(Final Rule for Locomotive and Marine Engines); in 40 CFR part 1042, subparts C, D, G and H; was approved 07/16/2008; OMB Number 2060–0287; expires 07/31/2009.

EPA ICR Number 1284.08; NSPS for Polymeric Coating of Supporting Substrates Facilities (Renewal); in 40 CFR part 60, subpart VVV; was approved 07/16/2008; OMB Number 2060–0181; expires 07/31/2011.

EPA ICR Number 1352.11; Community Right-to-Know Reporting Requirements Under Sections 311 and 312 of the Emergency Planning and Community Right-to-Know Act (EPCRA) (Renewal); in 40 CFR part 370; was approved 07/16/2008; OMB Number 2050–0072; expires 07/31/2011.

EPA ICR Number 1425.07; Application for Reimbursement to Local Governments for Emergency Response to Hazardous Substance Releases Under CERCLA section 123 (Renewal); in 40 CFR part 310; was approved 07/16/2008; OMB Number 2060–0077; expires 07/31/2011.

EPA ICR Number 2277.02; NESHAP for Area Sources: Electric Arc Furnace Steelmaking Facilities (Final Rule); in 40 CFR part 63, subpart YYYYY; was approved 07/16/2008; OMB Number 2060–0608; expires 07/31/2011.

EPA ICR Number 1679.06; NESHAP for Marine Tank Vessel Loading Operations (Renewal); in 40 CFR part 63, subpart Y; was approved 07/22/2008; OMB Number 2060–0289; expires 07/31/2011.

EPA ICR Number 1463.07; National Oil and Hazardous Substances Pollution Contingency Plan (NCP) (Renewal); in 40 CFR parts 430–435; was approved 07/22/2008; OMB Number 2050–0096; expires 07/31/2011.

EPA ICR Number 2292.01; Determine Percentage of High Evaporative Emission Vehicles in On-Road Fleet; was approved 07/23/2008; OMB Number 2060–0615; expires 07/31/2010.

EPA ICR Number 2248.03; Applicant Background Questionnaire: Race, National Origin, Gender and Disability Demographics (Renewal); in 29 CFR 1614.601; was approved 07/28/2008; OMB Number 2030–0045; expires 07/31/2011.

EPA ICR Number 0107.09; Source Compliance and State Action Reporting (Renewal); in 40 CFR part 51, subparts K and Q; was approved 07/30/2008; OMB Number 2060–0096; expires 07/31/2011.

EPA ICR Number 2286.01; Information Collection Effort for Facilities with Combustion Units; was approved 08/01/2008; OMB Number 2060–0616; expires 08/31/2011.

Disapproved

EPA ICR Number 1748.05; State Small Business Stationary Source Technical and Environmental Compliance Assistance Program Annual Reporting Form (Renewal); was disapproved 07/16/2008; OMB Number 2060–0337.

Withdrawn

EPA ICR Number 2170.02; Air Emissions Reporting Requirements (AERR) (Final Rule); was withdrawn from OMB on 07/28/2008.

Dated: August 7, 2008.

Sara Hisel-McCoy,

Director, Collection Strategies Division.

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BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[OW–FRL–8703–9]

Beaches Environmental Assessment and Coastal Health Act

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of Expected Changes to the Grant Allocation Formula for Awarding Grants Under the BEACH Act.

SUMMARY: The Beaches Environmental Assessment and Coastal Health (BEACH) Act authorizes EPA to award program development and implementation grants to eligible States, Territories, Tribes, and local governments to support microbiological monitoring and notification of the public of the potential for exposure to disease-causing microorganisms in coastal recreation waters. EPA awards BEACH Act grant funds to eligible States, Territories and Tribes each year using an allocation formula to determine the amount of federal funds available for award to each State and Territory. EPA is considering changes to this allocation formula for the award of grants in 2010 and is providing States, Territories, and Tribes advance notice of expected changes.

ADDRESSES: EPA recognizes that reviewers may wish to express their views and should send them to the Docket. Submit your views, identified by Docket ID No. EPA–HQ–OW–2008–0539, by one of the following methods:

- *www.regulations.gov:* Follow the on-line instructions for submitting scientific views.
- *E-mail: OW-Docket@epa.gov.*
- *Mail:* U.S. Environmental Protection Agency; EPA Docket Center (EPA/DC). Water Docket, MC 2822T; 1200 Pennsylvania Avenue, NW., Washington, DC 20460.
- *Hand Delivery:* EPA Docket Center, 1301 Constitution Ave, NW., EPA West, Room 3334, Washington, DC. Such deliveries are only accepted during the Docket's normal hours of operation, and special arrangements should be made for deliveries of boxed information.

FOR FURTHER INFORMATION CONTACT: Lars Wilcut, 1200 Pennsylvania Ave., NW., (4305T), Washington, DC 20460. Telephone: (202) 566–0447. *E-mail: wilcut.lars@epa.gov*.

SUPPLEMENTARY INFORMATION:

I. Background

A. What Is the BEACH Act?

The Beaches Environmental Assessment and Coastal Health (BEACH) Act of 2000 amends the Clean Water Act to better protect public health at our Nation's beaches through improved water quality standards and beach monitoring and notification programs. The BEACH Act authorizes EPA to award grants to develop and implement monitoring and public notification programs for coastal recreation waters, consistent with EPA's required performance criteria. EPA published the required performance criteria for grants in its ''National Beach Guidance and Required Performance Criteria for Grants'' (EPA–823–B–02–004), on July 19, 2002. Currently, all 35 eligible States and Territories operate beach monitoring and notification programs using BEACH Act grant funds.

