

would receive 2% of 50% which is 1% of the total funds remaining after the funds for the beach season length are

distributed. The following table summarizes the allocation formula:

For the factor—	The part of the allocation is—
Beach season length	<3 months: \$150,000 (States and Territories with a season. <3 months receive season-based funding only.). 3–4 months: \$200,000. 5–6 months: \$250,000. >6 months: \$300,000.
Shoreline miles	50% of funds remaining after allocation of season-based funding.
Coastal population	50% of funds remaining after allocation of season-based funding.

For 2003, the total funds available for BEACH Act grants is \$9.935 million, which is \$10 million less an overall reduction of 0.65%. In computing the allocation formula, EPA used a total amount of \$10 million to compute the funds for each state and Territory, and then applied a 0.65% reduction across all States and Territories. EPA believes that this approach more closely follows the intent of EPA's appropriation act because the President's budget request for FY 2003 included \$10 million for BEACH Act grants, but only \$9.935 million is actually available to EPA under its appropriation act, which reflects a reduction of 0.65%. Based on this allocation calculation, the amount of each State or Territory's implementation grant award in FY 2003 is expected to be from \$149,0250 to \$544,552 if all 35 eligible States and Territories apply. EPA anticipates that all 35 eligible governments will apply. If fewer than 35 States and Territories apply for the allocated amount, or meet the required performance criteria for award of an implementation grant, then EPA will distribute available grant funds to States and Territories in the following order of priority:

(1) States that have met the requirements for implementation grants will receive the full amount of funds based on the allocation formula.

(2) EPA may award grants for continued program development to States that have not met the requirements for implementation grants. Any program development grants awarded will be for the limited purpose of supporting completion of work that may be needed to qualify for implementation grants. Therefore, grants for continued program development (if any) are expected to be lower than the amount allocated for program implementation grants.

(3) EPA may award program implementation grants after July 20, 2003 to local governments in States that EPA has determined have not met the requirements for implementation grants.

(4) EPA may award any remaining funds to States that have met the requirements for implementation grants using the criteria in the allocation formula.

If all 35 eligible States and Territories apply and meet the requirements for implementation grants, the distribution of the \$ 9.935 million in funds for year 2003 will be:

For the State or Territory of—	The year 2003 allocation is—
Alabama	\$261,514
Alaska	149,025
American Samoa	300,364
California	532,164
Connecticut	223,921
Delaware	210,299
Florida	544,552
Georgia	287,442
Guam	300,860
Hawaii	322,897
Illinois	245,043
Indiana	204,963
Louisiana	380,052
Maine	257,766
Maryland	273,429
Massachusetts	257,453
Michigan	283,360
Minnesota	203,309
Mississippi	256,481
New Hampshire	203,594
New Jersey	282,586
New York	359,215
North Carolina	305,007
Northern Mariana	301,648
Ohio	224,227
Oregon	229,757
Pennsylvania	223,012
Puerto Rico	328,757
Rhode Island	212,340
South Carolina	298,726
Texas	387,508
U.S. Virgin Islands	301,483
Virginia	281,693
Washington	274,585
Wisconsin	225,970

What Is the Expected Duration of the Funding and Project Periods?

The expected funding and project period for Implementation Grants awarded in FY 2003 is one year.

Are Matching Funds Required?

Recipients are not required to provide matching funds for Implementation Grants awarded under authority of the BEACH Act at this time. EPA will consider establishing a match requirement in the future based on a review of State program activity and funding levels.

What if a State Cannot Use All of Its Allocation?

If a State or Territory cannot use all of its allocation, the Regional Administrator may award the unused funds to any eligible coastal or Great Lake grant recipient(s) in the Region for the continued development or implementation of their coastal recreation water monitoring and notification program(s). If after this re-allocation, there are still unused funds within the Region, EPA-Headquarters will redistribute these funds for award to any eligible coastal or Great Lake grant recipient(s).

III. Requirements for Implementation Grants

As discussed in Section I of this notice, EPA may only award implementation grants to States and local governments if the state or local government meets five statutory requirements, one of which is that the state or local program be consistent with the performance criteria published by EPA. In drafting the performance criteria, EPA included the remaining four statutory requirements in the performance criteria. Therefore, if a state or local program is consistent with the performance criteria, then the state or local government should also have met the remaining four statutory requirements for implementation grants. In order for EPA to determine that a state or local government is eligible for an implementation grant, documentation that programs are consistent with the performance criteria must be submitted with applications for implementation grants.