



United States  
General Accounting Office  
Washington, D.C. 20548

Resources, Community, and  
Economic Development Division

B-277129

May 30, 1997

Congressional Requesters

Subject: Superfund: Information on EPA's Administrative Reforms

The Environmental Protection Agency (EPA) currently has a number of reforms under way to improve the efficiency, effectiveness, and fairness of the Superfund program. Collectively, EPA refers to these as the Superfund Administrative Reforms. The number of reforms may vary, depending on how specific activities relating to a reform's goal are counted. (Enc. I briefly describes each reform and EPA's categorization of its nature, expected scope of implementation, and measure for demonstrating the reform's effects on the program). In December 1996, EPA reported that these reforms have resulted in significant, fundamental changes in the Superfund program and are achieving demonstrable effects.<sup>1</sup> EPA stated that, generally, reforms intended to bring about fundamental changes to the program are to be implemented programwide.

Because the Congress is considering legislative changes to the Superfund program, including changes in EPA's legal authority, it is interested in knowing how these reforms are affecting the program. Therefore, as you requested, we reviewed EPA's reforms to determine (1) the nature and scope of their implementation, (2) the demonstrated accomplishments that may have resulted from them, and (3) the additional legal authority EPA believes it needs to correct the underlying problems addressed by them. Our review focused on the 45 reforms that are addressed in EPA's fiscal year 1996 report on the reforms. We are also providing the information you requested on EPA's use of integrated site assessments to streamline the Superfund process. (See enc. II).

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<sup>1</sup>Superfund Administrative Reforms Annual Report, Fiscal Year 1996, EPA (Dec. 1996).

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## RESULTS IN BRIEF

EPA considers 25 of its 45 reforms to be fundamental changes in the way the agency is implementing Superfund. EPA expects 22 of these reforms to be implemented programwide and the remaining 3 to be implemented at selected sites. Ten other reforms are designed to improve the program's communications, consistency, or operations. While EPA expects all of its regions to implement four of these reforms, the remaining six are considered "regional tools" to be used at the discretion of regional project managers. In addition, 10 reforms consist of pilot projects that are testing concepts at selected sites and, as such, are not expected to be implemented programwide now.

While EPA has not evaluated the overall effects of the reforms, the agency has reported quantifiable accomplishments resulting from the implementation of 6 of the 45 reforms. EPA provided full or partial documentation to support accomplishments from four of the reforms. These accomplishments are measured in cost savings at selected sites. EPA has not yet demonstrated whether and to what extent the remaining reforms are accomplishing their objectives. EPA stated that the results of many of its implementation efforts are not quantifiable in terms of cost and time savings and that many have achieved qualitative results that are not readily measurable.

EPA officials told us that, in general, they need no additional legislative authority to correct the problems that the reforms are designed to address. However, EPA believes that additional legal authority would facilitate the correction of some remaining problems, including issues relating to the economic redevelopment of contaminated urban industrial sites, job training, block funding for states and tribes, and protection from liability for contributors of very small volumes of waste.

## BACKGROUND

In 1980, the Congress passed the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), commonly known as Superfund, to clean up highly contaminated hazardous waste sites. As of April 1997, there were 1,206 sites on the National Priorities List (NPL), EPA's list of the worst known contaminated sites, and another 49 sites had been proposed for listing.

For years, the Superfund program has been criticized because of the pace and cost of cleaning up hazardous waste sites, the extent to which these sites are cleaned, the fairness of EPA's approach for holding waste contributors liable

for cleaning up sites, and the role of states and communities in the cleanup process. In response to these criticisms, in June 1993, EPA began implementing a number of administrative activities to improve the Superfund program. Although EPA "closed out" these activities by September 1994, many of these initiatives were continued or revived in some form in subsequent reform efforts. In February 1995, EPA began implementing 19 new administrative reforms, including activities in the areas of enforcement, economic redevelopment, community involvement and outreach, environmental justice, consistent program implementation, and state and tribal empowerment. Furthermore, in October 1995, EPA initiated a third and final set of 26 administrative reforms designed to make the Superfund program faster, fairer, and more efficient.

### NATURE AND SCOPE OF REFORMS' IMPLEMENTATION

EPA considers 25 of its 45 administrative reforms to be fundamental changes in the way the agency is implementing Superfund. EPA expects 22 of these reforms to be implemented programwide and the remaining 3 to be implemented at selected sites. Many of these reforms establish new or revised policies and/or processes through guidance, directives, or other administrative means. These reforms include, among others, (1) establishing an entity—called the National Remedy Review Board—to evaluate high-cost cleanup proposals, (2) offering compensation to responsible parties for a limited portion of the cleanup costs—called the orphan share—attributable to insolvent parties at Superfund sites, and (3) revising the agency's guidance for addressing the liability of parties that have contributed very small volumes of waste.

Many of the documents that establish these new or revised policies and processes "encourage" or "request" regional program managers to undertake certain activities or provide information for these managers to consider in making program decisions. Consequently, these documents allow regional program managers considerable discretion in interpreting and implementing revisions to policies and processes within the limits of existing regulations. Although EPA believes that such an approach gives managers the flexibility to make cleanup and other operational decisions on the basis of site-specific conditions, such flexibility may also result in the inconsistent interpretation and implementation of policies.

EPA classifies another 10 of its reforms as actions designed to improve the program's communications, consistency, or operations. Four of these reforms are intended to be implemented by all EPA regions. These reforms include efforts to (1) issue a directive on national consistency in remedy selection, (2) establish an expert workgroup on lead, (3) issue administrative orders on an

equitable basis, and (4) remove liability barriers to the economic redevelopment of urban industrial sites, known as brownfields. The remaining six reforms are intended to serve as tools for regional project managers to use at their discretion. These reforms include, among others, efforts to (1) establish "rules of thumb" for selecting remedies, (2) clarify the role of cost in selecting remedies, and (3) clarify information about remedy selection decisions. According to EPA officials, these reforms were designed to promote the more consistent implementation of existing policies by EPA's regions. They consist of guidance that communicates existing technical or program information or "reaffirms" existing policies. Although these documents may consolidate useful information or emphasize certain policies, they do not substantively change or reform the Superfund program or ensure that the program will be implemented consistently by all of EPA's regions.

Ten of EPA's 45 administrative reforms consist of pilot projects that are designed to test concepts for improving the Superfund program. Although EPA considers these pilot projects to be program reforms, the agency does not intend to apply the tested concepts beyond the limited number of pilot sites until it has determined their effectiveness. EPA intends to test certain changes in the program, study the results of these changes and, where successful, incorporate the changes into the program as a whole. Among others, EPA is testing concepts to (1) encourage community participation through consensus-based approaches to selecting the cleanup remedy and enforcing program compliance, (2) expedite cleanup liability settlements by adopting various cost allocation mechanisms, and (3) facilitate the identification of potentially responsible parties at Superfund sites by using new information-gathering and information-sharing techniques.

#### EPA HAS NOT YET DEMONSTRATED ACCOMPLISHMENTS FOR MOST REFORMS

In December 1996, EPA reported that 6 of its 45 reforms had achieved specific estimated cost reductions or other measurable benefits. EPA was able to provide us with full documentation to support the accomplishments attributed to three of the six, partial documentation for one, and no support for the remaining two.