B. Who Is Eligible To Apply for BEACH Act Grants?

Coastal and Great Lake States and Territories that meet the requirements of CWA section 406(b)(2)(A) are eligible for BEACH Act grants. These are the States adjacent to the Great Lakes, the Atlantic and Pacific Oceans, and the Gulf of Mexico as well as the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands. Tribes may also be eligible for BEACH Act grants. In order to be eligible, a Tribe must have coastal recreation waters adjacent to beaches or similar points of access that are used by the public, and the Tribe must demonstrate that it meets the ''treatment in the same manner as a State'' criteria in CWA Section 518(e) for the purposes of receiving a Section 406 BEACH Act grant.

C. How Much Funding Is Available?

After the first year of funding of approximately two million dollars in 2001, funding for the years between

2002 and 2007 has been approximately $10 million per year distributed among all eligible States, Territories, and Tribes. The actual grant total awards are $1,812,580 in 2001; $9,999,990 in 2002; $9,935,000 in 2003; $9,891,000 in 2004; $9,870,000 in 2005; $9,803,100 in 2006; $9,900,000 in 2007; and $9,745,500 in 2008.

II. Current Allocation Formula

A. Why Did EPA Develop an Allocation Formula?

BEACH Act grants are awarded annually to eligible States, Territories and Authorized Tribes for the purpose of running a continuing environmental program for beach monitoring and notification; therefore, it is appropriate to award these grants using an allocation formula rather than to award the grants competitively. EPA uses an allocation formula in other State and Tribal continuing environmental programs for which EPA awards grants. EPA chose to develop and use an allocation formula for BEACH grants to help ensure objectivity in allocations to the 35 eligible States and Territories. On an annual basis, EPA reserves $50,000 for eligible tribes from the total grant amount appropriated. To date, one tribe has applied for and received a grant award. Should other Tribes become eligible, EPA will reserve more funds for grants to Tribes.

B. How Did EPA Develop the Current Allocation Formula?

In 2001, EPA, with assistance from the Association of State and Interstate Water Pollution Control Administrators (ASIWPCA), held a conference call with States to inform them that EPA was developing an allocation formula for use in distributing BEACH Act funds. In developing an allocation formula, EPA wanted a method that distributed more funds to States and Territories that had a greater number of highly-used beaches, because EPA expected that monitoring needs would be greater in these States. EPA also wanted an allocation formula that used verifiable data for each of the various factors in the formula. EPA developed a series of possible allocation scenarios, assuming at the time that the funding would approach the full authorized amount of $30 million. EPA then had follow-up calls with States, obtained their views and input, and developed a proposed allocation formula. EPA then consulted with the States, the Coastal States Organization, and ASIWPCA on the proposed formula. Although some States and the contacted associations thought the allocation formula could be improved upon, they were generally satisfied with this approach because it used the most reliable data then available. There was not an agreement among parties on a better or preferred method.

C. What Is the Current Allocation Formula?

The current allocation formula is used to allocate funds to States or Territories where the monitoring needs are greatest, that is, towards States and Territories with more miles of beaches that are open for longer periods during the year, and are used by more people. EPA considers the miles of beaches and the length of a beach season to be good indicators of the need for (and cost of) monitoring and notification. A State or Territory with many beaches open for the entire year would be expected to monitor more than a State or Territory with few beaches only open during the summer. EPA considers beach use (represented by the number of people who visit and use the beach) to be a good indicator of the importance of monitoring and notification to protect public health at beaches. Notifications of exceedance of water quality standards at beaches with more people would be expected to prevent more cases of illness, and thus reduce the overall public health risk nationally more than notifications at beaches that experience low visitation. This is consistent with the requirement in the BEACH Act that grantees ''prioritize the use of grant funds for particular coastal recreation waters based on the use of the water and the risk to human health presented by pathogens and pathogen indicators'' and the beach prioritization step in EPA's ''National Beach Guidance and Performance Criteria for Grants'' See CWA Section 406(b) (2) A (ii) and EPA–823-B–02–004. Chapter 3 of this document describes the risk-based beach evaluation and classification process, including the evaluation steps and recommended information that a State, Territory, or Tribe should consider when ranking beaches.

The current allocation formula sums three parts. The first part is a base amount for all States and Territories that varies with the length of the beach season. This base amount is scaled in $50,000 increments from $150,000 for States with the shortest beach season to $300,000 for States and Territories with the longest beach season. States and Territories with long seasons are allotted two times the base amount of grant funds as those with short beach seasons (Table 1). The second part of the formula allots half of the total remaining funds (*i.e.* what is left after subtracting the total base amount) on the basis of the ratio of shoreline miles in a State or Territory to the total length of shoreline miles across the entire United States. For example, if a State has 4 percent of the total coastal and Great Lakes shoreline, that State would be allotted 4 percent of 50 percent (or 2 percent) of total funds remaining after the Agency allotted the base amount (*i.e.* part one of the formula) to all States and Territories. The third part of the formula allots the remaining funds on the basis of the ratio of coastal population in a State or Territory to the total coastal population. For example, if a State has 2 percent of the total coastal and Great Lakes population, that State would receive 2 percent of 50 percent (or 1 percent) of the total funds remaining after the Agency allotted the funds for the first two parts. The following table summarizes the allocation formula:

TABLE 1—BEACH GRANT ALLOCATION FACTORS

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.

EPA reserves $50,000 from the total amount appropriated for grants to eligible Tribes. To date, one tribe has applied for and received a grant award. Should other Tribes become eligible, EPA will reserve more funds for grants to Tribes.

