EPA’s State Innovation Grant Program:

The EPA State Innovation Grant Program was established in 2002 to help strengthen EPA’s innovation partnerships with States and Tribes and is a direct result of the Agency’s innovation strategy, *Innovating for Better Environmental Results: A Strategy to Guide the Next Generation of Innovation at EPA* ([http://www.epa.gov/innovation/strategy.htm](http://www.epa.gov/innovation/strategy.htm)). To support the *Innovation Strategy*, the 2002 grant program focused its efforts on projects that related to one of the four priority issues: reducing greenhouse gases, reducing smog, improving water quality, and reducing the cost of drinking water or waste water infrastructure. In addition, EPA sought projects that test incentives that motivate “beyond-compliance” environmental performance, or move whole sectors toward improved environmental performance. This project was selected for funding under the Grant Program.

**Background:**

Human health and environmental risks associated with auto salvage operations are diverse and variable-arising from a broad array of physical, chemical, and biological hazards. Such hazards include the potential for fire or explosion at improperly managed sites; the transmission of diseases where yard areas serve as vector-breeding habitats (e.g., mosquitoes); soil, surface water, and groundwater contamination resulting from the improper management of solid and hazardous waste, including mercury switches; and air releases of asbestos fibers, fugitive dust, and/or volatile organic compounds. Building upon existing partnerships and incorporating knowledge from recent successes within the Rhode Island Auto Body Repair Facilities Refinishing, Underground Storage Tanks (Stage I & II), and Exterior Lead Paint Removal certification programs now underway as Environmental Results Programs (ERP), the Rhode Island Department of Environmental Management’s (RIDEM) non-regulatory Office of Technical and Customer Assistance (OTCA), working with the University of Rhode Island’s Center for Pollution Prevention & Environmental Health as a primary partner in the project, seeks to advance the ERP concept by applying “lessons learned” to a currently under-regulated, EPA priority industry sector - auto salvage yards.

**Project Description:**

OTCA’s vision is to reduce environmental health risks by improving regulatory efficiency and industry compliance through a comprehensive, multi-media program patterned after the Massachusetts Department of Environmental Protection’s ERP model and consisting of three parts:

1) Facility certification
2) Statistically-based performance measurement
3) On-site compliance monitoring, pollution prevention and technical assistance

DEM regulatory stakeholders, industry representatives, and project partners will be recruited to assist OTCA in reaching a goal of 75% industry-wide voluntary certification with a 25-50% minimum measurable improvement in selected environmental business practice indicators (EBPIs) during the first
years of implementation. EBPIs will be selected to assess improvements (relative to baseline conditions) in industry performance in air, water, and RCRA compliance as well as pollution prevention; the potential for release prevention, emissions reduction and human health/environmental protection will be key considerations. Outcomes will be measured using the statistical approach developed for the RI Auto Body Repair ERP including: statistically determined number and randomly selected locations for baseline and post-implementation compliance audits (given pre-specified levels of statistical confidence, power and compliance rate proportions), generally accepted methods for data analysis and EBPI comparisons, and summary reports that outline findings with appropriate descriptive statistics.

**Benefits of the Project:**

This project offers many benefits including:

- **Uniqueness of Approach.** The Rhode Island auto salvage yard industry has historically been under-regulated due to agency resource limitations. The proposed approach is unique as it will allow DEM (for the first time) to take a comprehensive, multi-media sector-based approach to environmental compliance and pollution prevention for this sector.

- **Quantifiable Improvements.** OTCA’s goal is to reduce threats posed by physical, chemical and biological hazards to the greatest extent possible with 75% industry participation and a 25-50% measurable improvement in environmental business practice indicators during the first years of implementation.

- **Administrative Efficiency and Program Costs.** Major improvements in administrative efficiency naturally occur as a result of implementing the ERP model. By taking a comprehensive, multi-media sector-based approach, agency staff can spend more of time on priority sectors/facilities and unlicensed operations.

- **Costs/Efficiency Improvements for Regulated Entities.** Costs associated with the improper management of waste materials or being in noncompliance can be significant. By participating in the program, members of the regulated community can take advantage of an opportunity to come into compliance with all applicable requirements while at the same time receiving free on-site/telephone consultation compliance assistance support. Participants will also benefit from plain-English guidance documents (certification workbook, brochure, fact sheets) and cost-saving pollution prevention technical assistance. Though regulated entities may incur some initial costs in terms of facility upgrades to come into compliance with existing regulations, long-term savings and efficiencies should be significant.

**Project Plan:**

The start date for the Auto Salvage Yard Facilities ERP project was August 1, 2004, with the project becoming actively engaged in development and design in January 2005. The project duration is expected to be three years. ERP certification materials were made available in May 2007 to auto salvage yard facility operators, with compliance certification checklists to be filed with DEM in September 2007, and every three (3) years thereafter.

**Contact:**

Thomas E. Armstrong, Project Manager
Rhode Island Department of Environmental Management (DEM)
Office of Technical and Customer Assistance
235 Promenade Street, Providence, Rhode Island 02908-5767
Telephone: (401) 222-4700, Ext. 4412; Fax: (401) 222-3810
Email: Thomas.Armstrong@dem.ri.gov
DEM website: http://www.dem.ri.gov
DEM Auto Salvage Yard Facility Certification Program webpage:
http://www.dem.ri.gov/programs/benviron/assist/asy/index.htm