UNITED STATES ENVIRONMENTAL PROTECTION AGENCY OVERVIEW TO FISCAL YEAR 2025-2026 NATIONAL PROGRAM GUIDANCES

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This Overview provides general context for the Environmental Protection Agency's (EPA's) FY 2025-2026 National Program Guidances (NPGs). It also includes considerations for Tribes, flexibilities for grant management under National Environmental Performance Partnership System (NEPPS), and civil rights obligations of grant applicants and recipients. It also describes Agency obligations for engaging with and investing in underrepresented groups and disadvantaged businesses.

CONTEXT FOR NPGs

The NPGs communicate operational planning priorities, strategies, and key activities for advancing EPA's Strategic Plan and guide grant work planning with states, Tribes, and territories. NPGs are used by EPA regions, states, Tribes, and territories to inform joint work planning, including work under EPA grants.

NPGs are issued by EPA's Office of Air and Radiation, Office of Water, Office of Land and Emergency Management, Office of Chemical Safety and Pollution Prevention, Office of Enforcement and Compliance Assurance, Office of Environmental Justice and External Civil Rights (OEJECR), Office of Congressional and Intergovernmental Relations (OCIR), and Office of International and Tribal Affairs (OITA). From June through October 2023, these offices engaged with tribes, states, territories, and media associations to gather input on their most important priorities for the FY 2025-2026 NPGs. Programs considered this input when developing their FY 2025-2026 NPGs. Summaries of these engagements are posted on the NPG website.

The FY 2025-2026 NPGs are the second round of guidances issued under the FY 2022-2026 EPA Strategic Plan and support implementation of the EPA's FY 2025 President's Budget priorities. In addition, the Agency's NPGs support President Biden's Executive Order on <u>climate change</u> and <u>advancing</u> <u>environmental justice (EJ) and civil rights</u>². Where applicable, NPGs also support implementation of the American Rescue Plan, the Infrastructure Investment and Jobs Act (also referred to as the Bipartisan Infrastructure Law), and the Inflation Reduction Act.

CONSIDERATIONS FOR TRIBES

EPA reaffirms its commitment to carrying out the federal trust responsibility to Tribes, actively engaging with Tribes, and respecting Tribal treaty rights. The FY 2025-2026 OITA NPG serves as a primary resource for Tribes and references Tribal work identified in each of the other NPGs.

CONSIDERATIONS FOR GRANTS MANAGEMENT

Pursuing Flexibilities through the National Environmental Partnership Performance System (NEPPS)

¹ Executive Office of the President. January 27, 2021, Tackling the Climate Crisis at Home and Abroad, Executive Order 14008. 86 FR 7619.

² Executive Office of the President. January 20, 2021. Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, Executive Order 13985. 86 FR 7009.

The NEPPS provides programmatic and administrative flexibilities to Tribes, states, and territories to help address environmental and health priorities. The NEPPS approach includes Performance Partnership Agreements (PPAs), Performance Partnership Grants (PPGs), and EPA-Tribal Environmental Plans (ETEPs) as the primary tools with which EPA, Tribes, and states collaborate and apply flexibilities to identify and meet agreed-upon environmental commitments. These allow grant recipients to direct resources to where they are needed most, shift work across programs, and use a single grant application, including a blended budget, that reduces reporting requirements and administrative burden.

NPGs include, as appropriate, a section that identifies the flexibilities made available to recipients for program funds in their respective PPG-eligible grants³. These sections also provide links to program grant guidances or pertinent information on EPA's website to ensure compliance with the PPG regulations. Additional information about NEPPS and ETEPs can be found respectively in OCIR's and OITA's FY 2025-2026 NPGs.

Civil Rights Obligations of Grant Applicants and Recipient

EPA is charged with ensuring that the programs or activities of applicants for and recipients of EPA financial assistance comply with applicable laws prohibiting discrimination on the basis of race, color, national origin, sex, age, and disability. EPA carries out this responsibility by investigating and resolving critical civil rights complaints, initiating affirmative compliance reviews, and working collaboratively with recipients and engaging with communities to address discriminatory barriers to achieving measurable environmental, public health, and quality of life improvements in the most overburdened, vulnerable, and underserved communities.

In addition, EPA conducts pre-award reviews and post award audits to address compliance with <u>EPA's General Terms and Conditions</u>⁴ pertinent to applicants for and recipients of EPA financial assistance, including detailed procedural requirements for complying with applicable Title VI and other federal civil rights laws and EPA's nondiscrimination regulation. These include requirements for recipients to collect and maintain demographic and other data about the populations they serve, to provide meaningful access to persons with limited English proficiency and persons with disabilities, and to include an agreement for permitting programs to use EPA's Title VI Public Involvement Guidance as a guide. The General Terms and Conditions also require recipients to include a provision that acknowledges their obligation to implement procedural safeguards required by regulation for implementing effective civil rights compliance programs.

REQUIREMENTS FOR ENGAGING WITH AND INVESTING IN UNDERREPRESENTED GROUPS AND DISADVANTAGED BUSINESSES

In implementing the work described in the NPGs, programs shall comply with Executive Order 14091⁵, which requires agencies to advance equity for all and support for underserved communities. EPA will continue efforts to promote equal opportunity to meaningfully engage with and invest in historically

³ United States Environmental Protection Agency, Office of Congressional and Intergovernmental Relations. December 13, 2023. NEPPS: Implementing Performance Partnerships.

⁴ United States Environmental Protection, Office of Grants and Debarment. January 12, 2024, EPA General Terms and Conditions, effective October 1, 2023, or later.

⁵ Executive Office of the President. February 16, 2023. Further Advancing Racial Equity and Support for Underserved Communities Through the Federal Government, Executive Order 14091. 88 FR 10825.

underrepresented groups and businesses. Also consistent with the <u>Administration's Justice40 initiative</u>⁶, EPA remains committed to ensuring that at least 40 percent of the benefits from its investments flow to disadvantaged communities. Together, this includes providing opportunities for awards to small and socioeconomic businesses under EPA contracts and financial assistance agreements in accordance with governing law. This will help further the Administration's broader economic strategy and will increase the diversity and resilience of the Nation's supply chains.

⁶ Executive Office of the President. January 27, 2021. Tackling the Climate Crisis at Home and Abroad. Justice40 Initiative, Executive Order 14008, Section 223. 86 FR 7619.