The three reforms whose reported accomplishments EPA could fully document include the following:

- Establishing the National Remedy Review Board. According to EPA, the board's review of 12 proposed high-cost cleanup plans in fiscal year 1996

will result in potential reductions of \$15 million to \$30 million in total estimated future site cleanup costs at three sites. The 12 reviewed plans are equivalent to about 8 percent of the total 146 decisions approved in fiscal year 1996. EPA provided us with data to support these estimates.

- Applying "presumptive remedies". EPA stated that, by using standardized remedies for certain types of sites, its regions are achieving significant reductions in the costs and time required to clean up sites. Specifically, EPA estimated time savings from 36 percent to 56 percent and future cost reductions of 1, 10, and 60 percent, respectively, at three municipal landfill pilot sites. These three sites represent about 4 percent of the approximately 80 nonfederal municipal landfills that EPA estimates may use this presumptive remedy. EPA provided us with data to support the estimated savings at the three sites.
- Piloting community-based remedy selection. EPA stated that community participation in developing cleanup alternatives and selecting a cleanup remedy will reduce the cost of cleanup by \$160 million at a single pilot site in Oak Ridge, Tennessee. An EPA official told us that members of the community surrounding this site are particularly knowledgeable about cleanup issues because many of them work or worked at the Oak Ridge National Laboratory. EPA provided us with data to support the savings at this one site.

EPA could provide only partial data to support the accomplishments of the following reform:

- Updating remedy decisions. EPA stated that fiscal year 1996 updates of earlier remedy selection decisions, made feasible by technological advances, will save an estimated total of over \$240 million at 23 sites. We asked EPA to document the savings for the four sites with the largest estimated savings, comprising about 76 percent of the total amount. EPA officials provided us with data to support estimates for three of these sites, totaling about \$100 million. However, the officials were unable to document the estimates for the fourth site, totaling \$82 million—about 34 percent of the total estimated savings and the largest estimated savings at a single site. An EPA official told us that potentially responsible parties at this—and other—sites had developed the estimates and that EPA did not require them to provide further support.

EPA could not provide data to document the reported accomplishments of the following two reforms:

- Offering orphan share compensation. EPA's annual report on the reforms states that the agency offered to compensate parties at 22 Superfund sites for over \$57 million in costs attributable to insolvent waste contributors. EPA officials told us that they reached agreement on \$32 million in compensation at seven sites in fiscal year 1996. About 92 percent of this amount was allocated to two sites. EPA states that the reform has reduced litigation costs by diminishing arguments over who should pay for the orphan shares. However, EPA did not provide us with data to document either the amounts of the compensation to individual parties for orphan shares at the seven sites or any reduction in litigation costs resulting from the agreements. According to EPA, the agency could not provide data on the amounts of the compensation for orphan shares because they are reached through confidential settlement negotiations. Furthermore, according to the agency, it cannot document the savings in litigation costs because that information is available only to the parties involved.
  
- Reducing oversight for potentially responsible parties. According to EPA's annual report on administrative reforms and other agency documents, EPA has reduced or plans to reduce its oversight of potentially responsible parties at over 100 sites. Although EPA stated that such reduced oversight lowers litigation costs for EPA and cooperating parties, EPA officials could provide us with no data to demonstrate such results to date.

For most of its reforms, EPA has not identified specific, measurable accomplishments but has stated that the reforms contribute to the agency's overall success in improving the efficiency, effectiveness, and fairness of the Superfund program. Reforms for which EPA cannot or has not yet measured specific accomplishments include, among others, the agency's efforts to establish (1) an expert workgroup on lead hazards, (2) a primary regulator for federal sites, (3) national criteria on risk assessments, (4) standardized risk assessments, and (5) prospective purchaser agreements.

EPA's efforts to identify and measure the reforms' accomplishments may be complicated by a number of factors. A few reforms have not yet been initiated; others have not been fully implemented or may not have been under way long enough for EPA to identify or measure the results. Furthermore, EPA officials told us that the accomplishments attributable to many of the reforms—such as improving the Superfund program's fairness, efficiency, and consistency and correcting stakeholders' misperceptions about the program—cannot be quantified. As an example, EPA officials cited the reform offering liability protection for owners of sites over contaminated aquifers. In lieu of measures of a reform's results, EPA has provided information for some initiatives—such as

the number of sites at which a reform was implemented—which we consider to be measures of the extent of the reform's implementation rather than measures of its accomplishments.

EPA stated that it is now in the process of analyzing the reforms to determine whether "midcourse corrections" are needed or additional changes are required.

EPA SUPPORTS ADDITIONAL LEGAL  
AUTHORITY IN SOME AREAS

EPA officials told us that, in general, they need no additional legislative authority to correct any remaining problems that the reforms are intended to address but may not have fully resolved. However, EPA officials told us that for six of the reforms, the agency supports legislation that would

- entirely exempt contributors of very small volumes of waste from liability under CERCLA, removing the necessity, under EPA's administrative reform, of entering into agreements with these parties to protect them from suits by larger parties;
- give broader authority to EPA to provide funds to various state, local, and tribal governments for redeveloping brownfields and authorize the establishment of revolving loan funds for assessing and cleaning up brownfield sites;
- authorize EPA to release participants in certain state voluntary cleanup programs from liability under CERCLA, and clarify the conditions under which participants would be eligible for such a release. (EPA's reform on voluntary cleanups establishes that the agency will generally not plan to take enforcement action against these participants but does not officially release them from liability);
- protect innocent owners of contaminated property and "bona fide" prospective property purchasers from liability under CERCLA;
- specifically authorize EPA to provide environmental job training and workforce development for people who live near Superfund and brownfield sites;
- authorize the use of grants, in addition to contracts and cooperative agreements, to fund states and tribes for Superfund activities they perform. Because grants provide EPA, states, and tribes with more flexibility, EPA

officials said this change would make the reform calling for block funding simpler to implement.

### AGENCY COMMENTS

We provided copies of a draft of this report to EPA for its review and comment. The agency's comments appear in enclosure IV and are discussed below. EPA also provided detailed comments on particular language in the draft as an attachment, and these have been incorporated in the report, as appropriate.

EPA disagreed with two aspects of our report. According to EPA, the report does not accurately reflect either (1) the level of activity that the agency has undertaken to implement the reforms or (2) the agency's current plans to evaluate the reforms. EPA stated that it has demonstrated considerable success in implementing all of the reforms but that the results of many of its implementation efforts are not quantifiable in terms of cost and time savings. EPA further stated that many of the reforms have achieved qualitative results that are not readily measurable.

We believe that the letter and enclosure I of this report accurately reflect EPA's level of activity to implement the reforms. We acknowledge that the effects of the reforms cannot be measured until they are fully implemented; however, we believe that activity levels alone do not indicate whether the reforms are meeting their objectives. EPA stated in its comments on our draft report that it is in the process of analyzing the reforms to determine whether midcourse corrections are needed or additional changes are required. We revised our report to recognize this statement.

