0,
- Strategic Plan Objective 5.2, and
- Work plan commitments, plus a timeframe.

A final project report is due to the EPA project officer within 120 days after the end of the Assistance Agreement Project Period. The report must describe project activities and identify and discuss the extent to which project goals have been achieved and the amount of funds spent on the project. The report should emphasize successes, failures, lessons learned, and load reduction data, and it should include any available water quality and habitat data demonstrating project results. Acceptance and approval of final project reports is the responsibility of the recipient. Final project reports will be provided electronically as attachments in GRTS and submitted in hard copy if required. In addition, the GRTS database should be updated to reflect the project status as complete.

A.2. Annual Nonpoint Source Program Report

The recipient agrees to provide information required under CWA §319(h)(11) for the purpose of annual reporting on progress under the state's NPSMP. The §319 Annual Program Report will be due by **insert date**. At a minimum, the report shall contain a summary of progress, including rationale/evidence, in meeting the schedule of milestones in the approved management program and reductions in NPS pollutant loading and improvements in water quality that have resulted from implementing the NPSMP. Failure to submit the annual NPSMP report may affect the recipient's eligibility for future §319 grant funding.

A.3. Grants Reporting and Tracking System

The recipient shall enter all mandated data elements into GRTS for NPS projects funded under §319 of the CWA and any other data and/or information required by EPA or according to deadlines specified by EPA.

Initial data entry is due 90 days from the award and includes all mandated data elements except the geographic area (if still to be determined), BMPs, and load reduction data. The recipient will report BMP and load reduction data as projects are implemented. At a minimum, the BMP and load reduction data will be reported by March 31 of each year for projects implementing BMPs in the previous federal fiscal year.

A.4. Water Quality Data Reporting

The recipient agrees to enter water quality monitoring data collected in a waterbody pursuant to the implementation of a §319 project into EPA's WQX system. All water quality data generated with §319 funding, either directly or by subaward, are required to be transmitted into the WQX system using either the WQX or WQXweb. When uploading data through WQX or WQXweb, data should be identified as §319 grant-related by providing the project ID "CWA319" in the data submission. If you have an existing project ID, please include this in addition to data collected using §319 funds. Please contact the WQX helpdesk (wqx@epa.gov) if you need assistance assigning multiple project IDs to a dataset.

A.5. Programmatic Subaward Reporting Requirement

The recipient must report on its subaward monitoring activities under 2 CFR 200.332(d). Examples of items that must be reported if the pass-through entity has the information available are:

a. Summaries of results of reviews of financial and programmatic reports.
b. Summaries of findings from site visits and/or desk reviews to ensure effective subrecipient performance.
c. Environmental results the subrecipient achieved.
d. Summaries of audit findings and related pass-through entity management decisions.
e. Actions the pass-through entity has taken to correct deficiencies such as those specified at 2 CFR 200.332(e), 2 CFR 200.208, and the 2 CFR 200.339 Remedies for Noncompliance.

B. Sufficient Progress/ Satisfactory Progress

EPA may terminate the assistance agreement for the recipient's failure to make sufficient progress to reasonably ensure completion of the project within the project period, including any extensions. EPA will measure sufficient progress by examining the performance required under the work plan in conjunction with the milestone schedule, the time remaining for performance within the project period, and/or the availability of funds necessary to complete the project. In determining sufficient progress, EPA may also consider the rate of expenditure of funds (unliquidated obligations) and the findings from the most recent §319 performance and progress determination (§319 (h)(8)) (see Appendix D – EPA's *Guidance and Checklist for Determining Progress of State NPSMPs and Performance of CWA Section 319 Grants*).

C. Watershed-based Plans

Under the §319 guidelines, the use of §319 watershed project funds requires completing a WBP that includes all the information in elements (a)–(i) as described in the §319 grant guidelines or an acceptable alternative plan before implementing on-the-ground projects.

