

**Testimony of the National Association of Clean Air Agencies (NACAA)
Submitted to the House Appropriations Committee
Subcommittee on Interior, Environment, and Related Agencies
Regarding the FY 2022 Budget for the U.S. Environmental Protection Agency
April 13, 2021**

On behalf of the National Association of Clean Air Agencies (NACAA), thank you for this opportunity to provide testimony on the FY 2022 budget for the United States Environmental Protection Agency (EPA), particularly grants to state and local air pollution control agencies under Sections 103 and 105 of the Clean Air Act (CAA), which are part of the State and Tribal Assistance Grant (STAG) program. NACAA has three recommendations with respect to FY 2022 appropriations. The association urges Congress to 1) increase federal grants to state and local air quality agencies by at least \$91 million above FY 2021 levels, for a total of at least \$320 million; 2) provide flexibility to state and local air quality agencies to use any additional grants to address the highest priority programs in their areas; and 3) retain grants for monitoring fine particulate matter (PM_{2.5}) under the authority of Section 103 of the Clean Air Act, rather than shifting it to Section 105. These are NACAA's preliminary recommendations; the association may have further comments after the Administration proposes its full budget request for FY 2022.

NACAA is the national, non-partisan, non-profit association of air pollution control agencies in 41 states, including 115 local air agencies, the District of Columbia and four territories. NACAA exists to advance the equitable protection of clean air and public health for all, and to improve the capability and effectiveness of state and local air agencies. These agencies have the "primary responsibility" under the CAA for implementing our nation's clean air programs. As such, they carry out an array of critical activities intended to improve and maintain air quality and protect public health.

NACAA is grateful to the Subcommittee for your continuing commitment to air quality and your recognition of its importance to public health. While NACAA appreciates this commitment, it is important to emphasize how essential it is that these critical clean air programs receive additional funding going forward.

Air Pollution Poses Serious Public Health Problems

Many areas of the United States have enjoyed enormous improvements to air quality while experiencing strong economic growth. Overall, federal, state and local programs to address air pollution under the Clean Air Act have been hugely successful over the years. However, there are still significant air quality problems, posing threats to public health and welfare, including disparities that persist in overburdened communities despite progress overall. Every year tens of thousands of people in this country die prematurely from air pollution. Millions are exposed to unhealthful levels of air contaminants, resulting in health problems such as cancer and damage to respiratory, cardiovascular, neurological and reproductive systems.¹ EPA's own data show that in 2019 about 82 million people in this country lived in counties that exceeded one or more of the

¹<https://www.epa.gov/clean-air-act-overview/air-pollution-current-and-future-challenges>

federal health-based air pollution standards.² EPA’s most recent data on hazardous air pollutants indicate that in 2014 “millions of people live in areas where air toxics pose health concerns.”³

State and local agencies still lead the nation in responding to climate change. As emissions continue upward, wildfires worsen, ozone seasons lengthen, global temperatures trend steadily upward and global atmospheric carbon dioxide concentrations now exceed 420 parts per million. State and local agencies in NACAA have implemented programs that made meaningful progress towards reducing greenhouse gases and many maintained efforts to respond to the Paris Climate Agreement, even as the U.S. withdrew.

There are few problems that this Subcommittee addresses that pose a greater threat to public health than air pollution. We ask that you provide adequate resources to ameliorate this problem.

State and Local Air Agencies Have Been Underfunded for Years

The responsibilities that state and local air quality agencies face continue to increase, while at the same time federal funding has not kept pace with the need for resources. Federal grants to state and local air quality agencies (under Sections 103 and 105 of the CAA) were \$229 million in FY 2021, which is approximately the same amount these agencies received over 15 years ago, in FY 2004. If the FY 2004 figure is adjusted for inflation, level funding would be approximately \$320 million in FY 2022 – \$91 million more than the current grant amount. *Although the need for increases is far greater*, NACAA recommends that Section 103 and 105 grants receive merely level funding adjusted for inflation – or at least \$320 million – in FY 2022.

State and local air agencies have done more than their fair share to provide resources. The Clean Air Act (Section 105) envisioned that the federal government would support up to 60 percent of the cost of state and local air programs. However, the reality is that it provides only 25 percent and in some cases much less, while state and local agencies provide the remaining 75 percent.

Air quality agencies were already having to do their best with inadequate resources. Now, state and local governments will face only steeper challenges trying to backfill the deficit in federal funding as the worst of the economic damage of the COVID-caused recession is likely still to come. The resource shortfalls for state and local clean air programs could stretch for years. Additionally, many clean air agencies are located within state and local public health departments and have had extra demands placed on them in serving immediate public health crises caused by the pandemic, further straining their budgets and competing for available resources. Without federal funding increases, many state and local air agencies will have difficulty keeping pace with existing requirements and addressing new responsibilities. These problems exist even before one considers a more active partnership between state and local agencies and the federal government, should it seek to expand its efforts to address the climate crisis. Such a partnership would require state and local involvement and leadership and the resources to make that possible.

