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LEPC
...safety in knowledge®

Local Governments Reimbursement (LGR) Program



2016

Who responds ??

40 CFR Part 300.180 states:

Because state and local safety organizations would normally be the first representatives at the scene of a release, they are expected to initiate safety measures that are necessary to protect public health



Who responds ??

40 CFR Part 300.700 states:

(1) Responsible parties shall be liable for all response costs incurred by the United States government or a state not inconsistent with the NCP.

(2) Responsible parties shall be liable for necessary costs of response actions to releases of hazardous substances incurred by any other person consistent with the NCP.



Who responds ??



40 CFR Part 300.700

In event of release of hazardous substances, EPA may reimburse local governments for expenses related to release and response measures.

LGR Program provides "safety net" of up to \$25,000 per incident to local governments that do not have funds available to pay for response actions.



Am I Eligible ?



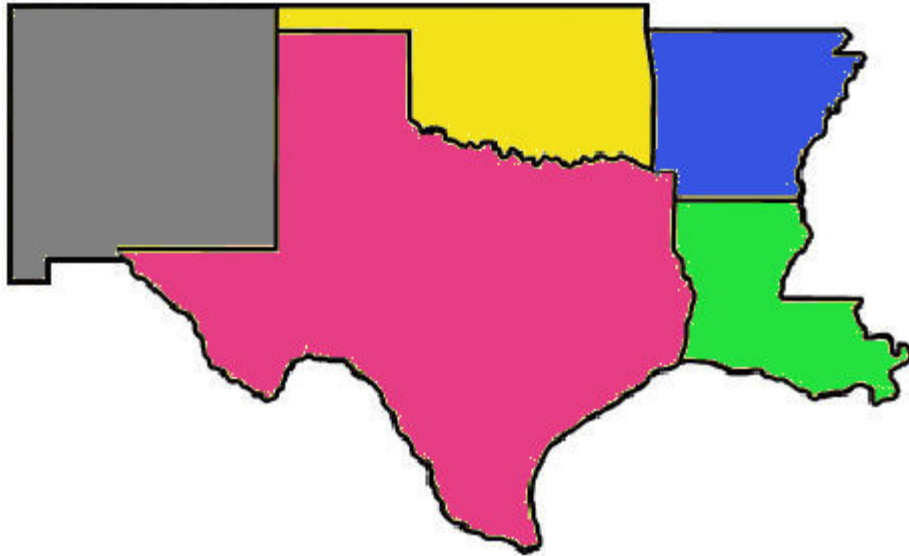
Any general governing body of county, parish, city, town, or other general purpose unit of local government incurs cost in response to a release or threatened release of hazardous substances, pollutants, or contaminants may apply

Includes Federally recognized Indian Tribes

Special purpose units of local government (ISD, MUD, etc) not eligible under LGR program



Are States Eligible ?



States are NOT eligible for reimbursement

States may NOT request reimbursement on behalf of their local governments.

More than one Agency ?



EPA can only accept one reimbursement request for single response

Single response includes all measures local agencies conducted in response to single release

If more than one agency responded, decide who will request reimbursement



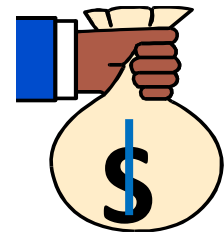
Provisions of the Program

Local governments encouraged to participate in emergency planning process under EPCRA, and must be included in LEPC plan



Requests must be received within one year of completion of response.

\$ 25,000 is available per single response



Temporary Emergency Measures Are Covered

Measures are actions taken to control or eliminate threats to health and environment

Examples are:

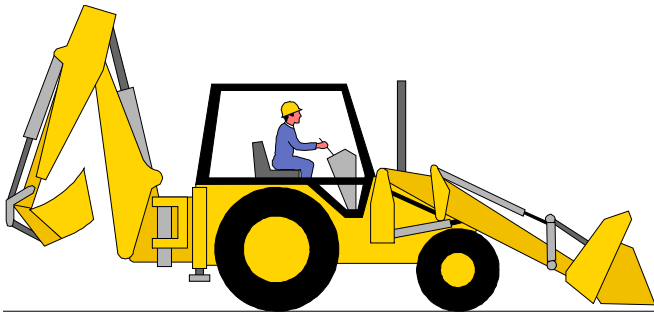
- **Site security**
- **Controlling source of contamination**
- **Containing release to prevent spreading**
- **Neutralizing or treating pollutants released**
- **Controlling contaminated run-off**



