

April 14, 2011

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The Honorable Jack Reed
Chair
Subcommittee on Interior, Environment, and Related Agencies
Committee on Appropriations
U.S. Senate
Washington, DC 20510

The Honorable Lisa Murkowski
Ranking Member
Subcommittee on Interior, Environment, and Related Agencies
Committee on Appropriations
U.S. Senate
Washington, DC 20510

Dear Senators Reed and Murkowski:

I am writing on behalf of the National Association of Clean Air Agencies (NACAA) regarding FY 2012 appropriations for the U.S. Environmental Protection Agency (EPA), specifically grants for state and local air pollution control agencies. The President's budget proposal calls for \$305.5 million in grants to state and local air quality agencies under Sections 103 and 105 of the Clean Air Act, which includes a much-needed \$78.9-million increase above FY 2010 levels. NACAA supports this budget request and asks that you do everything possible to ensure that the recommended increases are included in the final appropriation. Additionally, we recommend that grants for fine particulate matter (PM_{2.5}) monitoring continue to be provided under the authority of Section 103 of the Clean Air Act, rather than Section 105.

Air pollution is an extremely significant public health threat that causes the premature deaths of tens of thousands of people in this country each year and results in many other serious health problems, including respiratory and cardiovascular diseases, adverse effects on the brain and cancer, among others. State and local air quality agencies have many responsibilities as they work to attain and maintain healthful air quality, including new initiatives to address emerging issues and ongoing activities to preserve the gains in air quality that we have already made.

Improvements in public health also advance the health of our economy. Fewer sick days, less money spent on health-care costs and a healthier and more productive workforce have great economic benefits. Air pollution control programs are demonstrated to be highly cost-effective. An EPA analysis from March 2011 shows that the benefits of the Clean Air Act since 1990 have exceeded the cost by over 30 to one. This is a substantial return on our investment. Additionally, a University of Massachusetts/Ceres study showed that upcoming federal Clean Air Act rules will create almost 1.5 million new jobs. The additional grants would also stimulate the economy by creating new jobs within air quality agencies across the country. While not all grants would be used for personnel

costs, they could fund up to 700 new jobs, averaging 14 per state. Finally, well-funded and well-run air agencies are better able to serve the community, including providing more effective permitting and compliance assistance. These services help fuel the recovery of our local economies.

Unfortunately, state and local air quality agencies have faced a serious shortfall in federal grants for many years, making it difficult to continue ongoing programs and take on new challenges. A recent study NACAA conducted revealed that federal grants to state and local air pollution control agencies should be increased by over \$550 million to adequately support state and local air programs. Due to the ongoing budget crisis, state and local governments are increasingly strapped for resources. Recent reports from the Environmental Council of the States show that state environmental budgets are declining significantly, decreasing 11.6 percent from FY 2009 to FY 2011, and that at least 2,112 environmental agency positions have been eliminated or held vacant due to budget limitations in FY 2010. Because of the continuing adverse impact of the recession on states and localities, air agencies will continue to make more painful decisions, such as reducing or cutting air programs that protect public health.

The proposed budget increase does not fully address the funding shortfall, but it will be essential as we address ongoing responsibilities and new challenges. We can apply the additional funds to a range of important activities, including emission inventory development, sophisticated modeling, planning efforts, expanded monitoring networks, and the adoption and enforcement of regulations, among other things.

The President's request also calls for phasing in a shift of fine particulate monitoring funds from Section 103 authority, where no match is needed, to Section 105, which would require additional state and local matching funds. NACAA requests that Congress prevent this shift and call for these funds to remain under Section 103 authority, as they have been in the past. For individual agencies that have concerns about the matching requirements, this will ensure that they can continue receiving these monitoring funds.

Finally, NACAA was disappointed that the proposed budget did not include funds for programs authorized by the Diesel Emissions Reduction Act (DERA). We recommend that Congress provide \$50 million in FY 2012 for these DERA programs that will help reduce harmful diesel exhaust. Of course, funds for DERA should supplement, not replace, state and local air grants under Sections 103 and 105 of the Clean Air Act.

NACAA urges you to promote public health by supporting the President's proposed budget increases for state and local air grants. Thank you for any assistance you can offer and I hope we can count on your support. If I can provide you with any additional information, please feel free to contact me (bbecker@4cleanair.org) or Mary Sullivan Douglas (mdouglas@4cleanair.org) by email or telephone at (202) 624-7864.

Sincerely,



S. William Becker

cc: Senate Committee on Appropriations