

**Office of Policy, Economics, and Innovation
Environmental Justice Action Plan
2004**

Office of Policy, Economics, and Innovation (OPEI)
2004 Environmental Justice Action Plan
and
Activities Narrative

Section I: Executive Summary

The Office of Policy, Economics, and Innovation (OPEI) recognizes environmental justice as an integral part of Agency operations. OPEI programs strongly employ community collaboration and promote public involvement.

One of OPEI's key projects has been to update the Agency's 22-year-old Public Involvement Policy. The new policy provides information, help and training to all EPA staff on how to best use public involvement in environmental justice communities. OPEI has several other projects underway that consider how EPA approaches environmental justice communities and provides choices to reach more effective and equitable environmental decisions.

This Environmental Justice Action Plan explains OPEI's key efforts and activities that apply environmental justice principles through public input, community involvement, collaboration and analysis. Examples of these efforts include:

- EPA's Innovation Strategy
- EPA Public Involvement Policy
- The America's Children and the Environment project
- The Community Based Environmental Protection program
- The Smart Growth program
- The Cumulative Exposure Project
- Innovative Demonstration Pilots
- The Innovation Catalogue
- The Reference Guide to Environmental Permits

OPEI Environmental Justice Policy

The Office of Policy, Economics, and Innovation (OPEI) is EPA's major regulatory and policy review body. The office supports EPA's mission through economic analysis and by infusing innovation into programs for better, more cost-effective environmental and public health protection. The office intends to remain proactive, ensuring the needs, issues, and concerns of environmental justice communities are addressed in Agency regulations, economic and risk analysis and innovative approaches.

Section II: Activities Narrative

The Office of Policy, Economics, and Innovation (OPEI) is engaged in several projects to demonstrate our understanding of and commitment to environmental justice. These projects are designed to meet the goals set forth in: Executive Order 12989, EPA's new Public Involvement Policy, and the administrator's 2001 memo stressing the Agency's commitment to environmental justice.

MANAGEMENT ACCOUNTABILITY

Organizational Infrastructure and Management Support

EPA issues regulations to carry out the environmental and public health protection laws passed by Congress. OPEI consists of two national centers dedicated to economics and innovation respectively, and the Office of Regulatory Policy and Management.

OPEI's **Office of Regulatory Policy and Management (ORPM)** reviews the Agency's upcoming regulations to ensure that environmental, community, economic and risk impacts have been considered. ORPM reviews scientific data, evaluates economic impacts and looks at choices for an average of 150 new environmental regulations each year. We actively seek out and listen to those most likely to be affected by Agency decisions, including EJ community members and organizations.

The National Center for Environmental Economics (NCEE) supervises and conducts research and development on economic analytic methods; leads production of cross-Agency economic reports; provides guidance for performing economic analysis and promotes consistency in preparing and presenting economic information throughout the Agency.

The National Center for Environmental Innovation (NCEI) works to advance innovative environmental management strategies that provide stronger, more cost-effective environmental results. Fostering innovation at EPA, the center also:

- Provides a testing ground for innovative ideas that advance environmental protection
- Helps EPA's national programs and regions to adopt innovative policies and programs
- Supports improved environmental performance in business, communities, and state, tribal and local governments

Operational Resources/Program Support

OPEI integrates environmental justice activities into its daily operations. When the opportunity arises for our staff to work with other EPA programs, environmental justice communities and other aspects of environmental justice policy development, OPEI actively supports our Agency peers. OPEI does not usually identify specific budget items as related to environmental justice.

An estimated 2.0 FTE in OPEI work on environmental justice issues and projects. This number reflects the compiled efforts of several people who spend between five and 25 percent of their time on EJ activities. Based on recent staffing changes, OPEI expects that this number will increase in the coming year. Ongoing and upcoming projects that will account for that increase will include work on EJ elements of the new public involvement policy and the CARE project

Alignment with OPEI's Government Performance and Results Act (GPRA) Objectives in EPA's Strategic Plan

Healthy Communities and Ecosystems (Goal 4)

Compliance and Environmental Stewardship (Goal 5)

Cross-cutting Strategy - Innovation (Goal 5.2.3)

The Office of Policy, Economics and Innovation developed **EPA's Innovation Strategy** — (<http://www.epa.gov/opei/strategy>) at the request of the Administrator and Deputy Administrator, with input from senior staff from across the Agency. This strategy drives our current efforts to integrate environmental justice into our innovation programs.