Examples of Reimbursable Costs



- Disposable Materials
- Supplies Used During Specific Response
- Rental Equipment Used for Specific Response
- Special Technical Services and Laboratory Costs, and
- Services and Supplies Purchased for Specific Evacuation



What Costs are not Reimbursable



Costs NOT allowable are expenditures for traditional local services and responsibilities. Examples:

- **Routine firefighting;**
- **Preparing contingency plans;**
- **Training; and**
- **Response drills and exercises.**

What Costs are not Reimbursable

Costs NOT allowable also include items such as supplies, equipment, and services routinely purchased to maintain ability to respond effectively to hazardous releases. Examples:

- **Purchase or routine maintenance of durable equipment expected to last one year or more, except when contaminated or damaged**
- **Materials and supplies NOT purchased specifically for the response**
- **Rental costs for equipment owned or another unit of local government owns**
- **Employee out-of-pocket expenses normally provided for in operating budget (for example, meals or fuel)**



Cost Recovery Pursuit

Before applying, try to recover costs from responsible party

Give RP 60 days either to pay, show intent to pay, or attempt negotiation

Also try for reimbursement from other sources

Certify made a good-faith, reasonable effort to recover costs from other sources



How do You Apply ?

**Complete application
and send to EPA**

**Submit request
within one year of the
date response
completed**

**Request signed by
highest ranking official
of local government
(for example, mayor,
county judge)**



Cost Documentation



Cost documentation must be adequate for audit

- **Include description of temporary emergency measures requesting reimbursement**
- **Specify local agency incurred cost**
- **Include invoices, sales receipts, rental or leasing agreements, or other proof of costs incurred**
- **Certify costs are accurate and specifically for response for reimbursement**

Other Requirements

Certify reimbursement does not supplant local funds normally provided for response

Request is for costs not normally incur; rather, for significant, unanticipated costs

Certify response actions are not in conflict with NCP, and local emergency plan

Reimbursement program does not cover petroleum or petroleum products

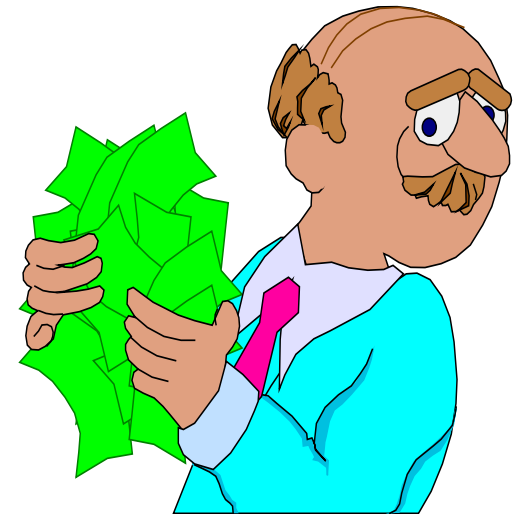


Evaluation of requests ?

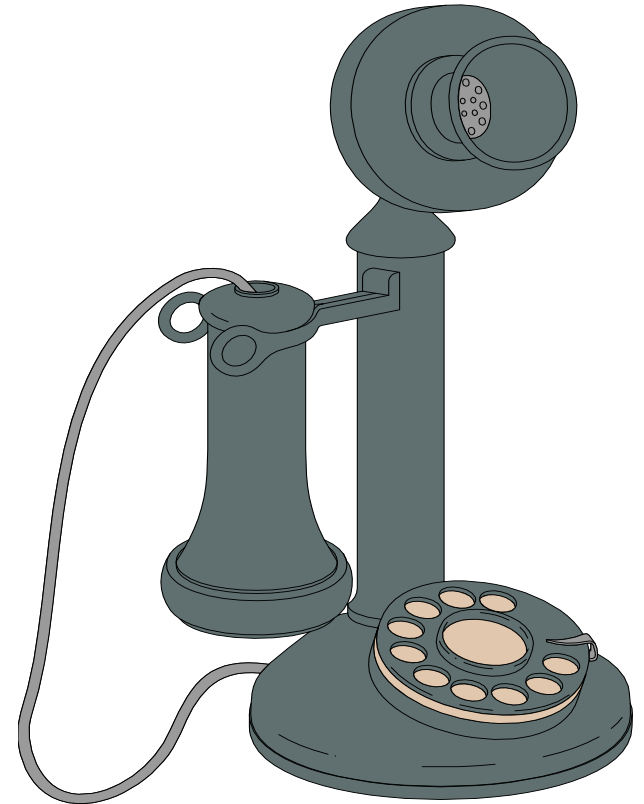
EPA will also consider other relevant financial information provided by local government.