The current allocation formula was originally developed assuming EPA would receive the full amount of funds authorized to be appropriated for grants under the BEACH Act ($30 million). At an annual appropriation level of $30 million, the beach season component of the formula ($8.15 million) would represent 27% of the annually available funds. At this funding level, the beach length and beach use components would each be $10.92 million, representing together 73% of the allocated funds. Since 2002, annual appropriations for BEACH Act grants have been approximately $10 million. At an annual appropriation level of $10 million, the beach season component (still $8.15 million) represents 82% of the appropriation, and the beach length and beach use components ($0.92 million each) together represent 18% of the available funds. Therefore, because the appropriation has been much lower than the authorization, the ratio of the different components of the allocation formula has shifted from being roughly equal, which was the intention, to being heavily dominated by the beach season length component. The result is that a State or Territory with a longer beach season would receive substantially more money than a State or Territory in a colder climate with a shorter beach season but with more beaches and more people using them.

D. How Are the Factors in the Allocation Formula Quantified?

1. Beach Season Length

EPA selected beach season length as a factor because it represents the amount of time in a year when a government would conduct its monitoring and notification program. The longer the beach season, the more resources a government would need to conduct monitoring and notification. The Agency obtained the information on the length of a beach season from the ''National Health Protection Survey of Beaches'' for the States or Territories that submitted a completed survey. However, because Alaska was not included in the survey, EPA estimated the beach season length for Alaska on the basis of air and water temperature, available information on recreation activities, and data from the ''1993 National Water Based Recreation Survey.'' EPA then grouped the States and Territories into four categories of beach season lengths as shown in Table 2.

TABLE 2—DISTRIBUTION OF STATES BY BEACH SEASON CATEGORY

For beaches in—	The beach season category is—
Alaska	<3 months.
Connecticut, Delaware, Illinois, Indiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Virginia, Washington, Wisconsin.	3–4 months.
Alabama, Georgia, Louisiana, Mississippi, North Carolina, South Carolina	5–6 months.
American Samoa, California, Florida, Guam, Hawaii, Northern Mariana, Puerto Rico, Texas, U.S. Virgin Islands.	9–12 months.

2. Shoreline Miles

EPA wanted to use miles of beach as a factor because it is indicative of the geographical extent over which a government would be expected to conduct monitoring. The more miles of beaches, the more resources a government would need to conduct monitoring and notification. EPA did not have current beach mileage data in a format that could be used for the allocation formula. Therefore, EPA has used shoreline miles as a surrogate for beach miles in the allocation formula. Shoreline miles data overestimate beach miles in some States and Territories; however, EPA and States agreed that this is the best way to estimate beach miles as it was the best available data at that time. EPA used the National Oceanic and Atmospheric Administration (NOAA) publication, ''The Coastline of the United States,'' to quantify shoreline miles.

3. Coastal Population

EPA wanted to use beach use as a factor because it reflects the magnitude of potential human exposure to pathogens at recreational beaches. In short, States and Territories can prevent more total illnesses when they notify the public of pollution problems at heavily-used beaches than when they notify the public at less-used beaches. EPA presently uses the coastal population of counties (from the 2000 Census data) to quantify the coastal population that is wholly or partially within the State's or Territory's legally-defined coastal zone, as a surrogate for actual beach usage.

E. What Do States Receive Under the Current Allocation Formula?

For 2008, the total available for BEACH Act grants to States and Territories was $9,745,500. EPA reserved $50,000 for authorized Tribes. Assuming all 35 States and Territories with coastal recreation waters apply and meet the eligibility requirements for implementation grants (and have met the statutory grant conditions applicable to previously awarded CWA section 406 grants), the allocation of the funds for fiscal year 2008 is the following:

TABLE 3—DISTRIBUTION OF 2008 BEACH ACT GRANTS

For the State or Territory of—	The year 2008 allocation is—
Alabama	$258,390
Alaska	147,650
American Samoa	297,460
California	514,720
Connecticut	220,500
Delaware	207,730
Florida	526,320
Georgia	282,700
Guam	297,930
Hawaii	318,590
Illinois	240,290
Indiana	202,730
Louisiana	320,270
Maine	252,220
Maryland	266,900
Massachusetts	251,930
Michigan	276,210
Minnesota	201,190
Mississippi	253,680
New Hampshire	201,450
New Jersey	275,480
New York	347,300
North Carolina	299,150
Northern Marianas	298,670
Ohio	220,780
Oregon	225,970
Pennsylvania	219,650
Puerto Rico	324,080

TABLE 3—DISTRIBUTION OF 2008 BEACH ACT GRANTS—Continued

For the State or Territory of—	The year 2008 allocation is—
Rhode Island	209,650
South Carolina	293,270
Texas	379,140
U.S. Virgin Islands	298,510
Virginia	274,650
Washington	267,980
Wisconsin	222,420

F. How Much Are States Spending Using the Current Allocation Formula?

All 35 eligible States and Territories have developed and are now implementing a beach monitoring and notification program consistent with the requirements of the ''National Beach Guidance and Required Performance Criteria for Grants'' for the past 6 years. As a result of awarding grants to these States and Territories for the last seven years, EPA now has a clear picture of their spending patterns.

First, States and Territories fund their beach monitoring and notification programs using funds awarded in the previous year. For example, a State will use its 2007 grant to fund 2008 beach monitoring and notification. The reason for this is the timing of the award of annual BEACH Act grants. EPA typically receives its appropriation between December and March of each fiscal year. Once EPA is aware of the total appropriation for BEACH Act grants, EPA publishes a notice of the availability of grants. States and Territories apply for the grants, and the grants are awarded by summer with a project period that generally covers the following summer. This is generally too late to fund the current year's monitoring, so States and Territories typically use grant funds awarded in one year to fund activities in the following year's beach season. Some grant awards are made by amending the previous year's grant award and extending the project period.

Second, some States and Territories delay expending BEACH Act grants until the end of the beach season, or in a few situations, the following year. For example, a State may not expend the grant funds awarded in FY 07 until FY 08. Since this State would use funds awarded in 2006 for the 2007 monitoring, this means that some year 2006 funds may not be expended until year 2008.