² <https://www.epa.gov/air-trends/air-quality-national-summary>

³ https://www.epa.gov/sites/production/files/2018-09/documents/2014_nata_technical_support_document.pdf, p. 138

How Would Additional Funding Be Used?

State and local air quality agencies regularly carry out many essential resource-intensive activities, such as monitoring, compiling emission inventories, planning, conducting sophisticated modeling, permitting, inspecting sources and adopting and enforcing regulations. Continuing these existing responsibilities requires tremendous effort. In addition to ongoing day-to-day operations, state and local air quality agencies also face emerging issues, including new regulations, technologies, monitoring, controls and other elements of the program that become ever more sophisticated. Additionally, the public increasingly calls for more (and timelier) information and assistance from state and local agencies, including during out-of-the-ordinary events, such as wildfires and natural disasters.

Advances in technology, including monitoring and sensor equipment, and their accessibility to the public require state and local agencies to respond to this data more and more quickly. Unfortunately, many agencies still have older technology and must expend scarce resources struggling to respond to the public's need for information. These agencies are increasingly called upon to manage and share the air quality data generated by government and the public, and to develop programs to address air quality issues as they become known. Additionally, in light of technological and other advances and the need to provide the public and regulated community the efficiency and services they deserve, it is essential that state and local agency staff be well trained and provided with the tools necessary to keep pace with changing requirements.

Despite broad improvements in most national and regional trends, air pollution and climate change continue to inflict disproportionate harm on black people, indigenous people and people of color. All clean air agencies have an obligation to focus regulatory attention on the communities that historically have borne the greatest burdens from air pollution and a changing climate, and who continue to do so today. The members of NACAA aspire to address the systems that produce inequitable outcomes and believe EPA should do so as well. Accordingly, among the programs for which additional resources are needed are state and local air agency efforts to address these disproportionate harms, including funding for staffing, tools and technical assistance. We also believe EPA should have adequate funding for its own efforts in this arena.

To address the many challenges we face, including those identified above and others, there are many activities requiring additional funding and they vary from area to area, since different parts of the country have unique problems and priorities. However, there are important efforts for which many agencies need additional resources. These include, among others:

- expanding greenhouse gas-focused programs and taking on new responsibilities as federal climate mitigation programs expand;
- developing new strategies to meet our health-based air quality standards and to reduce hazardous air pollutants;
- improving programs to address environmental justice and disproportionate harm;
- enhancing our monitoring systems, equipment and procedures;
- modernizing modeling and other estimation tools;
- improving emission inventories of air pollutants;

- improving risk assessment capabilities;
- improving small business compliance assistance;
- helping the public better understand air pollution and how to protect their health; and
- training staff so they can keep pace with changing requirements.

These and other efforts are essential if we hope to further reduce air pollution, maintain the improvements we have made and continue to protect public health and welfare. Additionally, a well-funded and well-functioning national air program will support the economy through timely, well-reasoned permitting, planning and actions that support the private sector.

While the grants requested in this testimony would not fully meet the needs of state and local clean air programs, even such a modest increase will help.

Flexibility in the Use of Funds Is Necessary

Each state or local area in the country faces a unique set of air quality circumstances. For example, while one area may face tremendous impacts from wildfires, another may find ozone-related problems or hazardous air pollutants to be a greater challenge. A one-size-fits-all strategy for grants that is applied to all areas of the country would not recognize the need to focus resources effectively. Therefore, NACAA recommends that Congress provide state and local air agencies with the flexibility to use increased grant funds on the highest priority programs in their areas.

NACAA Recommends that Monitoring Grants Remain Under Section 103 Authority

Previous budget requests for EPA have proposed shifting the PM_{2.5} monitoring grant program from Section 103 authority to Section 105 authority. We request that these funds remain under Section 103 authority. Grants under Section 103 do not require state or local matching funds, while Section 105 grants call for a match. There are some state and local agencies that are unable to provide additional matching funds. If the program is shifted to Section 105 authority, these agencies may be forced to refuse critical monitoring grants due to their inability to afford the required match. NACAA has made this recommendation in previous years and state and local air quality agencies are very appreciative that Congress has been agreeable to this request in the past.

Conclusion

State and local air quality agencies' efforts to protect and improve air quality are critically important both for public health and a sound economy. NACAA recommends that Congress 1) increase federal grants to state and local air agencies by at least \$91 million above FY 2021 levels, for a total of at least \$320 million; 2) provide flexibility to state and local air agencies to use any additional grants to address the highest priority programs in their areas; and 3) retain grants for monitoring fine particulate matter under the authority of Section 103.

Thank you very much for this opportunity to provide testimony. If you require additional information, please contact Miles Keogh (mkeogh@4cleanair.org) or Mary Sullivan Douglas (mdouglas@4cleanair.org) of NACAA.