Innovation can help solve significant environmental problems in environmental justice communities, adding to the tools that EJ stakeholders already use. For example, EPA's new Public Involvement Policy revised by OPEI provides advice and guidance on effective public involvement, including working with environmental justice communities in EPA decisions.

The Smart Growth program works with communities on transportation issues to revitalize densely populated urban communities. The Community Based Environmental Protection (CBEP) program supports community-based environmental approaches to address the problems of a particular watershed, ecosystem or other geographic area.

INTERNAL ORGANIZATIONAL ENGAGEMENT

OPEI is committed to regularly identify opportunities to integrate environmental justice into specific project activities. We will closely monitor our regulatory policy development, economic and risk analysis, innovation strategies, voluntary programs, evaluation and to ensure that equitable outcomes have been carefully considered.

EXTERNAL STAKEHOLDER ENGAGEMENT

Several OPEI programs and projects demonstrate the office's commitment to Environmental Justice on a continuing basis:

CARE (Community Action for a Renewed Environment) is a new initiative designed to establish

a series of multi-media, community-based and community-driven projects to reduce toxic pollution. Targeted communities include those with environmental justice concerns, similar to work underway in St. Louis, Cleveland and South Phoenix. OPEI is leading an agency workgroup to reach out to regional offices, states (through the Environmental Council of the States) and the NEJAC for feedback on the program design and management plan. The team will also issue a community resource guide. This print and online portal will help interested communities access the wide variety of community-based information that EPA offers.

CARE will encourage community efforts to focus resources on the greatest risks and build consensus to mobilize local resources to this end. Two categories of competitive grants will be awarded: smaller grants (\$50-\$100k) to help assess toxic exposure problems and larger grants (\$300-\$500k) to leverage local projects that measurably reduce risks.

Smart Growth (<http://www.epa.gov/smartgrowth>) is beneficial construction development that serves the economy, the community and the environment. It moves the development debate away from the traditional growth/no growth question to "how and where should new development be accommodated." Smart growth, like environmental justice, recognizes the many benefits of growth. It also recognizes connections between development and quality of life. More detailed descriptions of Smart Growth projects are listed below.

Community Based Environmental Protection (CBEP) (<http://www.epa.gov/ecocommunity>) integrates environmental management with human needs, considers long-term ecosystem health and highlights the positive correlations between economic prosperity and environmental well-being. CBEP posits that collaboration between diverse stakeholders within a specific geographic area facilitates: comprehensive identification of local environmental concerns; setting priorities that reflect overall community concerns; and forging comprehensive, durable environmental solutions.

The Partnership Programs Coordinating Committee (PPCC) (<http://www.epa.gov/partners>) is a forum to support EPA's voluntary programs and to communicate their successes. OPEI coordinates the PPCC. The committee fosters information sharing among partnership programs, avoids duplication of effort, improves resource use and promotes common approaches to evaluation and performance measurement. The voluntary programs in the PPCC show how EPA can work with various programs, at headquarters and in the regions, to achieve real environmental results and cut costs along the way.

EPA works with more than 11,000 organizations who set voluntary environmental goals and commitments such as conserving water and energy or reducing greenhouse gases, toxic emissions, solid waste, indoor air pollution and pesticide risks. These efforts help our environment as partners make processes more efficient and to use their resources more effectively. Partners include small and large businesses, citizen groups, state and local governments, universities and trade associations.

Innovative Demonstration Pilots are part of a national program that allows state and local

governments, businesses and federal facilities to develop innovative strategies with EPA. Together, we gain more cost-effective environmental and public health protection. In exchange, EPA allows regulatory, program, policy or procedural ways to conduct the innovations. The Innovative Demonstration Pilot program actively invites and engages external stakeholder involvement.