Overall, EPA expects that in any year, States and Territories could have some grant funds remaining from the preceding two federal fiscal years, but should have used and invoiced all the funds from the federal fiscal years prior to the preceding two federal fiscal years. For example, in FY 2008, EPA expects that States and Tribes could have funds remaining from years FY 2006 and FY 2007, but would not have funds remaining from years up through FY 2005. Table 4 shows the current status of funds as of July 22, 2008 remaining from the beginning of BEACH Act grants (2001) through 2005.

TABLE 4—DISTRIBUTION OF BEACH ACT GRANT AWARDS AS OF 7/22/08

State	Total grant funds received FY 2001–2005	Total grant funds remaining FY 2001–2005	% Grants funds uninvoiced FY 2001–2005 (percent)
Alabama	$1,108,677	$0	0
Alaska	660,178	151,989	23
American Samoa	1,207,142	0	0
California	2,178,117	0	0
CNMI	1,270,938	0	0
Connecticut	957,854	0	0
Delaware	902,802	0	0
Florida	2,211,738	0	0
Georgia	1,210,365	0	0
Guam	1,208,932	0	0
Hawaii	1,354,901	0	0
Illinois	1,185,881	0	0
Indiana	882,484	0	0
Louisiana	1,471,127	0	0
Maine	1,090,713	0	0
Maryland	1,153,021	0	0
Massachusetts	1,090,645	0	0
Michigan	1,151,672	0	0
Minnesota	875,555	0	0
Mississippi	1,088,902	0	0
New Hampshire	876,994	3,522	<1
New Jersey	1,189,459	7,477	<1
New York	1,493,065	4,998	<1
North Carolina	1,280,231	0	0
Ohio	960,193	52,842	6
Oregon	972,673	0	0
Pennsylvania	821,766	0	0
Puerto Rico	1,382,783	547,201	40
Rhode Island	911,670	0	0
South Carolina	1,255,358	0	0
Texas	1,620,223	0	0
Virgin Islands	1,270,325	64,184	5
Virginia	1,258,772	0	0
Washington	1,153,133	0	0
Wisconsin	965,890	0	0

As Table 4 shows, 28 States and Territories have invoiced all funds from years 2001 through 2005, but 7 States and Territories have funds remaining from grants awarded prior to 2006. Most of those States and Territories have only a few percent of these funds remaining. However, Alaska and Puerto Rico have over 20% of their funds remaining from the years 2001 through 2005.

G. What Problems Occur Under the Current Allocation Formula?

As discussed in section II.C., EPA developed the current allocation formula assuming that the BEACH Act grant program would be funded to its full authorization of $30 million. Approximately $8.15 million of the currently available $10 million in BEACH Act grant funds are allocated on the basis of what EPA expects is the minimum amount of dollars needed to establish and run a beach program, according to the length of a beach season in a State or Territory. As a result, the shoreline miles and coastal population factors are under-represented in the allocation formula, each receiving 9% of the total (based on $10 million of available grant funds). The dominating influence of the beach season length can cause some issues. First, States and Territories with longer shorelines (and thus likely many beaches) receive fewer funds per beach than States and Territories with shorter shorelines (likely fewer beaches). This can result in a lower percentage of beaches monitored or less intense monitoring in the States and Territories with many beaches, which may result in less protection of public health that in other States or Territories.

Second, States and Territories with shorter shorelines (likely fewer beaches) may receive more funds than they can effectively spend, thus leaving unspent funds intended for beach monitoring.

Third, the current allocation formula uses miles of State shoreline as a surrogate for miles of beaches. For States with extensive coastline but fewer miles of beaches, this factor overestimates the miles of beaches, resulting in larger grant awards than perhaps warranted, and increases the potential for unused funds.

Fourth, the current allocation formula uses coastal county population data provided by the Census Bureau as a surrogate for actual beach use. This results in a larger grant allocation for States and Territories with high coastal populations whether or not beach use in those States and Territories is high, and the potential for targeting funds away from beaches where the potential to prevent more illnesses is higher because of greater use there.

The Government Accountability Office (GAO) identified these factors as shortcomings of the current allocation formula in its 2007 report on the beach program. GAO recommended that EPA allocate grant funds to better reflect monitoring needs and help States and Territories improve the consistency of their monitoring and notification activities.

III. Discussions of Expected Changes to the Grant Allocation Formula

A. What Process Did EPA Use To Analyze Potential Changes to the Allocation Formula?

EPA first made public its intention to revisit the allocation formula in the **Federal Register** (FR) notice announcing the availability of fiscal year 2006 grants (71 FR 1744, 1746, January 11, 2006). On February 15, 2006, EPA convened a workgroup made up of EPA and State representatives to explore issues and problems with the current formula, and to discuss possible changes to the formula that would address these problems. Of the 35 BEACH Act eligible States, 25 participated in the workgroup which met monthly. The workgroup carefully evaluated alternatives to the three component factors used in the allocation formula. The workgroup continued its work through May 2007.

B. What Factors Did EPA and States Discuss?

EPA and States discussed all three factors in the current allocation formula, including better ways to quantify these factors and to address the issues discussed in Section II.G.

1. Beach Season Length

As discussed in Section II.D.1, this factor recognizes, all other things being equal, that the longer the beach season, the more funds that a State or Territory needs to operate a beach monitoring and notification program. Under the current formula, States and Territories with long beach seasons receive more funds than States and Territories with short beach seasons for this factor. As summarized in Table 1, above, the base funding level of the current grant allocation formula is based on the beach season length and ranges from $150,000 to $300,000.

