

May 2, 2019

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Miles Keogh

Beth Burchard
K. Blair Budd
Office of the Chief Financial Officer
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Ms. Burchard and Ms. Budd:

On behalf of the National Association of Clean Air Agencies (NACAA), thank you for this opportunity to provide comments on the U.S. Environmental Protection Agency's (EPA) Draft FY 2020-2021 Office of Air and Radiation (OAR) National Program Guidance (April 1, 2019) and the Draft National Program Guidance for FY 2020-2021 for the Office of Enforcement and Compliance Assurance (March 26, 2019). NACAA is a national, non-partisan, non-profit association of air pollution control agencies in 41 states, including 114 local air agencies, the District of Columbia and four territories. The air quality professionals in our member agencies have vast experience dedicated to improving air quality in the United States. These comments are based upon that experience. The views expressed in this document do not represent the positions of every state and local air pollution control agency in the country.

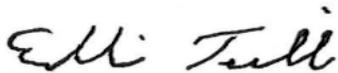
The draft guidance documents are based on the FY 2020 Administration budget request, which calls for \$152 million in grants for state and local air pollution control agencies under Sections 103 and 105 of the Clean Air Act (CAA). This is a reduction of 33 percent from the FY 2019 level of \$228.2 million. NACAA is very concerned that such cuts would be devastating to many state and local air quality programs and ultimately detrimental to the public's health and welfare. In fact, we are recommending that state and local air grants be increased in FY 2020.

The responsibilities facing state and local air agencies have continued to grow while, unfortunately, federal funding has lagged behind. Federal grants to state and local air quality agencies under Sections 103 and 105 of the CAA were \$228 million in FY 2019, which is the same amount these agencies received 15 years ago, in FY 2004. If the FY 2004 figure is adjusted for inflation, level funding would translate to approximately \$310 million in today's dollars – an \$82-million difference. While the need for increases is far greater, NACAA's recommendation for Section 103 and 105 grants in FY 2020 is merely for level funding, adjusted for inflation – or \$310 million.

We believe it is critically important that our programs receive the funding necessary to continue our efforts to protect public health. Therefore, NACAA urges EPA and the Administration to do whatever it must to ensure that federal air grants to state and local air pollution control agencies in FY 2020 and 2021 are increased above current levels, as we are recommending.

NACAA has reviewed the draft NPM guidance and is providing comments on the attached template that EPA has provided. Thank you for your consideration of our comments and recommendations. We look forward to having the opportunity to discuss these issues with you. Please do not hesitate to contact Mary Sullivan Douglas (mdouglas@4cleanair.org) or Miles Keogh (mkeogh@4cleanair.org) of NACAA, or either of us if you need additional information.

Sincerely,



Eddie Terrill
Oklahoma
Co-Chair
NACAA Program Funding Committee



Craig Kenworthy
Seattle, Washington
Co-Chair
NACAA Program Funding Committee

cc: Marc Vincent
Margaret Walters
Michele McKeever

**Comments of the National Association of Clean Air Agencies (NACAA) on
EPA’s Draft FY 2020-2021 National Program Guidance
May 2, 2019**

Comment	Location in Draft Guidance	Office Issuing National Program Guidance	Commenter
The following comments pertain to the Office of Air and Radiation’s draft National Program Guidance available at https://www.epa.gov/planandbudget/draft-fy-2020-2021-office-air-and-radiation-oar-national-program-guidance			
EPA appropriately acknowledges that there will not be sufficient resources for all activities and priorities may vary throughout the nation. NACAA supports EPA’s plan to work with state and local air agencies “to adjust resources to meet changing priorities,” to work collaboratively with state and local air agencies to resolve planning issues and to provide flexibility in developing workplans.	Page 1 (Introduction) Page 17 (Flexibility and Grant Planning)	Office of Air and Radiation (OAR)	National Association of Clean Air Agencies (NACAA)
EPA emphasizes activities to “support and assist air agencies in addressing air toxics” and calls upon the regional offices to “delegate and assist air agencies with Section 111, 112, and 129 standards.” This assistance is certainly necessary, but if EPA intends to rely on state and local air agencies to implement the air toxics program it is equally important that the agency provide adequate resources in the form of increased federal grants.	Page 9 (Air Toxics Program Implementation)	OAR	NACAA
The draft guidance fails to include how EPA intends to address interstate ozone transport issues beyond continued implementation of the Cross State Air Pollution Rule (CSAPR). EPA’s modeling shows that numerous areas will not attain the 2015 ozone NAAQS without significant emissions reductions from upwind states. EPA actions to address this issue need to be specifically added to the guidance.	Page 10-11 (Allowance Trading and Other Stationary Source Programs)	OAR	NACAA
Emissions from mobile sources, both heavy duty and light duty, continue to be a significant contributor to ozone concentrations in ozone nonattainment areas. Since some states are very limited in their ability to address emissions from this sector, EPA needs to include agency commitments to continue to undertake actions to reduce mobile source emissions.	Page 11-12 (Mobile Source Programs)	OAR	NACAA
The FY 2020 Administration budget request calls for \$152 million in grants for state and local air quality agencies under Sections 103 and 105, which is a reduction of 33 percent from the FY 2019 level (\$228.2 million). Such cuts would be devastating to state and local air quality programs and detrimental to public health and welfare. NACAA recommends that Section 103/105 grants be increased by \$82 million (to \$310 million), which is equal in purchasing power to the amount provided 15 years ago when adjusted for inflation (these grants were \$228 million in FY 2004).	Page 17 (Grant Assistance to Co-Implementers)	OAR	NACAA