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Of EPA's 45 reforms, we identified those to which EPA has attributed both general successes and specific, measurable accomplishments. For the latter reforms, we sought to determine whether EPA could provide data to support the reported accomplishments. However, we did not evaluate these data to determine their accuracy or the validity of the methodology used in calculating the estimates. (Enc. III discusses our scope and methodology in greater detail.) Our work for this review was conducted between January 1997 and May 1997 in accordance with generally accepted government auditing standards.

We are sending copies of this report to the Administrator, EPA, and the Director, Office of Management and Budget. We will also make copies available to others upon request. Please contact me at (202) 512-6111 if you or your staff



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have any questions. Major contributors to this report were John Wanska, Assistant Director; Vincent P. Price, Evaluator-in-Charge; Paul Schmidt, Senior Evaluator; Katherine Siggerud, Senior Evaluator; Pauline Lichtenfeld, Staff Evaluator; and Mary Feeley, Staff Evaluator.

A handwritten signature in black ink, appearing to read 'Peter F. Guerrero', written over a horizontal line.

Peter F. Guerrero  
Director, Environmental Protection  
Issues

Enclosures

List of Requesters

The Honorable John H. Chafee  
Chairman, Committee on Environment  
and Public Works  
United States Senate

The Honorable Robert C. Smith  
Chairman, Subcommittee on Superfund,  
Waste Control, and Risk Assessment  
Committee on Environment  
and Public Works  
United States Senate

The Honorable Christopher Bond  
Chairman, Subcommittee on VA, HUD,  
and Independent Agencies  
Committee on Appropriations  
United States Senate

The Honorable Bud Shuster  
Chairman, Committee on Transportation  
and Infrastructure  
House of Representatives

The Honorable Sherwood L. Boehlert  
Chairman, Subcommittee on Water Resources  
and Environment  
Committee on Transportation  
and Infrastructure  
House of Representatives

The Honorable Thomas J. Bliley, Jr.  
Chairman, Committee on Commerce  
House of Representatives

The Honorable Michael G. Oxley  
Chairman, Subcommittee on Finance  
and Hazardous Materials  
Committee on Commerce  
House of Representatives

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The Honorable Dan Burton  
Chairman, Committee on Government  
Reform and Oversight  
House of Representatives

The Honorable David McIntosh  
Chairman, Subcommittee on National  
Economic Growth, Natural Resources,  
and Regulatory Affairs  
Committee on Government Reform  
and Oversight  
House of Representatives

The Honorable John R. Kasich  
Chairman, Committee on the Budget  
House of Representatives

The Honorable Jerry Lewis  
Chairman, Subcommittee on VA, HUD,  
and Independent Agencies  
Committee on Appropriations  
House of Representatives

EPA'S SUPERFUND ADMINISTRATIVE REFORMS

In June 1993, EPA announced the first of three sets of initiatives to administratively improve the Superfund program. Although the agency closed out this first set of 17 initiatives in 1994, it subsequently issued two further sets containing a total of 45 initiatives—known as the Superfund Administrative Reforms—to improve the Superfund program. The reforms' objectives are to (1) protect public health and the environment while increasing the pace and lowering the cost of cleaning up hazardous waste sites; (2) promote fairness in holding parties who are responsible for contaminated sites liable for cleaning them up while also reducing litigation and its associated costs; (3) involve local communities, states, and tribes in the program's decision-making; and (4) promote economic redevelopment at Superfund sites.

This enclosure briefly describes each administrative reform and is organized into the three categories that EPA says reflect the reforms' design objectives: (1) fundamentally change the program (see table I.1), (2) improve the program (see table I.2), and (3) test concepts (see table I.3). These tables also provide information, by reform, on EPA's expected scope of implementation and measure for demonstrating the reform's effect on the program.

Table I.1: Superfund Administrative Reforms That EPA Categorizes as Designed to Fundamentally Change the Program

Reform	Description
<p>Prepare guidance for remedy selection</p>	<p>EPA has prepared a number of documents that are intended to improve the program's consistency and to take advantage of streamlining opportunities in both site characterization and remedy selection.</p> <ul style="list-style-type: none"> <li>-- <u>Soil screening guidance</u>: The soil screening guidance is a tool to allow users to develop site-specific soil screening levels in a simple and consistent manner. It is intended as a tool to (1) remove some sites or portions of sites from further investigation, streamlining the amount of time required to decide whether remedial action is required, or (2) focus the remedial investigation only on those portions of the site, chemicals, or exposure pathways that are likely to be associated with risk.</li> <li>-- <u>Land-use directive</u>: EPA issued a directive, <u>Land Use Considerations in the CERCLA Remedy Selection Process</u>, to standardize the procedures to determine future land uses at Superfund sites, using realistic and reasonable assumptions and making these determinations clear to outside stakeholders.</li> <li>-- <u>Presumptive remedies</u>: EPA is developing presumptive remedies for volatile organic compounds in soils, municipal landfills, wood treating sites, and groundwater. Because many sites are similar in their characteristics and contaminants, EPA was able to generate some standard "presumptive" assumptions about these types of sites.</li> </ul> <p><u>Scope of implementation</u>: All regions.</p> <p><u>Measures of effect</u>: The number of sites involved, the number of decisions made, and the reductions in time and costs achieved.</p>

Reform	Description
Establish the National Remedy Review Board	<p>In January 1996, EPA created the National Remedy Review Board to promote cost-effectiveness and national consistency in remedy selection at Superfund sites. The board reviews all proposed cleanup decisions when (1) the proposed action costs more than \$30 million or (2) the proposed action costs more than \$10 million and this cost is 50 percent greater than that of the least costly, protective cleanup alternative. The board has reviewed 12 remedy decisions. The reviews will result in potential reductions of \$15 million to \$30 million in total estimated future cleanup costs at three sites.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measures of effect:</u> The number of decisions reviewed and the amount of the cost reductions achieved.</p>
Update remedy decisions	<p>In September 1996, EPA issued guidance encouraging its regions to more systematically identify and revisit remedy decisions at sites where significant new scientific information, technological advancements, or other considerations will achieve the current level of protectiveness of human health and the environment in a more cost-effective manner. Updates in Fiscal Year 1996 of earlier remedy decisions based on technology advances will result in a total estimated future cost reduction of over \$240 million at 23 sites.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measures of effect:</u> The number of decisions reviewed and the amount of cost reductions achieved.</p>
Establish a lead regulator for federal sites	<p>EPA is developing guidance that will promote the single regulator concept, specify roles, and outline the general principles and guidelines that federal and state partners should assume in overseeing cleanup responses. EPA believes that clearly identifying the roles of the various regulators should help simplify the required cleanup process, as well as provide for more efficient staffing.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measure of effect:</u> The number of Resource Conservation and Recovery Act (RCRA) and CERCLA actions performed.</p>