**Formula For Determining Burden -
ratio of eligible costs to per capita
income adjusted for population.**

**Funding ceiling has never been
reached in a given year. All eligible
applicants have been reimbursed to
date.**



<http://www2.epa.gov/emergency-response/local-governments-reimbursement-program>



Oil Spill Response Funding

- Oil Spill Liability Trust Fund (OSLTF)
 - Established after Exxon Valdez (1989)
 - Provides funding for oil spill response
 - Oil must impact or threaten to impact a “water of the US”
- Anyone can be reimbursed for “removal costs”
 - *2 options for local governments (CLAIMS or PRFA)*

Removal Costs: “Removal Costs” means the costs of removal that are incurred after a discharge of oil has occurred or, in any case in which there is a substantial threat of a discharge of oil, the costs to prevent, minimize, or mitigate oil pollution from such an incident

Submitting a Claim to the OSLTF

Claims Center Information

Office Hours: 7:00 - 4:00 EST/EDT

Phone: 800-280-7118

Claim Information Email: ARL-PF-NPFCClaimsInfo@USCG.mil

STEPS:

1. Show spill meets all OPA requirements (Consult EPA or USCG OSC)
2. Document costs and damages from spill
3. Forward claims package to [National Pollution Funds Center](#), Coast Guard office responsible for evaluating and approving OPA claims



National Pollution Funds Center
Funding Today for a Cleaner Tomorrow

More information can be found at
(<http://www.uscg.mil/npfc/Claims/default.asp>)

Pollution Removal Funding Authorization (PRFA)

- Tool available to OSCs to quickly obtain needed services and assistance from other government agencies in oil spill response
- Local provide assistance to FOSC through issuance of PRFA
 - Quick and easy normally 1 page Statement of Work
 - Costs can only be reimbursed for cost incurred after PRFA has been agreed to (written or verbal)

CHAPTER 8 - POLLUTION REMOVAL FUNDING AUTHORIZATIONS (PRFAs)

- A. General. The Pollution Removal Funding Authorization (PRFA) is a tool available to FOSCs to quickly obtain needed services and assistance from other government agencies: federal, state, or local, as well as recognized Indian Tribes in oil spill and hazardous materials response actions. There are two types of PRFA forms, one for Federal agencies and one for non-federal agencies.
- B. Financial Obligation Document. The PRFA commits the OSLTF to payment, by reimbursement, of costs incurred in pollution response activities undertaken by another government agency working for the FOSC.
- C. Agency Reimbursement. Under the terms of a PRFA, an FOSC may agree to reimburse another government agency for costs incurred in providing any agreed upon removal services and assistance to the FOSC, consistent with the NCP. Some of the costs which are reimbursable under a PRFA include, but are not necessarily limited to:
1. Personnel salary costs, including overtime;
 2. Travel and per diem expenses;
 3. Appropriate charges for the utilization of other government agency owned equipment or facilities; and
 4. Actual expenses for contractor or vendor supplied goods and services obtained by the other government agency, through its own purchasing process, to provide agreed upon assistance and support to the FOSC.
- D. Clear Agreement as to Support Provided. The FOSC and the other government agency must agree upon and document:
1. The specific goods and services to be provided; and
 2. A good faith estimate of the total anticipated costs, with a line item breakdown of the principal expense categories. This need not be more than a single page, and can be made an attachment to the PRFA.
- E. Amendment. The PRFA may be amended, at the FOSC's discretion, to increase the authorized maximum reimbursement ceiling, if additional assistance and support is desired, or if costs incurred for services provided exceed the original estimate. In essence, the PRFA creates a ceiling and makes funding available to the other government agency.
- F. Other Agency Cost Tracking and Documentation. The other government agency (OGA) receiving a PRFA must track its costs and provide documentation to support reimbursement and federal cost recovery actions against RPs, as appropriate. Cost documentation must follow the guidance stated in Chapter 2 of this manual or equivalent agency documentation. All alternative documentation schemes must be pre-approved by the NPFC prior to use.

Pollution Funding Removal Authorization (PRFA)

- **For inland spills contact EPA FOSC (1-866-372-7745)**
 - **EPA FOSC will ensure spill meets OPA requirements**
- **Cost documentation submitted for FOSC approval**
- **NPFC will then reimburse for removal costs**