During the conference calls, the workgroup evaluated options for uniformly reducing the amounts associated with this factor by either $50,000 or $100,000 so that more funds would be ''available'' to be allotted based on the other two factors. Uniformly reducing the beach season length component of the allocation formula (*i.e.*, by $50,000 or $100,000) affects the minimum amount of funding a State or Territory receives to implement its BEACH Act monitoring and notification program and would have the effect of shifting funds toward those States and Territories with longer shorelines and greater shoreline populations. For a $10 million appropriation for BEACH Act grants, reducing this factor by $50,000 (*i.e.* changing the values in Table from 150,000 to 100,000; 200,000 to 150,000; 250,000 to 200,000) would result in a total of $6.5 million for this factor, or 65% of the funds. Likewise, reducing this factor by $100,000 would result in a total of $4.75 million for this factor, or 48% of the funds distributed by the formula. Either of these changes would reduce the significance of the length of beach season in the allocation formula, and increase the significance of the other two factors, but would leave all States and Territories with enough funds to operate a basic beach monitoring and notification program. EPA estimates that this minimum base amount is $150,000 based on 1 full-time equivalent and other costs associated with the collection and transmittal to EPA of monitoring and advisory data.

The workgroup also discussed the implications of reducing the beach season length component by $150,000. Most state workgroup representatives believed this could reduce the grant amounts at a $10 million appropriation for States and Territories with fewer beach miles or beach use to a level below which the States and Territories believed necessary to operate a basic monitoring and notification program. As a result, the workgroup only considered reductions of $50,000 and $100,000.

2. Beach Miles

As discussed in section II.D.2, this factor recognizes that the greater number of beach miles in a State or Territory, the more funds are needed to monitor beaches and notify the public at those beaches. From this component, States and Territories with more miles of beaches would receive more funds than States and Territories with fewer miles of beaches. Because there was no verifiable source of the total beach mileage for each State and Territory when EPA developed the original allocation formula, EPA used NOAA shoreline length as a surrogate for beach length.

a. Considerations About Total Beach Miles

Beach mileage was a factor that received special attention from the

workgroup. The workgroup considered options for changing the surrogate for the beach mileage component from the current shoreline miles (taken from a NOAA data set) to a more precise measure. They started their discussions with a common view that actual beach miles would be the most preferable measure because it is a direct measurement, rather than a surrogate and is also available as a data field in EPA's PRogram tracking, beach Advisories, Water quality standards, and Nutrients (PRAWN) database. PRAWN is used by EPA to store information on State and Territorial beach advisories and closings. However, the workgroup found several issues with the current information in PRAWN on actual total beach miles.

The workgroup noted significant differences in reported beach mileage due to several factors. First, States and Territories have different ways for computing total beach miles in the data that they input into PRAWN. Second, not all States and Territories had input complete information about beach length into PRAWN. Finally, the workgroup noticed what appeared to be inconsistencies between entries in PRAWN and similar data from other sources.

As a result, the workgroup recommended that EPA improve the completeness and accuracy of the total beach mile data in PRAWN before considering using it in the allocation formula. EPA is continuing to compile and review for accuracy beach mileage information for all the BEACH Act States and Territories and expects to have more reliable data on beach mileage by mid-2009. EPA has designed this effort to address all of the data limitations discussed above, as well as any additional limitations or concerns that may arise during this effort. The effort includes using the same latitude/longitude data standards as used in other EPA and State databases and a quality assurance review of all data used to generate the beach lengths. EPA is conducting this effort with the States and Territories to ensure that beach mileage amounts are accurate and thus would be appropriate to use for BEACH Act grant allocation formula purposes in the future.

Given their concerns about using current total beach miles in the allocation formula, the workgroup then considered whether current monitored beach miles (*i.e.* lengths of beaches where sampling occurs) would be a better measure to use. Lengths of beaches with no monitoring would not be considered. One advantage of using monitored beach miles data that the workgroup recognized is that this information is updated annually by States and Territories as they submit their beach monitoring and notification information to EPA. The workgroup favored using monitored beach miles because they were aware of the quality, accuracy and representativeness of this information. The workgroup reviewed the monitored beach mile data from PRAWN for the 2005 swimming season, which was the most current information at the time of the workgroup deliberations, and agreed that monitored beach miles is a reasonable substitute for total beach miles.

The workgroup categorized monitored beach miles data into groups that were relatively close in magnitude. The workgroup observed that monitored beach miles tended to fall into five groups: less than 32 miles, 32–63 miles, 64–249 miles, 250–500 miles, and greater than 500 miles. Grouping information in this way has the effect of minimizing differences between the lowest and highest data points. EPA considers grouping data appropriate when there is a wide disparity between the high and low points of data.

b. Considerations of Alternatives to Beach Miles

The workgroup evaluated several other alternatives for distributing grant funds based on the monitoring need for the length of beaches. These included the total number of Tier 1 beaches, the total number of Tier 1 and Tier 2 beaches combined (using EPA's recommended tiers), frequency of sampling or the total number of samples taken during the beach season at Tier 1 beaches, and total number of monitoring stations. In discussing other alternatives for characterizing beach length, the workgroup looked for ways to better represent the actual monitoring and notification need by using data of comparable quality between the States and Territories.

A Tier 1 or Tier 2 beach represents the relative priority that States and Territories place on a beach for monitoring and notification. Consistent with the ''National Beach Guidance and Required Performance Criteria for Grants'' (EPA–823–B–02–004), States and Territories evaluate and classify beaches based on the potential risk of disease and to protect public health. For states that use EPA's recommended process to categorize or ''tier'' their beaches, a classification of Tier 1, for example, could indicate that waters are of such importance and/or receive such high usage that significant resources should be devoted to more intensive monitoring and public notification efforts for that area. In theory, a State or Territory with a higher number of Tier 1 beaches (or combination of Tier 1 and Tier 2 beaches) would have a greater need for monitoring, and thus would warrant more grant funds.

However, the workgroup did not believe that using the Tier 1 or a combination of Tier 1 and Tier 2 beaches would be a good alternative for beach length. First, States and Territories classify their beaches differently. For example, some states count each point of access to the ocean as a beach whereas other states consider the length of beach when counting beaches.