Reform	Description
Consider response prior to NPL listing	<p>EPA plans to revise existing guidance--originally issued in October 1991--that establishes a cutoff date for information used to evaluate sites for the NPL that served to discourage early, voluntary response actions. The purpose of this reform is to incorporate greater flexibility in the guidance in evaluating whether sites should be removed from the NPL as a means of encouraging early response actions, especially by private parties, when setting priorities for the NPL.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measure of effect:</u> The number of sites where the policy is applied.</p>
Delete clean parcels from the NPL	<p>In April 1996, EPA issued guidance that provides for returning cleaned portions of NPL sites to productive use as quickly as possible by deleting portions of sites as appropriate. According to EPA, deleting entire sites does not communicate the successful cleanup of portions of those sites. A site's total cleanup may take many years, while portions of the site may have been cleaned and may be available for productive use. Some potential investors or developers may be reluctant to undertake economic activity at the cleaned portion of a property that is part of an NPL site. EPA has approved the deletion of the uncontaminated portions of five sites.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measure of effect:</u> The number of sites where the policy is applied.</p>
Allow responsible parties to perform risk assessments	<p>On January 26, 1996, EPA issued a directive reiterating its position that responsible and qualified potentially responsible parties can perform the risk assessment at most sites. EPA believes that this approach will save time and Superfund dollars in completing cleanups. The directive also removed the requirement that the regions consult with headquarters before allowing potentially responsible parties to perform the risk assessment. At least eight regions have indicated that they are identifying sites where potentially responsible parties have been allowed to perform the risk assessment.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measure of effect:</u> The number of such assessments that are approved by EPA.</p>

Reform	Description
Promote risk-based priority setting for federal facilities	<p>EPA is developing draft guidance for the regions that will address the role of risk and other factors (e.g., cost, community concerns, environmental justice, and cultural considerations) in setting priorities at federal facilities. The guidance also will address the Department of Defense's and the Department of Energy's approaches to evaluating risks at sites, as well as the appropriate role of stakeholders in the process of setting priorities.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measure of effect:</u> The number of facilities that are prioritized.</p>
Promote risk-based priority setting for NPL sites	<p>To ensure that available funds are directed to the highest-priority response projects on a national basis, in August 1995, EPA established a National Risk-Based Priority Panel comprising program experts representing all 10 regions and headquarters. The panel evaluates proposed cleanup actions on the basis of risks to humans and the ecology; the stability and characteristics of contaminants; and economic, social and program management considerations. With the exception of emergencies and the most critical removal actions, cleanup projects are funded according to the priority established by the panel's evaluations. During fiscal year 1996, 42 projects totaling over \$276 million were funded in accordance with the panel's recommendations. By early fiscal year 1997, the panel had ranked projects with cleanup costs approaching \$1 billion.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measures of effect:</u> The number of projects prioritized and the dollar amounts of the projects.</p>



Reform	Description
Provide compensation for orphan shares	<p>On June 3, 1996, EPA issued its <u>Interim Guidance on Orphan Share Compensation for Settlers of Remedial Design/Remedial Action and Non-Time-Critical Removals</u>. Under CERCLA's joint and several liability system, viable responsible parties are potentially liable for the shares--called the "orphan shares"--that may be attributable to insolvent or defunct parties that cannot contribute to the cost of cleanup. EPA has agreed to share this burden by offering to waive a portion of EPA's unreimbursed past costs and projected oversight costs for those parties that agree to conduct future cleanups. The amount of EPA's reimbursement is limited to (1) the amount of past costs and future oversight costs, (2) 25 percent of the projected cleanup costs, or (3) the amount of the actual orphan share. EPA believes this reform will provide an incentive for parties to settle and will reduce litigation costs.</p> <p><u>Scope of implementation:</u> All regions to offer compensation where shares of insolvent or defunct parties exist and parties agree to conduct remedial design/remedial action or non-time-critical work.</p> <p><u>Measures of effect:</u> (1) the number of sites at which offers were made; (2) the total number of offers accepted; and (3) for each final settlement, the names of the specific sites where offers were made and their amounts.</p>
Encourage the use of site-specific special accounts	<p>In March 1996, EPA issued a memorandum to its regional offices encouraging them to use special accounts for settlement funds at individual sites and advising them on the creation and use of these accounts. EPA initiated this reform to ensure that both the settlement funds received from a specific site and the interest earned by accounts created to hold such funds are available for future response actions at that site. As of March 1997, EPA had established 66 special accounts. EPA believes this reform will provide an incentive for parties to settle and will reduce litigation costs.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measures of effect:</u> (1) the number of accounts set up, (2) the amount in each of the accounts, and (3) the amount of interest earned.</p>

Reform	Description
<p>Revise <u>de micromis</u> guidance</p>	<p>On June 3, 1996, EPA issued <u>Revised Guidance on CERCLA Settlements with De Micromis Waste Contributors</u>, to discourage litigation by third parties against parties--called <u>de micromis</u> contributors--that have contributed very small volumes of waste to a site. Through guidance, EPA is doubling the level previously identified for <u>de micromis</u> protection. In addition to the guidance memorandum itself, the revised guidance includes several attachments that are intended to increase the speed and efficiency of the <u>de micromis</u> settlement process by establishing regular and routine settlement practices.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measure of effect:</u> EPA cannot quantify the number of parties that are no longer pursued as a result of this reform.</p>
<p>Adopt private party allocations</p>	<p>EPA established a workgroup to determine parameters and identify opportunities for adopting private party allocations as the basis for settlement. In some instances, parties at sites have taken the initiative in allocating the shares that can be attributed to each party at a site. Through this reform, EPA is seeking to reward the initiative of such parties, provide an incentive for settlement, and reduce their transaction costs by adopting their allocations as the basis for settlement.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measures of effect:</u> The number of sites where settlements, based on allocations under the reform, are negotiated.</p>
<p>Reduce oversight for cooperative responsible parties</p>	<p>On July 31, 1996, EPA issued a directive, <u>Reducing Federal Oversight at Superfund Sites with Cooperative and Capable Parties</u>, to encourage the regions to look for opportunities to reduce their oversight of certain parties without compromising the quality of response actions. In recognition of parties' acquired expertise, and when parties have acted cooperatively with EPA throughout the cleanup and enforcement process, EPA is looking to reduce its level of oversight. Reducing its oversight should decrease costs for EPA and cooperating parties, increase incentives for other parties to cooperate, and increase the incentives for settlement.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measures of effect:</u> The number of sites with reductions and the number of oversight activities taken.</p>

Reform	Description
<p>Establish ombudsmen</p>	<p>To provide direct access in each EPA region for stakeholders who need help in understanding the Superfund process, on June 4, 1996, EPA announced that each of its 10 regions had established a Superfund ombudsman. The ombudsmen are to facilitate the resolution of issues or problems at the regional level.</p> <p><u>Scope of Implementation:</u> All regions.</p> <p><u>Measure of Effect:</u> The number of appointees and other measurements under development.</p>
<p>Improve communication with stakeholders</p>	<p>EPA is using electronic tools (such as the Internet, multimedia computers, and other electronic means) to both increase communication among all Superfund stakeholders and improve access to Superfund information. EPA believes that this reform will make information readily available, increasing the opportunity for participation in the Superfund process. EPA headquarters has developed a Superfund home page on the Internet and each of the regions has developed a home page as well. The number of times the home pages are accessed has continued to increase since the reform's inception.</p> <p><u>Scope of implementation:</u> All regions and headquarters Superfund offices.</p> <p><u>Measures of effect:</u> The number of home pages in headquarters and the regions and the number of times the home pages are accessed.</p>
<p>Fund brownfield pilot projects</p>	<p>EPA has funded 113 and plans to fund up to 300 pilot projects through cooperative agreements with local, tribal, and state governments. These pilot projects are intended to (1) test cleanup and redevelopment planning models, (2) direct special efforts toward removing regulatory barriers without sacrificing protectiveness, and (3) facilitate coordinated environmental cleanup and redevelopment efforts at the federal, state, and local levels.</p> <p><u>Scope of implementation:</u> All regions and headquarters Superfund offices.</p> <p><u>Measure of effect:</u> EPA is developing an evaluation and tracking system for this reform.</p>

