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March 27, 2017

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

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

The Honorable Ken Calvert
Chairman
House Appropriations Subcommittee on
Interior, Environment, and Related Agencies
U.S. House of Representatives
Washington, DC 20515

The Honorable Betty McCollum Ranking Member House Appropriations Subcommittee on Interior, Environment, and Related Agencies U.S. House of Representatives Washington, DC 20515

Dear Senators Murkowski and Udall and Congressmen Calvert and McCollum:

As the Co-Presidents of the National Association of Clean Air Agencies (NACAA), we are deeply concerned about the significant reductions to the FY 2018 budget for the U.S. Environmental Protection Agency (EPA) proposed in *America First: A Budget Blueprint to Make America Great Again* (Budget Blueprint), which was released on March 16, 2017. In particular, reductions to state and local air pollution control agency grants under Sections 103 and 105 of the Clean Air Act will have profound adverse impacts on public health and welfare.

NACAA is a national, non-partisan, non-profit association of state and local air pollution control agencies in 45 states, 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. The views expressed in this document do not necessarily represent the positions of every state and local air pollution control agency in the country.

The proposed Budget Blueprint for FY 2018 calls for a 31-percent reduction in EPA's budget and a 45-percent cut in categorical grants to state and local agencies. While the blueprint does not specify cuts to each media program (e.g., air, water, solid waste), we are very troubled by the possibility of commensurate reductions to federal grants to state and local air pollution control agencies under Sections 103 and 105 of the Clean Air Act. A 45-percent reduction would decrease Section 103/105 grants from \$227.8 million in FY 2017 to \$126 million in FY 2018. Such a reduction would be devastating to state and local air quality programs.

State and local air pollution control agencies have struggled with insufficient resources for many years. A NACAA study revealed an annual shortfall of \$550 million in federal grants for state and local air programs. To make matters worse, the purchasing power of federal grants has decreased by nearly 17 percent since 2000 due to inflation, during which time state and local responsibilities have expanded almost exponentially. Due to these economic hardships, states and localities increasingly rely on federal grants provided by the Clean Air Act. State and local agencies would find it difficult to accommodate *any* cuts to air quality grants; reductions of the magnitude proposed in the Budget Blueprint would have devastating impacts and could result in some agencies being forced to turn some or all of their responsibilities over to EPA. That would mean less local control over issues like permitting and air quality monitoring.

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Federal grants support a host of essential state and local agency programs designed to attain and maintain healthful air quality. These include, among others, implementation of the health-based national ambient air quality standards (NAAQS) for multiple pollutants, development of State Implementation Plans (SIPs), implementation of air toxics standards and implementation of control measures related to visibility and regional haze. These efforts require many resource- and labor-intensive activities including, among other things, planning, compiling comprehensive emission inventories, carrying out complex modeling, analyzing extensive data, adopting regulations, inspecting facilities, enforcing regulations, addressing complicated transport issues, issuing minor source permits and informing and involving the public in air quality decisions and issues. Our members are responsible for carrying out a host of federal requirements. Asking them to do so with fewer resources is a recipe for failure and litigation when they cannot achieve them.

Air pollution presents a pervasive national threat to public health and the environment and is a problem against which individuals cannot protect themselves. We know of no other environmental problem presenting greater risk. Air quality agencies at all levels of government have worked diligently for many years in pursuit of our clean air goals. In spite of considerable improvements, clean, healthful air nationwide still eludes us. For example, more than half of our country's population lives in areas that do not attain the health-based standards for one or more criteria pollutants. The magnitude of our air quality problem and the associated health effects make it clear that funding for the control of air pollution should be a top priority.

While cuts to state and local air quality grants would hinder our important work, we are also concerned about the proposed reductions to EPA's operating budget. Notwithstanding the essential contributions of state and local air agencies to air quality, the federal government's job is critical as well. If we are to achieve and maintain healthful air quality, state and local air agencies must rely on EPA to carry out its responsibilities in assisting state and local air quality programs. The assistance involves, among other things, developing nationally applicable regulations and guidance, conducting research and development, assisting with enforcement activities under some parts of the Act, and carrying out the appropriate oversight of state and local air quality programs. We all work with EPA on a regular basis and are prepared to participate in discussions about how the agency can be more effective, but it is vitally important

¹ Investing in Clean Air and Public Health: A Needs Survey of State and Local Air Pollution Control Agencies, (April 2009), NACAA, www.4cleanair.org/Documents/reportneedssurvey042709.pdf

that EPA be adequately funded as well. We are very concerned that the proposed cuts are so significant that it would be impossible for EPA to carry out this mission.

In conclusion, we are extremely troubled about the severe budget cuts that have been proposed in the FY 2018 Budget Blueprint for state and local air quality grants in particular and EPA's budget in general and the devastating adverse effects they could have on our efforts to protect public health and the environment. We urge the Administration and Congress to ensure that the proposed reductions to state and local air quality grants under Sections 103 and 105 do not become a reality and that EPA is funded adequately to discharge its responsibilities.

Sincerely,

David Klemp

Montana

Co-President of NACAA

Craig T. Kenworthy

Puget Sound Clean Air Agency, WA

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Co-President of NACAA

cc: Scott Pruitt, EPA Administrator

Mick Mulvaney, Director, Office of Management and Budget