To address identified barriers to equity, the recipient may, with project officer approval, (1) fund projects that include implementing community demonstration projects and/or capacity building concurrent with watershed planning activities in identified disadvantaged communities to address known water quality impairments and (2) fund projects to CWA §319-eligible Tribes as subrecipients to implement project(s) consistent with an up-to-date, EPA-approved Tribal NPSMP plan, which EPA will now consider as an acceptable alternative to a nine-element WBP.

Upon request by EPA, the recipient shall provide a copy of any WBP or acceptable alternative plan funded under §319. The recipient shall also provide any available information on the status of implementation activities and results, including but not limited to any reports on BMPs implemented, §319 funds expended, funds contributed by other sources to assist in implementing WBPs (to the extent this information is readily available to the state); results achieved; and other relevant and appropriate information.

D. Operation and Maintenance

The recipient will ensure the continued proper operation and maintenance of all NPS BMPs that have been implemented for projects funded under this agreement. Such BMPs shall be operated and maintained for the expected lifespan of the specific BMP and in accordance with commonly accepted standards. The recipient shall include a provision in every applicable subagreement (subgrant or contract) awarded under this grant requiring that the BMPs for the project be properly operated and maintained. Likewise, the subagreement will ensure that similar provisions are included in any subagreements that are awarded by the subrecipient.

E. Maintenance of Effort

State expenditures for NPS implementation activities must meet the MOE level required under CWA §319(h)(9). No grant may be made to a state under this subsection in any fiscal year unless the state enters into such agreements with the Administrator as the Administrator may require to ensure that such state will maintain its aggregate expenditures from all other sources for programs for controlling pollution added to the navigable waters in such state from nonpoint sources and improving the quality of such waters at or above the average level of such expenditures in its two fiscal years preceding February 4, 1987. The state should ensure that MOE requirements have been satisfied and report this through the final Federal Financial Report at the end of the budget period.

F. Required Non-Federal Match

A 40% nonfederal program match is required under §319(h)(3). The state should ensure that the match requirements have been satisfied and report this through the final Federal Financial Report at the end of the budget period.

G. Limitation on Administrative Costs

In accordance with §319(h)(12) of the CWA, the administrative costs in the form of salaries, overhead, or indirect costs shall not exceed, in any fiscal year, 10% of the amount of the grant; however, the costs of implementing enforcement and regulatory activities, education, training, technical assistance, demonstration projects, and technology transfer programs shall not be subject to this limitation.

H. Obligation and Outlay of Funds

Per CWA §319(h)(6), the recipient will show commitment to expend the funds awarded in this grant and complete the funded projects in accordance with its EPA-approved NPSMP and the approved work plan. The recipient will award all proposed contracts, subgrants, and interagency agreements within one year after the grant award.

I. Public Awareness Options

See the information provided at *Clean Water Act Section 319 Non-Point Source Assistance Agreements Public Awareness Terms and Conditions*.

1. Outreach Signage Requirements

If the §319 award includes an outreach component, the recipient agrees to provide signage that informs the public that the project is funded by EPA. The signage shall contain the EPA logo. To obtain the appropriate EPA logo or seal graphic file, the recipient should send a request directly to EPA's Office of Public Affairs (OPA) and include the EPA project officer in the communication. Instructions for contacting OPA are available at https://www.epa.gov/aboutepa/using-epa-seal-and-logo. The EPA logo will be displayed meeting the following specifications: http://www.epa.gov/ogd/tc/epa_logo_seal_specifications_for_infrastructure_grants.pdf. If the physical design of the sign allows, it should also include the following text:

> "This project has been funded by the United States Environmental Protection Agency."
>
> or
>
> "This cooperative project has been funded in part by the United States Environmental Protection Agency."

Exceptions to including the EPA logo may be made by the EPA regional §319 coordinator on recommendation by the state.