Reform	Description
<p>Promote community outreach for brownfield redevelopment</p>	<p>Each EPA region has established a position as coordinator for brownfields to oversee brownfield pilot projects and initiate other brownfield activities. EPA has also (1) assigned five staff members to cities through intergovernmental personnel assignments to assist in addressing brownfield redevelopment challenges at state and local levels, (2) cosponsored public dialogues on urban revitalization and brownfields, and (3) promoted job development and training through partnership with brownfield pilot communities and community colleges. According to EPA, as a result of the public dialogues, the agency has improved the selection criteria for brownfield pilot projects and initiated an interagency workgroup with other federal agencies.</p> <p><u>Scope of implementation:</u> All regions and headquarters Superfund offices.</p> <p><u>Measure of effect:</u> An assessment of the partnerships and work relationships with stakeholders.</p>
<p>Refine the Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS)</p>	<p>To remove the perceived stigma for a property of being included in EPA's database of potential Superfund sites, EPA has modified the process for maintaining information on sites in CERCLIS by establishing a process for archiving sites in which the agency has no further interest, given the available information. EPA has archived about 30,000 of these sites, and about 11,000 remain in the active portion of the database. The primary objective of this reform is to clearly identify EPA's interest at sites under the Superfund program so that stakeholders, such as property owners and purchasers, are better informed and can make better decisions about properties that were once included in CERCLIS.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measure of effect:</u> The number of sites removed from CERCLIS.</p>

Reform	Description
Clarify NPL sites	<p>EPA is developing a program to provide its regions with the flexibility to clarify the areas of sites determined to be uncontaminated so as to facilitate the transfer, development, or redevelopment of these areas. EPA plans to issue guidance that describes the factual basis on which EPA may issue assurances that areas of sites are not contaminated and the appropriate consultation and coordination that will accompany these assurances.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measure of effect:</u> The number of sites where the policy is applied.</p>
Revise technical assistance grant regulation	<p>During fiscal year 1997, EPA plans to revise its existing technical assistance grant regulation to increase citizens' involvement by simplifying the grant administrative processes. According to EPA officials, the revised regulations will eliminate the 3-year budget period currently required and allow groups to determine a budget period that meets their individual needs. The rule will also eliminate the 20-percent cap on administrative costs currently imposed on recipients.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measures of effect:</u> The number of technical assistance grants awarded and their respective dollar amounts.</p>
Establish a risk-sharing program to encourage the implementation of innovative technologies	<p>EPA has created a voluntary program through which interested parties considering innovative approaches to site remediation may approach EPA with risk-sharing proposals. Under accepted proposals, EPA may agree to share up to 50 percent of the cost of the failed innovative remedy if subsequent remedial action is required. Only one proposal has been formally submitted and accepted.</p> <p><u>Scope of implementation:</u> Selected sites.</p> <p><u>Measures of effect:</u> The number of indemnifications requested and the number approved.</p>

Reform	Description
<p>Use risk-sharing to encourage the use of innovative technologies</p>	<p>EPA's April 29, 1996, directive set out the agency's policy to offer expanded indemnification coverage to both the prime contractor and the innovative technology contractor in an effort to provide some protection for these contractors and thereby encourage the use of innovative technologies. To date, no innovative technology vendor or prime contractor has requested indemnification coverage.</p> <p><u>Scope of implementation:</u> Selected sites.</p> <p><u>Measures of effect:</u> The number of agreements made and the dollar amounts guaranteed.</p>
<p>Promote voluntary cleanup programs</p>	<p>EPA is working with states and tribes to promote the development or enhancement of programs that encourage private parties to voluntarily undertake protective cleanups of contaminated sites. EPA plans to provide funds to these programs and finalize guidance outlining the circumstances under which it will agree to take no further action (except in limited circumstances) at voluntary cleanup program sites. EPA and 10 states have signed agreements to encourage the voluntary investigation and cleanup of properties under state programs and to take no further action against voluntary program participants except in limited circumstances.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measures of effect:</u> The number of memorandums of agreements and the dollar amounts for cooperative agreements.</p>
<p>Integrate federal/state/tribal site management</p>	<p>EPA and states are working to develop a pilot program under which EPA may defer including certain sites on the NPL so that states, territories, commonwealths, or federally recognized Indian tribes can oversee cleanup actions conducted and funded by potentially responsible parties. On the basis of the results of pilot projects at 22 sites, EPA plans to develop this program as a model for integrated federal/state/tribal site management of potential NPL sites and to develop new guidance on deferral procedures.</p> <p><u>Scope of implementation:</u> Selected sites/states.</p> <p><u>Measures of effect:</u> The number of sites deferred and the number of states involved in the program.</p>

Table I.2: Superfund Administrative Reforms That EPA Categorizes as Designed to Improve the Program

Reform	Description
<p>Clarify information on remedy selection</p>	<p>EPA is developing remedy selection summary sheets to clearly demonstrate the basis for the remedy selected at each site, including the relationship between the site's risks and response actions, as well as the costs and benefits of cleanup alternatives. The goal of this initiative was to design a tool for clearly presenting, in a standardized format, the key information used and the rationale for site-specific Superfund remedy selection decisions.</p> <p><u>Scope of implementation:</u> Regional tool, available for use at the discretion of regional managers.</p> <p><u>Measures of effect:</u> EPA has no quantifiable measures for this reform. EPA states that the effect of this reform will be an increased understanding.</p>
<p>Establish national criteria for risk assessments</p>	<p>This reform will establish national criteria for the regions to plan, report, and review Superfund risk assessments. EPA will be issuing guidance to ensure that risk assessments (1) are well scoped and well designed, (2) use a standardized presentation format, and (3) are easier to review by Superfund risk assessors.</p> <p><u>Scope of implementation:</u> Regional tool, available for use at the discretion of regional managers.</p> <p><u>Measures of effect:</u> EPA has no quantifiable measures for this reform. EPA states that the effect of this reform will be the incorporation of a new risk assessment methodology.</p>

