

project summaries and the selection criteria for funding watershed projects.

**DATES:** The guidelines are effective May 2, 2003.

**ADDRESSES:** Persons requesting additional information or a complete copy of the document should contact Ed Drabkowski at (202) 566-1198; [drabkowski.ed@epa.gov](mailto:drabkowski.ed@epa.gov); or U.S. Environmental Protection Agency (4503T), 1200 Pennsylvania Avenue, NW., Washington, DC 20460.

**FOR FURTHER INFORMATION CONTACT:** Persons requesting additional information or complete copy of the document should contact Ed Drabkowski at (202) 566-1198; [drabkowski.ed@epa.gov](mailto:drabkowski.ed@epa.gov); or U.S. Environmental Protection Agency (4503T), 1200 Pennsylvania Avenue, NW., Washington, DC 20460. The complete text of today's guidelines is also available on EPA's Internet site on the Nonpoint Source Control Branch homepage at <http://www.epa.gov/owow/nps>.

**SUPPLEMENTARY INFORMATION:** The full text of the Guidelines on Awarding Section 319 Grants to Indian Tribes in FY 2003 is published below.

Dated: April 3, 2003.

**Diane C. Regas,**

*Director, Office of Wetlands, Oceans, and Watersheds.*

#### Memorandum

**Subject:** Guidelines on Awarding Section 319 Grants to Indian Tribes in FY 2003.

**From:** Diane C. Regas, Director, Office of Wetlands, Oceans and Watersheds.

**To:** EPA Regional Water Division Directors, Regional Tribal Coordinators/Program Managers, Tribal Caucus, EPA Tribal Operations Committee.

I am very pleased to report that Congress has, for the fourth year in a row, authorized EPA to award nonpoint source (NPS) pollution control grants to Indian tribes under Section 319 of the Clean Water Act ("CWA") in FY 2003 in an amount that exceeds the statutory cap (in Section 518(f) of the CWA) of 1/3 percent of the total 319 appropriation. This will enable all of the tribes that have approved NPS assessments and management programs and "treatment-as-a-State" ("TAS") status (hereinafter referred to as "approved tribes") by January 8, 2003, to be eligible to receive Section 319 funding to help implement those programs.

The repeated allowance of increased funding for tribal NPS programs in FY 2003 reflects Congress' continuing recognition that Indian tribes need and deserve increased financial support to implement NPS programs that address critical water quality concerns on tribal lands. EPA shares this view and will continue to work closely with the tribes to assist them in developing and implementing effective tribal NPS pollution programs. To date, EPA has already approved 70 tribal NPS management programs,

covering more than 35 million acres of land (representing more than 71 percent of all Indian country), and we expect to approve additional programs in FY 2003.

As was the case last year, the new authorization to exceed 1/3 percent applies only to the current year (FY 2003). As in the past, EPA will work with the tribes to continue to demonstrate that increased Section 319 funds for tribes can be used effectively to achieve water quality improvement. We were pleased by the high quality of the tribes' work plans that formed the basis of the grants awarded to tribes in FY 2002, which included base grants awarded to sixty-one (61) tribes as well as grants for specific watershed projects awarded to thirty (30) tribes through a competitive process. We believe that the tribes and EPA succeeded in directing the FY 2002 grants towards high-priority activities that will produce on-the-ground results that provide improved water quality. We believe that this success warrants continued substantial investment of Section 319 grant dollars in FY 2003 to address the extensive NPS control needs throughout Indian country, as discussed below. In recognition of this fact, we are once again awarding a total of \$6,000,000 to tribes for FY 2003.

#### *Summary of Process for FY 2003 Grants to Tribes*

In FY 2003, we will set aside \$6,000,000 for tribal nonpoint source grants. This amount is based on the same three factors as were used last year:

1. We will continue to support all eligible tribes with base grants.
2. We will award base funding to eligible tribes as follows:
  - a. \$30,000 in base funding will be awarded to eligible tribes whose land area is less than 1,000 square miles (640,000 acres).
  - b. \$50,000 in base funding will be awarded to eligible tribes whose land area is greater than 1,000 square miles (640,000 acres).
3. We will award the remaining funds to eligible tribes through a competitive process to support the implementation of priority watershed projects.

#### *Detailed Discussion of Process for FY 2003 Grants to Tribes*

##### 1. Base Funding

Each tribe that has an approved nonpoint source assessment and management program (and TAS status) as of January 8, 2003, will receive base funding based on the following land area scale:

Square miles (acres)	Base amount
Less than 1,000 sq. mi. (less than 640,000 acres) .....	\$30,000
Over 1,000 sq. mi. (over 640,000 acres) .....	50,000

The land area scale is the same as used last year. EPA is continuing to rely upon land area as the deciding factor for a cutoff because NPS pollution is strongly related to land use; thus land area is a reasonable criterion that generally is highly relevant to identifying tribes with the greatest needs

(recognizing that many tribes have needs that significantly exceed available resources).

The base funding as outlined above may be used for a range of activities that implement the tribe's approved NPS management program, including hiring a program coordinator; conducting nonpoint source education programs; providing training; and implementing, alone or in conjunction with other agencies or other funding sources, on-the-ground watershed projects. In general, this base funding should not be used for assessment activities.

Each tribe that requests base funding must submit to the appropriate EPA Regional office a proposed work plan that conforms to applicable legal requirements (*see* 40 CFR 35.505 and 35.507) and is consistent with the tribe's approved nonpoint source management program. This proposed work plan should clearly describe each significant category of activity to be funded; the roles of any Federal, local, or other partners in completing each activity; the schedule and budget for implementing funded activities; and the outputs to be produced by performance of the activity. Outputs of activities should be quantified; results of projects should be measurable and indicators to do so clearly stated. Tribes should submit their proposed work plans to their appropriate Regional office by January 15, 2003. If a tribe does not submit an approvable proposed work plan by that date, its allocated amount will be added to the competitive pool, discussed immediately below, which will be used to fund tribal NPS program and watershed project priorities.

Regions should work with the tribes to expeditiously award the base grants. However, if the tribe will be awarded additional funds to implement a watershed project, as discussed below, the tribe or the Region may prefer combining the formal process for submission of the final application for both the base and competitive funds. Regions should confer with their tribes and endeavor to proceed in a manner and on a schedule that is most compatible with the tribes' and Regions' needs and preferences.

##### 2. Competitive Funding: Process and Schedule To Select Watershed Projects for FY 2003 Funding

The remaining funds will be awarded to tribes that have approved nonpoint source management programs as of January 8, 2003, on a competitive basis to provide funding for on-the-ground nonpoint source watershed projects that are designed to achieve additional water quality improvement. Each selected project will be eligible to receive up to \$150,000, depending on the demonstrated need. The funds will be awarded using the process described below.

##### a. Watershed Project Review Committee

As we did for the FY 2002 grants, EPA will establish a Watershed Project Review Committee comprised of nine EPA staff, including three EPA Regional Nonpoint Source Coordinators, three EPA Regional Tribal Coordinators, two staff members of the Nonpoint Source Control Branch, and one staff member of the American Indian Environmental Office. The committee will