2. Announcements

The grant recipient agrees that announcements through the web or print materials for workshops, conferences, demonstration days, or other events as part of a project funded by a §319 assistance agreement shall contain a statement that the materials or conference has been funded by the United States Environmental Protection Agency.

3. Public or Media Events

The recipient agrees to notify the EPA project officer listed in this award document of public or media events publicizing the accomplishment of significant events related to construction projects as a result of this agreement and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

4. Limited English Proficiency Communities

Recipients are encouraged to include non-English communications in their outreach strategies to increase public awareness of projects serving communities where English is not the predominant language. Translation costs for this purpose are allowable, provided the costs are reasonable.

J. Permits

The recipient agrees to ensure that all necessary permits (such as CWA §404) are obtained before implementing any grant-funded activity that may fall under applicable federal, state, or local laws. The subgrantee's project implementation plan must identify permits that may be needed to complete work plan activities. The recipient must keep documentation regarding necessary permits in the project file. EPA approval of a work plan does not imply nor guarantee that a federal, state, or local permit will be issued for a particular activity.

K. Participation in Regional and National Meetings

The recipient agrees to attend NPS manager and GRTS user meetings as scheduled unless agreed upon in advance by the EPA project officer. Participation may also include annual on-site evaluations, teleconferences, and webinars.

L. NPS Success Stories

The recipient must draft and submit to EPA any applicable NPSMP success stories that highlight projects resulting in the restoration or improvement of waterbodies. These stories shall be submitted through the success story database in GRTS.

M. TMDLs Developed Under a §319 Grant

For each TMDL developed with the support of §319 grant funds, the recipient will provide the following supplemental information to support the load allocations specified in the TMDL: (1) an identification of total NPS existing loads and total NPS load reductions necessary to meet water quality standards by source type; (2) a detailed identification of the causes and sources of NPS pollution by source type to be addressed to achieve the load reductions specified in the TMDL (e.g., acres of various row crops, number and size of animal feedlots, acres and density of residential areas); and (3) an analysis of the NPS management measures by source type expected to be implemented to achieve the necessary load reductions, with the recognition that adaptive management may be necessary during implementation.

Glossary

Adaptive management – A nonlinear approach that provides a mechanism to integrate data and lessons learned back into the operation of an NPS management program or the implementation of a WBP to stay on course for achieving water quality goals (EPA 2008). Additionally, adaptive management applies to observing and learning how a BMP performs over time and using that knowledge to adapt operation and maintenance strategies, retrofits, or future designs to improve overall functionality and performance (EPA 2023).

Advance restoration plan – A near-term plan, or description of actions, with a schedule and milestones, which is more immediately beneficial or practicable to achieving water quality standards. For more details, see EPA's *Advance Restoration Plans* website.

Best management practices – Methods, measures or practices selected by an agency to meet its NPS control needs. BMPs include but are not limited to structural and nonstructural controls and operation and maintenance procedures. BMPs can be applied before, during and after pollution-producing activities to reduce or eliminate the introduction of pollutants into receiving waters (40 CFR 130.2(m)).

Conservation practices – A structural or vegetative measure or management activity used to protect or reduce the degradation of soil, water, air, plant, animal, or energy resources (USDA NRCS). For more details, see the NRCS Conservation Practice Overview.

Climate adaptation – Taking action to prepare for and adjust to both the current and projected impacts of climate change. For more details, see EPA's *Climate Adaptation* website.

Climate resilience – The capacity of a system to maintain function in the face of stresses imposed by climate change and to adapt the system to be better prepared for future climate impacts. For more details, see EPA's *Climate Adaptation* website.

Disadvantaged community – As set forth in Executive Order 14008, Tackling the Climate Crisis at Home and Abroad, disadvantaged communities are those that are marginalized, underserved, and overburdened by pollution.