Second, States and Territories use different criteria for defining Tier 1 beaches. Some beaches are classified as Tier 1 beaches because they are highly used, and others are classified as Tier 1 because they have higher contamination levels. The workgroup also discussed creating a matrix of factors related to monitoring at beaches, and using this to quantify the component to allocate grant funds based on monitoring need. This matrix would include factors such as operating costs, number of monitored beaches, frequency of monitoring, and number of monitoring stations.

The workgroup concluded that there are several issues with using a matrix of factors, and decided it would not be appropriate to use it as a surrogate for beach length. The first issue is that there is no current verifiable collection of these data and thus constructing a matrix would require a data collection effort that the workgroup did not believe could be completed with verifiable data.

The second issue relates to using the frequency of monitoring as a metric. Some States and Territories would likely monitor more intensely if they had funds to do so. Therefore, a state's current level or frequency of monitoring does not necessarily reflect a need for monitoring but rather the resources available to monitor. Some workgroup members pointed out that collecting more water samples at more stations is not always necessary to ensure protection of public health. If a beach has a documented history of good water quality and officials well understand what is impacting water quality at a particular beach, then taking more samples at the beach may not provide any more information for determining the need for a beach advisory or protect any more people from illness. In addition, increased monitoring at a beach with good water quality could direct funds away from beaches that do not have such a good history and thus where additional monitoring would be

helpful and lead to preventing additional illness.

Third, EPA expects that States and Territories have made decisions on the intensity of monitoring and notification priorities based on risk, the need to protect public health, and local circumstances. EPA's guidance in this area is in the ''National Beach Guidance and Performance Criteria for Grants'' EPA–823–B–02–004). Including frequency of sampling or number of sampling stations in the allocation formula could change this. EPA recognizes that States and Territories may want to reduce or increase sampling frequencies at individual beaches, focus on problem beaches, conduct intensive sampling efforts, or respond to community requests, and that States and Territories need to be able to make these decisions as needed during a swimming season without considering how it might affect the distribution of grant funds the following year.

3. Beach Use

As discussed in section II.D.3, this factor recognizes that the greater the beach use in a State or Territory, the greater the potential to reduce the absolute number of people who get sick by monitoring and notifying the public at these beaches. States and Territories with beaches with more visitors would receive more funds than States and Territories with beaches with fewer visitors. Because there was no verifiable source of the number of people visiting beaches when EPA developed the allocation formula, EPA used 2000 census data of county coastal population as a surrogate for beach use.

During its deliberations, the workgroup investigated different ways of finding a better estimate of beach use. EPA identified a reliable, and independently-verifiable data source: ''Current Participation Patterns in Marine Recreation'' (November 2001), which the National Oceanic and Atmospheric Administration published as part of the 1999–2000 National Survey of Recreation and the Environment (NSRE). The NSRE is the eighth in a series of national surveys that was started in 1960 by the federal government to assess outdoor recreation participation in the United States. The survey was conducted as an ''in-the-home'' phone survey of 50,000 households across all ethnic groups throughout the United States. The survey provides a quantitative measure of the number of people who swim at marine beaches, including mixed fresh/saltwater in tidal portions of rivers and bays. Thus, the survey better reflects the swimming beach activity for marine States than does coastal population. The NSRE information overcomes the bias of using coastal population as a surrogate for beach use. However, the report does not include data for the Great Lakes States or the Territories.

The workgroup looked for other sources of beach use or swimming information regarding the Great Lakes and Territories. Not finding such information, the workgroup then considered whether it could estimate the number of people who swim at beaches on the Great Lakes and the Territories by projecting a ratio between the NSRE report data and coastal population data for marine States and then applying this ratio to the coastal population for the Great Lakes States and the Territories. This process could replace use of the year 2000 coastal county population data on the distribution of funds in the allocation formula.

However, application of those ratios produced results in some instances that seemed inappropriate to the workgroup. For example, applying the ratio to estimate the number of people swimming in the Chicago area was about 50% higher than the NSRE data for the New York City area. Applying the ratio to Puerto Rico gave a result that was only slightly higher than the NSRE data for California. EPA discussed the consequences of using the ratio to estimate the number of people swimming at Great Lakes and Territorial beaches with representatives from Great Lakes States and EPA Region 9 personnel representing the Pacific Territories. The representatives suggested that the ratio estimates should be based on known local information if available. Thus, EPA is now working with the National Oceanic and Atmospheric Administration to address the need for an update to the NSRE that would obtain information about Great Lakes beaches.

As was the case with the beach length data, the workgroup categorized the beach use data to minimize the effect of any imprecision in the data or inconsistencies in reporting on the allocation formula calculations. By grouping the data into categories, beach use totals that are relatively close in magnitude would be considered to be the same magnitude. The beach use data tended to fall into four groups: fewer than 1 million swimmers, 1–4 million swimmers, 4–8 million swimmers, and greater than 8 million swimmers.

C. What Potential Solutions Were Developed?

From these evaluations of the components of the formula, the workgroup formed four options for a revised formula. The options were designed to overcome the two primary issues with the current allocation formula: the overly-large influence of the beach season component of the formula at the current level of appropriations, and the shortcomings of the surrogates for beach use and beach length. To reduce the influence of the beach season component, reductions in this component by either $50,000 or $100,000 per state were considered. To overcome the shortcomings of the current indices for beach miles and beach use, EPA considered monitored beaches as a surrogate for the beach season length factor and the NSRE data as a surrogate for the beach use factor. The options differ in that they investigate different combinations of reducing the beach season length and the effect of grouping monitored beach mile and NSRE use data within range categories as replacements for the surrogates as shown in Table 5. Grouping, as opposed to calculating an allocation based on discrete beach mile and use data, is more tolerant of imprecision in measurement while reflecting the effects of broader variation for this type of purpose.