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<p>The FY 2020 Administration budget request appropriately calls for funding for the Diesel Emission Reduction Act (DERA) program. This is an important program to address emissions from the large legacy fleet of diesel engines. It is important that DERA not be funded at the expense of the Section 103/105 grants and we strongly urge that any future funding for DERA not be in lieu of increases to state and local air grants. Additionally, since many of the DERA funds are not provided to state and local governments, we recommend that future DERA activities not be funded through the STAG account. Instead, we suggest that the grants be provided through one of EPA's other accounts.</p>	<p>Page 17 (Grant Assistance to Co-Implementers) and Page 20 (Diesel Emissions Reduction Act Grants)</p>	<p>OAR</p>	<p>NACAA</p>
<p>The draft acknowledges EPA's responsibility to provide training, however, the financial support the agency offers is insufficient for this important effort. Adequate training is especially critical now due to the large number of retirements and the associated loss of institutional knowledge that federal, state and local air agencies are experiencing. EPA should provide more of its own funding to this effort.</p>	<p>Page 19 (Continuing Air Programs, Clean Air Act Training)</p>	<p>OAR</p>	<p>NACAA</p>
<p>EPA is proposing to begin shifting funding for the fine particulate matter (PM_{2.5}) monitoring network from Section 103 to Section 105 authority, which would require state and local agencies to provide matching funds. The PM_{2.5} monitoring program has been funded under Section 103 and this arrangement has worked very well. NACAA recommends that it continue and, therefore, we oppose the transition of the program to Section 105 authority. The proposed shift would require state and local agencies to provide a 40-percent match, which not all agencies can afford. Those agencies that are unable to provide matching funds would not be able to accept the grants for these important monitoring programs. As a result, these agencies could be forced to discontinue required monitoring at existing sites. Since these are nationwide monitoring efforts, NACAA believes the funding should be provided under Section 103 authority so it is accessible to all, regardless of their ability to match the grants.</p>	<p>Page 18 (Continuing Air Program, Ambient Monitoring)</p>	<p>OAR</p>	<p>NACAA</p>
<p>EPA is considering establishing a small network of daily filter-based PM_{2.5} speciated measurements in the most populated cities in the country. EPA should do a cost-benefit analysis of sampling utilizing the current speciated PM_{2.5} method, considering the practicality of employing a daily discrete sampling method while encouraging states to move towards continuous methods for PM_{2.5}.</p>	<p>Page 18 (Ambient Monitoring appendix, page 5)</p>	<p>OAR</p>	<p>NACAA</p>

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<p>Specific targets that are relayed to state and local agencies by the regional offices are not noted in the measures portions of the guidance (e.g., 10-percent Title 5 renewal backlog target). Consistent targets and measures across the regions may be appropriate to include in such a document.</p>	General	OAR	NACAA
<p>The following comments pertain to the Office of Enforcement and Compliance Assurance’s draft National Program Guidance available at https://www.epa.gov/planandbudget/draft-fy-2020-2021-office-enforcement-and-compliance-assurance-oeca-national-program</p>			
<p>Section IIA of the guidance focuses on OECA activities to promote compliance through Cooperative Federalism. A theme missing in this Section is the recognition of the essential part that both state <i>and local</i> agencies play in our nation’s environmental programs and the importance of federal efforts to collaborate with these organizations. Indeed, the Clean Air Act articulates the critical role of local air agencies, as well as state agencies, as follows:</p> <p><i>The Congress finds...(3) that air pollution prevention...and air pollution control at its source is the primary responsibility of States and local governments; and (4) that Federal financial assistance and leadership is essential for the development of cooperative Federal, State, regional, and local programs to prevent and control air pollution.¹</i></p> <p>Local air pollution control agencies, along with their state counterparts, have tremendous experience and knowledge to contribute to our nation’s efforts to obtain and maintain healthful air quality. EPA should rely on the expertise of these air agencies in developing and implementing national compliance and enforcement programs, and they should be considered, and explicitly named, wherever state air pollution control agencies are mentioned in Section IIA of the guidance.</p>	<p>OECA guidance Pages 3, 4, 5 (Introduction; Key Activities to Promote Compliance through Cooperative Federalism)</p>	<p>Office of Enforcement and Compliance Assurance (OECA)</p>	<p>NACAA</p>

¹ Clean Air Act Section 101(a)(3) and (4)

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<p>In Section II B 4 of the OECA Guidance, the agency seeks input on the new cycle of National Compliance Initiatives (NCIs) for FY 2020 to 2023. On March 11, 2019, NACAA provided comments on the proposed FY 2020-2023 NCIs, and these remain our recommendations. In that letter, NACAA recommended that both state and local clean air agencies be explicitly included as partners in the list of NCIs related to air pollution. NACAA also offered that EPA should consider an additional NCI focused on compliance by mobile sources with applicable laws and regulations. NACAA supported the extension of the “Cutting Hazardous Air Pollutants” initiative as a national priority and opposed the removal of the “Reducing Air Pollution from the Largest Sources” initiative from the national priority list. The March 11, 2019 letter is available online at http://4cleanair.org/sites/default/files/Documents/NACAA_Comments%20-%20EPA%20NCIs%202020_2023%20-%20031119.pdf</p>	<p>OECA Guidance pages 8-9 (FY 2020-2023 National Compliance Initiatives)</p>	<p>OECA</p>	<p>NACAA</p>
<p>EPA should treat states in a consistent manner to the extent possible. Therefore, headquarters should work closely with regional offices to implement new guidance.</p> <p>In conjunction with state and local agency input, EPA should continue to work toward global-sector settlements where appropriate. This would include continued pursuit of global settlements already in progress.</p> <p>Finally, it is important that EPA continue to act as a federal backstop and environmental presence to aid state and local agencies in enforcement activities.</p>	<p>OECA guidance, Page 3 (Introduction)</p>	<p>OECA</p>	<p>NACAA</p>