Reform	Description
<p>Standardize risk assessment policies</p>	<p>EPA plans to update and standardize its risk assessment policies. EPA officials believe that the guidance needs to be improved by selectively updating those areas where science and policy have advanced over the past several years, such as exposure assessment, human health toxicity assessment, and risk communication. EPA plans to issue a number of products--including fact sheets, memoranda, and other documents--under this reform over the next several years to continually improve the technical quality and application of Superfund risk assessments.</p> <p><u>Scope of implementation:</u> Regional tool, available for use at the discretion of regional managers.</p> <p><u>Measures of effect:</u> EPA has no quantifiable measures for this reform. EPA states that the effect of this reform will be to facilitate consistency and improve the quality of risk assessments.</p>
<p>Establish "rules of thumb" for remedy selection</p>	<p>EPA has developed two fact sheets that will be issued as guidance containing remedy selection rules to promote cost-effectiveness and identify potentially controversial cleanup decisions for senior management's attention and review. One fact sheet describes key principles and expectations for risk assessment and risk management; treatment of principal threat/containment of low-level-threat wastes; and groundwater response actions. The second fact sheet describes a set of proposed management review triggers to promote nationally consistent remedy selection decision-making and is intended to serve as a consolidated guide to headquarters and regional consultation procedures.</p> <p><u>Scope of implementation:</u> Regional tool, available for use at the discretion of regional managers.</p> <p><u>Measures of effect:</u> EPA has no quantifiable measures for this reform. EPA states that the effect of this reform will be an increased understanding.</p>



Reform	Description
Form an expert workgroup on lead	<p>EPA has formed an agencywide technical review workgroup for lead, comprising technical experts and specialists within EPA, to provide a resource to address questions on lead risk assessment. The workgroup is responsible for collecting information, analyzing key issues, providing feedback to the regions, and networking on lead issues.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measures of effect:</u> The number of requests made for workgroup assistance.</p>
Clarify role of cost	<p>EPA issued a fact sheet entitled <u>The Role of Cost in the Superfund Remedy Selection Process</u> on September 10, 1996. This fact sheet is intended to clarify the role of cost in developing cleanup options and selecting remedies and to promote the use of policies and guidance to ensure cost-effectiveness.</p> <p><u>Scope of implementation:</u> Regional tool, available for use at the discretion of regional managers.</p> <p><u>Measures of effect:</u> EPA has no quantifiable measures for this reform. EPA states that the effect of this reform will be an increased understanding.</p>
Issue equitable unilateral administrative orders	<p>In a memorandum issued August 2, 1996, EPA reaffirmed its policy to issue unilateral administrative orders for site cleanups to the largest manageable number of parties, following consideration of the adequacy of evidence of the parties' liability, financial viability, and contribution to the site's waste. EPA's memorandum also establishes formal procedures requiring regional staff to document their reason(s) for proposing that certain potentially responsible parties be excluded from administrative orders and procedures when regional staff propose not to issue these orders to late-identified potentially responsible parties.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measures of effect:</u> The number of decision-makers consulted and the number of files documenting orders issued excluding parties.</p>

Reform	Description
Remove liability barriers	<p>EPA has issued four guidance documents intended to remove liability barriers to the cleanup, sale, and redevelopment of contaminated properties. Under this guidance, EPA will (1) issue comfort/status letters to property owners explaining whether and how the agency is involved at a particular site (10 letters issued as of Apr. 1997), (2) negotiate agreements with prospective purchasers of contaminated sites exempting them from liability in return for cleanup or redevelopment work (35 issued since the guidance was issued), and (3) forgo enforcement action against owners of property over contaminated groundwater unless the property is the source of the contamination. The guidance also clarified the circumstances under which EPA and the Department of Justice would enforce CERCLA liability against lenders. In September 1996, the Congress passed legislation limiting lenders' liability.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measures of effect:</u> The measure for the prospective purchaser reform is the number of agreements entered into since the issuance of the revised guidance. Because the policies for contaminated aquifers, lenders, and comfort letters are self-implementing, EPA does not have measures to track the data on every application.</p>
Establish community advisory groups	<p>EPA issued guidance in December 1995 to encourage its regions to establish community advisory groups as a mechanism to enhance communities' involvement in the program. Community advisory groups are meant to foster interaction among interested members of an affected community and to exchange facts and information. The community advisory groups were piloted at 16 different sites. Because of their success at the pilot sites, EPA started accepting applications for additional community advisory groups.</p> <p><u>Scope of implementation:</u> Regional tool, available for use at the discretion of regional managers.</p> <p><u>Measures of effect:</u> The number of sites with community advisory groups.</p>

Reform	Description
Promote national consistency in remedy selections	<p>In September 1996, EPA issued a directive emphasizing the importance of maintaining appropriate national consistency in the Superfund remedy selection process and calling on program managers to make full use of existing tools and consultation opportunities to promote consistency.</p> <p><u>Scope of implementation:</u> All regions.</p> <p><u>Measures of effect:</u> EPA has no quantifiable measures for this reform. EPA states that the effect of this reform will be to facilitate national consistency among remedy selections.</p>

Table I.3: Superfund Administrative Reforms That EPA Categorizes as Designed to Test Concepts

Reform	Description
<p>Involve community in designing risk assessments</p>	<p>To facilitate community participation in site cleanup decisions, EPA will pilot an effort, at a number of sites nationwide, in which community stakeholders will be invited to help design the site-specific baseline risk assessment at the beginning of the remedial investigation. Working with EPA regional staff, stakeholders will assist in determining the possible future use of the site, identifying the potential means of exposure, and describing attributes of the local population that could affect the risk determination.</p> <p><u>Scope of implementation:</u> Selected sites.</p> <p><u>Measures of effect:</u> EPA will determine the effects of this pilot effort through case studies of the resulting increase in efficiency.</p>
<p>Start earlier searches for responsible parties</p>	<p>In the spring of 1995, EPA identified 15 sites where searches for potentially responsible parties had just begun or were about to be initiated. At these sites, EPA initiated pilot projects to determine whether earlier searches would lead to the quicker identification of contributors of small volumes of wastes--called <u>de minimis</u> parties. Specifically, EPA is piloting the notification of potential <u>de minimis</u> parties within 12 months after the search starts, and of all other parties within 18 months. In addition, EPA is evaluating new ideas on information-sharing with already identified potentially responsible parties and new techniques for identifying additional parties earlier in the process.</p> <p><u>Scope of implementation:</u> Regions where sites were selected as appropriate.</p> <p><u>Measures of effect:</u> The number of parties identified in sufficient time for settlement negotiations.</p>

Reform	Description
Expedite settlements	<p>In 1995, EPA began pilot testing expedited settlement procedures at several sites where the search to identify potentially responsible parties is substantially complete. At the pilot sites, EPA is settling earlier with <u>de minimis</u> contributors and with certain other potentially responsible parties that may be unable to pay their share of the cleanup costs. The pilot tests are being conducted to (1) determine if it is possible to achieve early <u>de minimis</u> settlements, (2) identify possible ability-to-pay issues early, and (3) provide an opportunity to the potentially responsible parties to nominate previously unidentified potentially responsible parties.</p> <p><u>Scope of implementation:</u> Regions where sites were selected as appropriate.</p> <p><u>Measures of effect:</u> The achievement of settlements within expected time frames.</p>
Pilot test remedy selection by states/tribes	<p>EPA has initiated 13 pilot projects, with several still ongoing, under which states agree to conduct the remedy selection process at Superfund sites consistent with applicable laws and regulations. EPA initiated this reform to recognize the important role of qualified state environmental agencies in cleaning up sites and to encourage greater state participation in the remedy selection process.</p> <p><u>Scope of implementation:</u> Selected sites.</p> <p><u>Measure of effect:</u> The number of remedies selected by states with minimal EPA concurrence.</p>
Pilot test community-based remedy selection	<p>EPA is exploring the use of more consensus-based approaches, involving community stakeholders in the Superfund remedy selection process. The regions are currently piloting various approaches for involving stakeholders at Superfund sites. As part of this reform, EPA will identify both positive and negative factors that affect a community's understanding of cleanup options and participation in cleanup decision-making.</p> <p><u>Scope of implementation:</u> Selected sites.</p> <p><u>Measure of effect:</u> The number of remedies selected with direct community input and cost reductions.</p>