EPA's Public Involvement Policy was developed in OPEI. The Policy provides advice and guidance on effective public involvement in EPA decisions. To seek more information from the public, OPEI hosted an award-winning online discussion in July 2001 (<http://www.network-democracy.org/epa-pip/welcome.shtml>) "Improving Public Involvement in EPA Decision Making."

The dialogue included EPA staff and panels of experts, joined by a cross-section of individuals who shared their thoughts and ideas. During ten days (including a Saturday), the participants discussed various elements of EPA's draft Public Involvement Policy. Each day, this web-based discussion allowed members of the public to discuss specific topics at their convenience. A revolving panel of public involvement professionals discussed the main aspects of the draft policy with roughly 1,100 participants. The dialogue demonstrated how citizens, representatives of industry, environmental groups, small business, states, local governments, tribes, and other groups could learn more about the policy and share their concerns with EPA.

Since the policy was launched, the work group of EPA public involvement practitioners has met to prioritize the work plan that will help improve public involvement at EPA. Project staff has initiated discussions with OEJ staff about areas of common ground for EJ and public involvement work. The public involvement work group will meet with OEJ staff in February 2004 to learn more about current EJ priorities and what mutually supportive opportunities they can develop. Some areas of common ground for EJ and public involvement work include:

- Offering EJ training with a public involvement module for OPEI managers and staff
- Offering public involvement tools and training to members of the National Environmental Justice Advisory Committee and EPA's EJ coordinators
- Using EJ collaborative problem-solving projects as public involvement "showcase" projects which demonstrate effective public involvement activities
- Offering public involvement evaluation and accountability tools (templates, surveys, database) for use by the NEJAC, EJ coordinators and others interested in improving public involvement in EJ communities

ECONOMIC and RISK ANALYSIS and PROGRAM EVALUATION

Economic and Risk Analysis

Current and Completed Research Projects

- Completed and published the second edition of *America's Children and the*

Environment, the Agency's second report on trends in environmental factors related to the health and well-being of children in the United States. This report brings together, in one place, quantitative information from a variety of sources to show trends over time in levels of environmental contaminants in air, water, food and soil; concentrations of contaminants measured in the bodies of children and women and childhood illnesses that may be influenced by exposure to environmental contaminants. Disparities by race and ethnicity are shown, where it is possible to do so.

- Published "Closing the Research Loop: A Risk-Based Approach for Communicating Results of Air Pollution Exposure Studies" in Environmental Health Perspectives. This is based on work in South Baltimore, MD, where EPA has conducted many environmental justice activities. Manuscript online at EHP-Online: <http://ehp.niehs.nih.gov/docs/admin/newest.html>
- Completing the first case study for Risk Assessment for Benefits Analysis--a multi-office, multi-disciplinary effort to develop dose-response functions for human health effects that economists can use for environmental benefits analysis
- Developing indicators for chronic exposure to air pollution and using the indicators to analyze disparities in exposure by race/ethnicity and to evaluate potential differences in birth outcomes. Similar analysis is underway using the indicator to analyze asthma outcomes.
- Conducting epidemiology studies focusing on the relationship between adverse health effects in children, specifically asthma and adverse birth outcomes and air pollution
- Revising EPA's *Guidelines for Preparing Economic Analyses*, which were released by NCEE in 2000. The *Guidelines* provide sound scientific framework for analyzing the economic impacts of environmental regulations and policies, and assessing the distribution of costs and benefits among various segments of the population, with a particular focus on disadvantaged and vulnerable groups
- Published the *Children's Health Valuation Handbook*, a companion document to EPA's *Guidelines for Preparing Economic Analyses* (2002). The *Handbook* is a reference tool for analysts conducting economic analyses of EPA policies when those policies are expected to affect risks to children's health.
- Participating in the Risk Assessment Forum's Cumulative Risk Tech Panel workgroups. The purpose of the workgroups is to clarify technical issues presented EPA's Framework for Cumulative Risk Assessment and begin to lay the foundations for development of cumulative risk assessment guidelines.