Green stormwater infrastructure – GSI used in these guidelines is synonymous with the term *green infrastructure*, defined in the CWA as the range of measures that use plant or soil systems, permeable pavement or other permeable surfaces or substrates, stormwater harvest and reuse, or landscaping to store, infiltrate, or evapotranspirate stormwater and reduce flows to sewer systems or to surface waters. Some use other terms to reference the same practices as green infrastructure for stormwater management. Other terms may include low-impact development, natural infrastructure, and nature-based solutions. The definitions of these terms may vary slightly among organizations and industry professionals; however, these concepts are generally captured in the CWA definition of green infrastructure. GSI and green infrastructure are both terms used in planning and research to achieve various ecosystem services. See the 2018 Water Infrastructure Improvement Act for information about GSI element promotion.

Healthy waters – Waterbodies that have been assessed as unimpaired or otherwise demonstrated to be largely functional and intact, such as those with minimal water quality impairments. As described in these guidelines, states may use CWA §319 funding for activities to protect priority healthy waters, consistent with their NPSMP.

Natural hazard mitigation – Any action or project that reduces the effects of future disasters. For more details, see *Hazard Mitigation for Natural Disasters: A Starter Guide for Water and Wastewater Utilities*.

NPS management program plan – A state's, Tribe's, or territory's approach to restoring and protecting water resources. Goals and strategies (regulatory, nonregulatory, financial and technical assistance, as needed) that would be needed to achieve and maintain water quality standards are identified. It includes relevant, current, trackable annual milestones for program implementation and all other components required by §319(b) of the CWA. For more details, see Chapter 3.3.

NPS program funds – Comprise up to 50% of the total state CWA §319 grant and may be used for a range of activities that support the goals of the state's approved NPSMP plan within the parameters provided by these guidelines and other applicable statutory, regulatory, and administrative criteria. For more details, see Chapter 7.2.

Protection – NPS management strategies, including site-specific (e.g., structural BMPs, land conservation) or nonstructural (e.g., NPS regulatory programs; land use planning/zoning) practices, proactively implemented to prevent or minimize water quality degradation from a documented water quality threat.

Watershed-based plan – A nine-element strategy to guide the implementation of BMPs to achieve water resource goals in a geographically defined watershed. It includes an assessment of the watershed and appropriate management recommendations, lists relevant watershed stakeholders, identifies technical and financial resources related to developing and implementing specific actions in the plan, and details progress assessment criteria and a monitoring plan. For more details, see Appendix B.

Alternative watershed-based plan – A plan or set of actions pursued in the near term for specific circumstances that, when fully implemented, are designed to attain water quality standards. For more details, see Chapter 5.7.

Watershed project funds – A state's or local group's (subrecipient's) on-the-ground watershed projects that are implementing an accepted or approved watershed-based plan or alternative plan. These projects should comprise at least 50% of a state's total CWA §319 grant. For more details, see Chapter 7.3.

Work plan – A part of a grant application that is negotiated between the grant applicant and the EPA project officer (or regional EPA NPS program contact) and managers. It reflects consideration of factors such as the national NPS Program guidance; the goals, objectives, and priorities proposed by the applicant; and other jointly identified needs or priorities. The work plan must identify priority activities from the state's NPSMP plan for funding in the next fiscal year and is the basis for management and evaluation of performance under the grant. For more details, see *Applying for and Administering CWA Section 319 Grants: A Guide for State Nonpoint Source Agencies* and 40 CFR 35.107: Work plans.

Information Resources

The following sources of regulatory information, tracking tools, guidance documents, and grant policies support the information contained in these guidelines.

Regulations

- Clean Water Act §319: Nonpoint Source Management Programs
- Full Code of Federal Regulations

Reporting and Tracking

- EPA's Grants Reporting and Tracking System (GRTS)
- EPA's Nonpoint Source Success Stories

Guidance

- EPA §319 Grant Program information (overview, guidance, and resources)
- Nonpoint source pollution programs contacts (EPA and states)

Grant Information

- Performance partnership grants (National Environmental Performance Partnership System)
- EPA grants: General terms and conditions
- EPA grants: Policy resources