Reform	Description
<p>Enhance community involvement in enforcement</p>	<p>Through pilot projects, EPA is testing various approaches to enhance community involvement in technical settlement issues. EPA has initiated pilot projects concerning various stages of the Superfund process at 13 sites in 9 regions. For example, two of the pilot projects involve increasing public involvement in removal actions being implemented by potentially responsible parties. At two other sites, EPA facilitated communication between the potentially responsible parties and local citizens to develop a consensus on future land use.</p> <p><u>Scope of implementation:</u> Regions where sites were selected as appropriate.</p> <p><u>Measures of effect:</u> The number of techniques tested for involving communities.</p>
<p>Provide training/health assistance to communities</p>	<p>EPA is testing the implementation of a medical assistance plan to respond to the health concerns of underserved citizens living near hazardous waste sites at a Superfund site in Torrence, California. The plan provides for, among other things, (1) physicians trained in environmental issues and available to serve the affected communities, (2) medical testing, (3) technical assistance to local agencies and health care providers, and (4) environmental health education to health care providers. EPA intended to conduct pilot projects at four sites but, to date, has received funding for only one site.</p> <p><u>Scope of implementation:</u> Selected sites.</p> <p><u>Measures of effect:</u> The number of sites and the dollar amount of the grants awarded.</p>
<p>Provide job training and development</p>	<p>EPA has initiated a number of job training and development activities to create environmental job opportunities for residents of distressed neighborhoods located in or near brownfield pilot sites. In addition, through a cooperative agreement with the Hazardous Materials Training and Research Institute, EPA is providing outreach, curriculum, and technical assistance to community colleges located near the pilot sites.</p> <p><u>Scope of implementation:</u> Selected sites.</p> <p><u>Measures of effect:</u> The number of training grants, the dollar amount of the grants, and the number of trainees and placements; and the number of community colleges that are developing curricula, degree programs, or certificate programs..</p>

Reform	Description
Provide state/tribal block funding	<p>EPA has established a 50-member workgroup to find a more efficient way to administer funding without trading off accountability. To that end, the agency is working with states and tribes to identify options and opportunities to consolidate the Superfund award process through block funding.</p> <p><u>Scope of implementation:</u> Selected sites.</p> <p><u>Measures of effect:</u> The number and dollar amount of the funding agreements combined.</p>
Pilot test allocation process	<p>EPA is testing an approach to the allocation of Superfund costs in which potentially responsible parties may settle their liability on the basis of their share of the cleanup costs, assigned by a neutral party known as an allocator. The allocator is selected by the parties and EPA and will conduct a nonbinding out-of-court allocation process. The intended effect of these pilot projects is to reduce transaction costs and increase fairness in the process.</p> <p><u>Scope of implementation:</u> Regions where sites were selected as appropriate.</p> <p><u>Measures of effect:</u> The achievement of time frames and the resolution issues and concerns identified in the process.</p>

EPA'S USE OF INTEGRATED SITE ASSESSMENTS TO STREAMLINE  
THE SUPERFUND PROCESS

In 1992, to speed up the Superfund process and reduce its costs, EPA introduced a new process that would merge various assessments performed to evaluate hazardous waste sites for possible cleanup. These "integrated assessments," as they are called, were intended to consolidate certain assessments conducted in a number of Superfund programs.<sup>2</sup> These programs are (1) the removal program, which performs shorter-term cleanups at sites; (2) the preremedial program, which assesses sites for possible inclusion on the National Priorities List; and (3) the remedial program, which performs longer-term cleanups at the listed sites. The integrated assessment initiative was designed to combine, whenever possible, some of the assessments across program lines and to consolidate preremedial assessments that were being done sequentially. In addition to saving time and money, integrated assessments were intended to improve the selection and timing of cleanup actions by improving coordination within the Superfund programs.

INTEGRATED SITE ASSESSMENTS  
CAN REDUCE TIME AND COSTS AND  
IMPROVE COORDINATION

Pilot tests performed by seven EPA regions found that integrated site assessments can significantly streamline the assessment process. These tests concluded that the integrated approach made data collection significantly more efficient, yielding time savings that ranged from about 3 months to 4 years. In addition, cost savings ranging from under \$3,000 to \$300,000 were documented in three of the pilot tests.

Beyond the results of the pilot tests, data on the effects of integrated site assessments are limited. A recent internal EPA headquarters analysis found that assessments performed between October 1992 and December 1996, which combined the first two stages of the preremedial process, took about 20 percent less time than the traditional sequential assessments performed during the same period. Also, according to regional EPA officials we interviewed, the integrated approach, though not suited to all sites, can improve the Superfund process by reducing sampling, duplication of effort, and inactive periods between steps in the process. In addition, regional officials reported that the approach promotes coordination between the removal and remedial programs. As a

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<sup>2</sup>The integrated assessment was part of a larger initiative, the Superfund Accelerated Cleanup Model (SACM), which EPA introduced in 1992 to make the Superfund program more efficient by cutting the duration of cleanups by years and quickly reducing risks to people and the environment. According to EPA headquarters officials, SACM was fully assimilated into the agency's regional structure by 1995.



result, removal actions can be taken faster and used more often as a substitute for more expensive remedial actions, allowing EPA to focus remedial resources on the sites that pose the greatest risks to human health and the environment.

### REGIONS' USE OF INTEGRATED ASSESSMENTS HAS BEEN LIMITED AND UNEVEN

Despite the potential benefits of the integrated approach, EPA's regions have not yet fully or consistently implemented it. More than 4 years after EPA introduced the approach, the regions have used it at a limited number of sites. For example, according to EPA's data for 1994-96, EPA combined the preliminary assessment and the site inspection (the two first steps in the preremedial assessment process) 196 times, while completing a total of 2,284 preliminary assessments and 1,447 site inspections during the same period.<sup>3</sup> Similarly, EPA combined only 266 preremedial assessments with removal assessments. EPA's data also show that the regions have not used the integrated approach consistently. For example, two regions (V and IX) performed over half of the assessments that combined the first two steps of the preremedial assessment, while three regions (I, III, and VIII) together performed under 4 percent of the total. Similarly, two regions (IV and V) performed over 80 percent of the assessments that combined the preremedial and the removal assessment.