TABLE 5—ALLOCATION FORMULA OPTIONS CONSIDERED

For option—	The beach season component is reduced by—	The monitored beach miles data for the component is—	The NSRE data for the beach use component is—
1	$50,000	Grouped	Ungrouped.
2	$100,000	Grouped	Ungrouped.
3	$50,000	Grouped*	Grouped.**
4	$100,000	Grouped*	Grouped.**

*5 Groupings: less than 32 miles, 32–63 miles, 64–249 miles, 250–500 miles, and greater than 500 miles.
**5 Groupings: fewer than 1 million swimmers, 1–4 million swimmers, 4–8 million swimmers, and greater than 8 million swimmers.

All four options resulted in more States losing funding than those gaining funding. The 2006 BEACH Act grants were used as a baseline to evaluate each option. In 2006, the allocation calculated awards ranging between $150,000 and $528,410. In Option 1, the calculated grant awards ranged from $132,610 to $717,290. Nine States and one Territory would receive increased funding, with increases ranging from $13,665 to $331,211. Six States and one Territory would receive increases of more than 20%. Twenty-one States and four Territories would receive decreased funding, with decreases ranging from $2,458 to $170,949. Nine States would receive decreases of more than 20%.

In Option 2, the calculated grant awards ranged from $127,430 to $687,770. Twelve States and three Territories would receive increased funding, with increases ranging from $888 to $159,354. Five States and one Territory States would receive increases of more than 20%. Eighteen States and two Territories States would receive decreased funding, with decreases ranging from $2,770 to $138,124. Four of those 20 States would receive decreases of more than 20%.

In Option 3, the calculated grant awards ranged from $131,060 to $561,960. Fourteen States and three Territories would receive increased funding, with increases ranging from $769 to $114,510. Three States would receive increases of more than 20%. Sixteen States and two Territories would receive decreased funding, with decreases ranging from $7,120 to $140,951. Two States would receive decreases of more than 20%.

In Option 4, the calculated grant awards ranged from $153,800 to $490,220. Twelve States and five Territories would receive increased funding, with increases ranging from $464 to $84,618. Two States would receive increases of more than 20%. Eighteen States would receive decreased funding, with decreases ranging from $275 to $118,216. One State would receive a decrease of more than 20%.

In evaluating the options, EPA recognized that under any option, some States and Territories would gain funding and some would lose. EPA was most interested in options that would not result in many States or Territories losing significant funds such that their programs would possibly be unable to continue. Option 1 would result in nine States and Territories losing over 20% of their current annual funds, which could adversely affect their ability to carry out their program. Under option 2, only four States and Territories would lose over 20% of their funds, but more States and Territories would lose funds than gain funds. Under option 3, only 2 States would lose over 20% of their funds and the number of States and Territories losing and gaining funds were about the same. Under option 4 only one State would lose over 20% of its current allocation and the number of States and Territories losing and gaining funds were about the same. EPA prefers option 4. Each of the evaluated options maintained at least $150,000 for all States except Alaska, which was reduced to as low as $127,430 in option two.

D. How Did States React to the Options?

During the course of successive meetings, State representatives in the workgroup made it clear that any significant reduction in beach grant funds could cause severe effects to many State beach monitoring and notification programs. State representatives identified effects including discontinuing monitoring at some beaches, especially those that are in remote areas; discontinuing funding to entire counties or Tribes that are subcontracted to monitor beaches, thereby reducing monitoring and notification at multiple beaches; and reducing the frequency of monitoring at Tier 1 beaches in high-population areas, thereby increasing the risk of missing high pathogen concentrations and thus increasing the risk to public health.

The State representatives on the workgroup recommended that EPA maintain its current allocation formula (*i.e.*, the ''no change'' option) for the current level of funding (which is about $10 million annually) to prevent significant State and Territorial program reductions or cuts. To many State representatives, the annual beach grant amount had become the financial foundation upon which they built their programs. In addition to funding the actual beach monitoring and notification, the annual beach grant supports other elements essential to maintaining a viable beach program: A State or Territory beach coordinator, the maintenance of a database of beach monitoring and notification, and the electronic transmittal of these data to EPA. Some State budgets are very tight, and funds for recreational water monitoring and notification are limited to the amount received in BEACH Act grant funding. These States, which may not have had any beach monitoring and notification program prior to the BEACH Act, are extremely sensitive to any reduction in their grant amounts. Some State workgroup representatives indicated that they might choose to opt out of EPA's BEACH Act grant program if their grant amounts are significantly reduced.

E. What Is EPA's Reaction and Why?

EPA has reviewed the beach grant allocation formula and has recognized issues and some imbalance in the allocation of grant funds among States and Territories. EPA has sought input from the States in having them participate in a workgroup formed to review the allocation formula. EPA and the State workgroup identified and have reviewed a range of options for improving the formula.

EPA has reviewed the data on the allocation of beach grant funds and concludes that the current formula provides a base amount of approximately $150,000 that is the minimum required to maintain a beach program that meets the requirements of the BEACH Act. The data indicate that the distribution of fund grant funds is for the most part equitable and that States are expending the grant funds consistent with program requirements. EPA recognizes, however, outstanding needs presented by long beach seasons, heavy use of beaches, and/or long coastlines with many beaches represent burdens that some State partners must manage.

Our evaluation led EPA to choose an incremental process in considering changes to the grant allocation formula, starting with modest changes to address outstanding needs. The first step to be piloted by EPA in adjusting the grant process employs two techniques: (1) The re-allocation of older unexpended grant funds and (2) making changes to be employed effective in 2010 as to how these and any other additional funds over an annual appropriation of $10 million would be allocated to States and Territories.

