

Testimony of Sean Alteri
President
Association of Air Pollution Control Agencies
U.S. House Appropriations Subcommittee on Interior, Environment, and Related Agencies
Regarding Fiscal Year (FY) 2018 Appropriations for the U.S. Environmental Protection
Agency (EPA) State and Local Air Quality Management Grants
May 23, 2017

The Association of Air Pollution Control Agencies (AAPCA)¹ appreciates the opportunity to provide written testimony on the FY2018 proposed budget for U.S. EPA, including state and local air quality management grants under the State and Tribal Assistance Grant (STAG) program. AAPCA's state and local air agency members believe that stable, adequate resources, including state and local air quality management grants at a level at least equal to FY2017, are critical to core Clean Air Act activities.

We appreciate the Subcommittee's recognition of these investments in the H.R. 244, the *Consolidated Appropriations Act, 2017*, which funded STAG at \$3.527 billion, categorical grants at \$1.066 billion, state and local air quality management grants at \$228.2 million, and separate funding for the targeted airshed and Diesel Emissions Grant programs (prior to rescissions).

Grants to state and local air agencies, including under Section 103 and 105 of the Clean Air Act and funds negotiated by states and U.S. EPA to be taken off the top for critical training needs, provide essential inputs for activities on planning, modeling, monitoring, developing emissions inventories and rules, permitting, inspections, and enforcing key elements of the National Ambient Air Quality Standards (NAAQS), air toxics, and regional haze programs. These are core Clean Air Act functions, and state and local agencies have found creative ways to amplify these federal grant resources.

Through the Clean Air Act's framework of cooperative federalism, hard-working state and local air quality agencies have made tremendous progress in virtually every measure of air pollution control² and a critical ingredient in these success stories has been stable, adequate resources. As EPA Administrator Pruitt remarked on Earth Day, successful implementation of

¹ AAPCA is a national, non-profit, consensus-driven organization focused on assisting state and local air quality agencies and personnel with implementation and technical issues associated with the federal Clean Air Act. AAPCA represents more than 40 state and local air agencies, and senior officials from 20 state environmental agencies currently sit on the AAPCA Board of Directors. AAPCA is housed in Lexington, Kentucky as an affiliate of The Council of State Governments. You can find more information about AAPCA at: <http://www.cleanairact.org>.

² http://www.csg.org/aapca_site/documents/GreatestStory4-17-17.pdf.

national air quality standards depends on essentially important investments in ambient monitoring and compliance activities.³

We look forward to examining the President's detailed budget request for U.S. EPA, and recognize that your Subcommittee is in the early stages of the FY2018 appropriations process. On May 23, the White House released *A New Foundation for American Greatness - President's Budget FY 2018*, which requests \$5.7 billion for the U.S. EPA in FY2018, 31 percent below the 2017 annualized continuing resolution level.⁴ This budget also requests a reduction in categorical grants of \$482 million, or a nearly 45 percent reduction from 2017 annualized CR levels. Further, U.S. EPA's FY 2018 Justification of Appropriation Estimates for the Committee on Appropriations includes the elimination of a variety of air-related programs as well as a reduction in state and local air quality management grants over 30 percent from FY2017 levels.⁵

These figures stand in contrast to your Subcommittee's recognition of the value of stable funding levels for state and local air agencies. Over the last 15 fiscal years, through multiple administrations and competing priorities, there has never been a double-digit percent swing in funding for state and local air quality management grants. The average year-to-year change for these grants has been less than three percent. Since FY2008, funding for state and local air quality management grants has averaged nearly \$230 million.⁶

Each state or local air agency may be affected differently by instability in funding these key grant programs. Other key considerations include whether U.S. EPA places certain monitoring activities under Section 103 or Section 105, and, as noted in the explanatory statements accompanying the *Consolidated Appropriations Act of 2017*⁷ and the *Consolidated Appropriations Act of 2016*,⁸ the manner in which U.S. EPA updates the formula determining the allocation of state and local air quality management grants to U.S. EPA's regions in order to "take into account recent population and demographic shifts."

AAPCA members echo the recent calls from the Environmental Council of the States (ECOS) to "meaningfully invest in state environmental agencies through robust" state grants,⁹ as well as from the National Governors Association to consult with states when "considering any reduction or elimination of federal funding that will shift costs to states."¹⁰

³ S&P Global Market Intelligence, "['We'd still do our darndest': States prepare for likely cuts to EPA grants](#)," May 1, 2017.

⁴ <https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/budget/fy2018/budget.pdf>.

⁵ <https://www.epa.gov/planandbudget/fy-2018-justification-appropriation-estimates-committee-appropriations>.

⁶ Figures assume dollars not adjusted for inflation.

⁷ <https://rules.house.gov/sites/republicans.rules.house.gov/files/115/OMNI/DIVISION%20G%20-%20INT%20SOM%20FY17%20OCR.pdf>.

⁸ <http://docs.house.gov/meetings/RU/RU00/20151216/104298/HMTG-114-RU00-20151216-SD008.pdf>.

⁹ https://www.ecos.org/wp-content/uploads/2017/03/Passback-Letter-from-ECOS-3_1_17-FINAL.pdf.

¹⁰ <https://www.nga.org/cms/home/federal-relations/nga-letters/executive-committee-letters/col2-content/main-content-list/governors-principles-for-federal.html>.



Thank you for the attention to this testimony. AAPCA and its members look forward to working with your Subcommittee as Congress develops its priorities for FY2018 appropriations. If you have any questions, please contact cwoods@csg.org or (859) 244-8040.

Sincerely,

Sean Alteri
Director, Kentucky Division for Air Quality
President, AAPCA