In addition to variations in the extent to which they have used integrated assessments, the regions have varied in the way they have implemented the approach. For example, different regions have chosen to integrate different assessment steps or programs. In addition, some regions have developed formal policies on implementing integrated assessments, while others have not. The regions have also reorganized their programs to varying degrees to improve coordination and streamline data collection. For example, at least three regions merged their preremedial and removal programs, at least two regions

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<sup>3</sup>Not all preliminary assessments completed during fiscal years 1994-96 could have been combined with a site inspection. For example, combined studies could not have been done at sites that did not proceed to a site inspection after the preliminary assessment indicated that no further action was necessary. In addition, the preliminary assessment for some sites for which a site inspection was completed during fiscal years 1994-96 may have been started before EPA introduced the integrated approach. Because of the limitations of EPA's data, the exact number of sites that would have been eligible for a combined preliminary assessment/site inspection is not known. In addition, some regional officials said their regions have used the integrated approach more often than headquarters' data indicate. However, these officials did not have data to show what the additional usage might have been.

put the two programs in the same division or branch, and one region merged its preremedial and remedial programs.

BARRIERS MAY LIMIT EFFECTIVENESS  
OF INTEGRATED SITE ASSESSMENTS

We identified several factors that have hampered the full and consistent use of integrated site assessments. Chief among these is that EPA headquarters has not followed through to ensure the effectiveness of the regions' implementation of the initiative. Although the agency developed initial implementing guidance and published summaries of the findings from the regions' pilot tests, it has not systematically tried to measure the effectiveness of the regions' implementation of the integrated approach. As a result, EPA does not know whether the regions have used integrated site assessments as much as they should have, how extensively the integrated approach has affected the Superfund process, and what regional practices have yielded the best results. According to EPA headquarters officials, the agency has reduced its budget for preremedial activities in recent years by over 50 percent as it has shifted its focus to other areas, particularly to completing cleanups of sites already in the remedial program. In addition, EPA headquarters eliminated, through reorganization, the section responsible for monitoring preremedial activities. This redirection of resources has made it very hard for the agency to adequately oversee the regions' site assessment activities, according to an EPA official. Another barrier to the effective use of integrated site assessments is the difficulty of coordinating the activities of the different organizational units responsible for the site assessments that could be merged. Specifically, historical differences between the preremedial and the removal programs—such as differences in training, data needs, and the timing of work—still inhibit the full integration of the two programs' assessments.

We will discuss our review of integrated site assessments in a report to several congressional committees and subcommittees expected to be issued in August 1997.

OBJECTIVES, SCOPE, AND METHODOLOGY

Our objectives in this review were to determine (1) the nature and scope of EPA's implementation of the Superfund Administrative Reforms, (2) the demonstrated accomplishments that may have resulted from these reforms, and (3) the additional legal authority that EPA believes it needs to correct the underlying problems addressed by the reforms.

To determine the nature and scope of EPA's implementation of the reforms, we reviewed numerous internal and public EPA documents, in particular EPA's Superfund Administrative Reforms Annual Report Fiscal Year 1996. We also submitted a list of questions on each reform to officials in two EPA offices—the Office of Solid Waste and Emergency Response and the Office of Enforcement Compliance and Assurance—reviewed their written responses, and clarified and expanded on these responses through interviews with these officials and with program staff to obtain more detailed explanations and documentation. We also reviewed studies by independent organizations that reviewed EPA's implementation of selected reforms across all of EPA's regions.

To determine the demonstrated accomplishments that may have resulted from these reforms, we reviewed and analyzed the information from the above sources. We sought to determine whether EPA could provide data to support the accomplishments that the agency has reported for 6 of the 45 reforms. However, we did not evaluate these data to determine their accuracy or the validity of the methodology used in calculating the estimates.

To determine the additional legal authority that EPA believes it needs to correct the underlying problems addressed by the reforms, we reviewed and analyzed EPA's written responses to the questions we submitted on each reform.

Our work for this review was conducted from January 1997 through May 1997 in accordance with generally accepted government auditing standards.

COMMENTS FROM THE ENVIRONMENTAL PROTECTION AGENCY

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

MAY 28 1997

Mr. Peter F. Guerrero  
Director, Environmental Protection Issues  
U.S. General Accounting Office  
441 G. Street, N.W.  
Washington, D.C. 20548

Dear Mr. Guerrero:

The U. S. Environmental Protection Agency ("EPA") appreciates the opportunity to review the draft GAO document "Superfund: EPA's Administrative Reforms" (GAO/RCED-97-174R, May 30, 1997). The Agency has several concerns with the document. As explained below, the document does not accurately reflect the considerable level of activity EPA has undertaken to implement these reforms, and fails to reflect our current plans to evaluate 'lessons learned.' In addition, EPA wishes to make clear the Agency's position on legislative changes to CERCLA for inclusion in GAO's document.

The introductory materials in GAO's "Results in Brief" may be read to imply that only a few of the reforms are being implemented (i.e., "quantifiable effects resulting from the implementation of 6 of 45 reforms"). EPA has announced three rounds of reforms, beginning in June 1993. We believe the Agency has demonstrated considerable success in implementing all of its reforms. Many of the implementation efforts that have been achieved by the Agency (e.g., number of States, communities or sites where the reform was applied) are not reflected in the GAO document because they are not "quantifiable" in terms of cost and time savings. Furthermore, many of the reforms have achieved qualitative results which are not readily measurable (e.g., the assistance furnished by an Ombudsman may help to resolve a stakeholders' concern that might otherwise delay a cleanup). Moreover, it is difficult to quantify the absence of litigation against very small waste contributors by third parties which results from EPA's commitment to protect such parties.

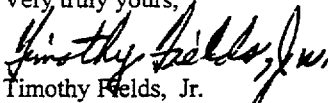
The draft GAO document also contains the section 'EPA Supports Additional Legal Authority in Some Areas'. EPA believes it has full legal authority to implement its current Administrative Reforms, although in a few cases, legislative changes would augment EPA's authority and enhance its ability to use such tools as block grants to States. However, EPA would like to clarify that the legislative suggestions reported in the GAO document are not intended to serve as a proposal for reauthorization of CERCLA. The Administration published its Superfund Legislative Reform Principles on May 7, 1997, which provide the Administration's position with regard to legislative reform of the statute.

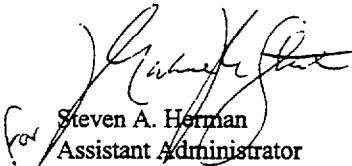
GAO/RCED-97-174R Superfund Administrative Reforms

Finally, GAO states that "EPA has no overall, coordinated plan, timeframe or mechanism in place to assess whether and to what extent the reforms are achieving either the specific goals set out for each individual reform or the overall objectives of the reform effort and the program as a whole." EPA is now in the process of analyzing the reforms to determine whether "mid-course corrections" are needed or additional changes are required as previously noted in a meeting with GAO staff.

Detailed comments on particular language in the draft report are attached. Again, thank you for the opportunity to review and comment on this draft document. We understand that this letter will be printed in full in the final document.

Very truly yours,

  
Timothy Fields, Jr.  
Acting Assistant Administrator  
Office of Solid Waste and Emergency  
Response

  
For Steven A. Herman  
Assistant Administrator  
Office of Enforcement and Compliance  
Assurance

Attachment