IV. Future Change to the Grant Allocation Formula Under Consideration

A. What Change Is EPA Considering?

EPA is today announcing that it is considering a change to its allocation formula that would shift funding from States and Territories that are not fully using all of their previously awarded BEACH Act grant funds to those States and Territories that: (1) Use their annual funds and (2) have more beach miles at which they could conduct monitoring and notification to increase public health protection. To do this, EPA would develop and use a new allocation formula based on beach miles and beach use to reallocate any unspent funds. EPA would also use this new formula in the future to allocate any increase in

appropriated BEACH Act grant funds above the $10 million current level.

EPA would implement this approach by reviewing State and Territorial spending every October 1 and adjusting the allocation to certain States and Territories on the basis of the funds that these States and Territories have not yet expended. EPA would review EPA's Financial Database Warehouse to confirm the amount of outstanding funds reported. In making this determination, EPA will take into account those funds that have been committed through an appropriate State, Territorial or Tribal contract, inter-agency agreement, or similar type of binding agreement, but have not been requested for reimbursement, *i.e.*, that are not showing as ''drawn down'' in EPA's Data Warehouse. As noted in section III.F., EPA recognizes that States and Territories have different financial management systems and that those systems could result in delayed billing to EPA, even though the States and Territories might have already expended funds to monitor beaches and notify the public. EPA also recognizes that States and Territories typically spend the previous year's grant award in any given beach season due to the timing of the availability of BEACH Act grants in the middle of the beach season. Therefore, to account for these factors, EPA is considering an approach that would reduce the new grant award by the amount of unexpended grant funds that are more than three years old.

For the 2010 beach season, EPA would review State and Territory spending in October 2009 and determine how much grant funding from fiscal years 2001 to 2007 is still unspent by each State and Territory. EPA would identify the unspent amounts from 2001 through 2007 in the Financial Database Warehouse and compare them to the amount EPA expects to award in fiscal year 2010. EPA would then reduce the 2010 grant award for those States and Territories with unobligated funds from 2001 through 2007 by the amount remaining. For example, in 2010, consider a State that normally receives $250,000 annually yet has $100,000 remaining from grants awarded up to fiscal year 2007. Under the approach that EPA is considering, EPA would reduce the State's grant award for the following year's beach season by $100,000 (the amount the State has left unspent from fiscal years up to 2007), thus resulting in an award of $150,000 in 2010. The $100,000 not awarded to the State would be combined with unused grant funds from other States and Territories and re-allocated among the States and Territories that have fully used their funds from fiscal years up to 2007 using a modified allocation formula, described below.

EPA is considering reallocating these additional funds according to a second, modified allocation formula composed of only two factors—beach miles and beach use—to only those States and Territories that do not have remaining money older than three years old. EPA is working with States and Territories to obtain sufficient information to base a supplemental allocation formula on those two factors. As discussed in Section III.B.2.a, with the help of State and Territorial beach program managers, EPA is compiling and quality testing beach mile information for all the BEACH Act States and Territories and expects to have reliable beach mile data on the extent of beaches by mid-2009. EPA is also working with the National Oceanic and Atmospheric Administration to expand its research on beach use to Great Lakes States, and is also looking for information on beach use in the Territories. EPA will work with States to ensure effective implementation of the new allocation formula.

B. Why Isn't EPA Amending Other Parts of the Allocation Formula?

EPA is considering the retention of the use of the surrogates EPA has used for beach mileage and beach use—*i.e.*, shoreline miles and coastal population—as factors of the current allocation formula for the first $10 million in BEACH Act grant funds. As discussed in section III.D, States consider their current level of BEACH Act funding to be the financial foundation for their beach monitoring and notification programs. Because this funding has been relatively stable over the last six years, States and Territories rely on these funds to provide them a generally consistent level of funding for their programs. For many States, funds for recreational water monitoring are limited to the amount received in BEACH Act grant funding. Some States have indicated to EPA that they might choose to opt out of EPA's BEACH Act grant program if their grant amounts are reduced. For these reasons, EPA is considering retaining the use of shoreline miles and coastal population factors in the core allocation formula for the first $10 million of appropriated grant funds and not making any other changes to this formula.

C. How Would This Change Affect Current State Funding?

Based on grant fund use as of 2008, EPA expects that most States and Territories will not be affected in 2010 because they currently have no unused BEACH Act grant funds that are more than three years old. The expected changes to the allocation formula will affect only those States and Territories that have unspent BEACH Act grant funds that are more than three years old. In 2008, only 7 States and Territories—Alaska, New Hampshire, New Jersey, New York, Ohio, Puerto Rico, and the U.S. Virgin Islands—fall into this category. As noted in Table 4, New Hampshire, New Jersey, and New York all have balances of less than 1 percent of their total BEACH Act grant funds more than three years old. EPA recognizes that Agency accounting practices contributed to the remaining balances in New Jersey and New York, and has worked to ensure that the oldest money is now invoiced first. Under the process EPA is considering, should any State or Territory in 2010 have uninvoiced funds from FY 2001 through FY 2007, EPA would reduce their 2010 grant funding by the amount equal to this older money and redistribute these funds to the other States and Territories.

D. How Would EPA Involve States in Developing This Change?

EPA intends to reconstitute the workgroup of EPA and State representatives to discuss the details for implementing this change to the allocation formula. EPA will also invite Territorial representatives to the workgroup.

E. When Would This Change Become Effective?

EPA expects that this change will be effective for the awarding of the 2010 BEACH Act grants.

Dated: August 7, 2008.

Benjamin H. Grumbles,

Assistant Administrator for Water.

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ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–Docket ID No. ORD–2008–0597; FRL–8703–4]

Guidance on the Development, Evaluation and Application of Environmental Models

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of public comment period.

SUMMARY: EPA is announcing a 30-day public comment period for an external review of its Guidance Document on the