Future Projects

- Applying a public approach to develop national indicators to assess the environmental health of minority populations. These indicators may facilitate tracking progress of programs and policies aimed at bringing about increased environmental equity
- Using of Geographic/Spatial Analysis to link source water pollution data to drinking water contaminant data.
- Researching important children's environmental health issues, such as exposure to air pollutants at school and child risks to air toxics
- Generating new data sets provide opportunities for improved assessment of general population exposure to environmental contaminants. Studies in this area may lead to development of enhanced exposure indicators for pesticides, and may be applicable to other classes of environmental contaminants. The project includes evaluating national biomonitoring data sets to develop indicators for pesticide exposures.

Program Evaluation and Performance Measurement

OPEI is responsible for evaluating key agency innovations, and increasing EPA's capacity to evaluate its work (<http://www.epa.gov/evaluate>). Evaluating EPA's innovations and programs improves public health and environmental protection, leads to continuous organizational improvement, supports more innovation and better informs management decisions. Through evaluation, EPA capitalizes on lessons learned and incorporates its experience into new environmental areas.

OPEI has supported the Office of Environmental Justice (OEJ) and the Federal Interagency Working Group on Environmental Justice (IWG). Leading an evaluation of a series of innovative demonstration projects, the office examined how to apply collaborative approaches to difficult environmental justice problems. The final report was reviewed by more than 100 individuals and organizations in environmental justice communities, government, and academia. The IWG and OEJ have used the report's results to make mid-course changes to the criteria and guidelines for their projects in 2003.

The Agency's EJ Steering Committee is developing and refining common measures for effective environmental integration in environmental justice issues. OPEI will assist OEJ in developing indicators for measurable goals and metrics. The EJ Steering Committee will provide guidance to all Headquarters and Regional Offices on how to incorporate these metrics in future EJ action plans.

OPEI's public involvement staff will provide evaluation and accountability templates, public involvement activity surveys and access to a relational database that can serve to support EJ work throughout the agency.

DATA COLLECTION, MANAGEMENT and PERFORMANCE MEASUREMENT

Data Collection and Management Tools in OPEI

The Innovation Catalogue, (<http://intranet.epa.gov/innovation/catalog>)OPEI's dynamic record of innovative projects from across the Agency. The catalogue is an effective tool for internal organizational engagement. This Web-based, searchable database allows users to easily identify specific projects and access information about the geographic-specificity of the project to the GPRA goals addressed. Users can search innovative Agency activities based on issues such as environmental justice, innovative tools, innovative approaches and many other criteria. EPA staff can identify best practices and lessons learned, and keep abreast of the latest Agency innovation activities.

OPEI has finished the catalogue and is exploring a project on Agency Environmental Justice Performance Measures.

Measuring OPEI's Environmental Justice Performance

OPEI is engaged with OEJ in developing an ongoing evaluation protocol that will serve the agency's needs to analyze data and effectiveness. OPEI's EJ team will meet quarterly with the Deputy Associate Administrator to review progress on the department's EJ projects.

PROFESSIONAL and ORGANIZATIONAL DEVELOPMENT

OPEI encourages all staff to expand their knowledge base by taking part in Environmental Justice courses. We will continue to encourage staff to attend courses offered by the Office of Environmental Justice and other sources.

One proposal is to offer a new round of basic environmental justice training that includes training for EPA's new Public Involvement Policy, as one office has successfully done. The policy tools include materials directly related to public involvement work with environmental justice

The human capital aspect of EJ work can be addressed with exploring specific knowledge, skills and ability (KSAs) criteria for specific position descriptions, specifying measures for effective EJ work. OPEI is also exploring how to fulfill "teach-back" commitment which will give to EJ staff, managers and workers access to tools that are unique to our office's portfolio. OPEI will gain valuable learning from EJ representatives and they, in turn, will have access to a wider range of tools with which to make their work more effective.

