



November 20, 2017

Chairman Thad Cochran  
U.S. Senate Committee on Appropriations  
S-128, The Capitol  
Washington, DC 20515

Vice Chairman Patrick Leahy  
U.S. Senate Committee on Appropriations  
S-128, The Capitol  
Washington, DC 20515

Subject: Fiscal Year (FY) 2018 Appropriations for the U.S. Environmental Protection Agency (EPA)  
State and Local Air Quality Management Grants

Dear Chairman Cochran and Vice Chairman Leahy:

The Association of Air Pollution Control Agencies (AAPCA)<sup>1</sup> appreciates the opportunity to provide feedback on FY2018 appropriations 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. AAPCA encourages the Committee to incorporate these suggestions in the Chairmen's mark for the *Interior, Environment, and Related Agencies Appropriations Act, 2018*, which is scheduled to be released this week.<sup>2</sup>

We appreciate the Committee's recognition of these investments in 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). The continuing resolution through December 2017 also recognized the importance of this funding.<sup>3</sup>

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, are essential for activities including planning, modeling, monitoring, developing emissions inventories and rules, permitting, and inspections. Adequate funding also ensures that states are able to implement and enforce 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.

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<sup>1</sup> 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>.

<sup>2</sup> <https://www.appropriations.senate.gov/news/majority/cochran-addresses-fy2018-appropriations-outlook>.

<sup>3</sup> H.R.601 - *Continuing Appropriations Act, 2017 and Supplemental Appropriations for Disaster Relief Requirements Act, 2017* ([Public Law 115-56](#)).

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 control<sup>4</sup> and a critical ingredient in these success stories has been stable, adequate resources. As EPA Administrator Pruitt remarked on Earth Day, successful implementation of national air quality standards depends on essentially important investments in ambient monitoring and compliance activities.<sup>5</sup>

On March 16, the White House released *America First: A Budget Blueprint to Make America Great Again*,<sup>6</sup> which requests \$5.7 billion for the U.S. EPA in FY2018, 31 percent below the 2017 annualized continuing resolution level. This budget blueprint 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.<sup>7</sup>

These figures stand in stark contrast to your Committee'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.<sup>8</sup>

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*<sup>9</sup> and the *Consolidated Appropriations Act of 2016*,<sup>10</sup> 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." EPA's intention to address these areas is also reflected in the Agency's final FY2018 – 2019 National Program Manager Guidance for the Office of Air and Radiation.<sup>11</sup>

AAPCA members echo the calls from the Environmental Council of the States (ECOS) to "meaningfully invest in state environmental agencies through robust" state grants,<sup>12</sup> 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."<sup>13</sup>

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<sup>4</sup> [http://www.csg.org/aapca\\_site/documents/GreatestStory4-17-17.pdf](http://www.csg.org/aapca_site/documents/GreatestStory4-17-17.pdf).

<sup>5</sup> S&P Global Market Intelligence, "[We'd still do our darndest': States prepare for likely cuts to EPA grants](#)," May 1, 2017.

<sup>6</sup> [https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/budget/fy2018/2018\\_blueprint.pdf](https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/budget/fy2018/2018_blueprint.pdf).

<sup>7</sup> <https://www.epa.gov/planandbudget/fy-2018-justification-appropriation-estimates-committee-appropriations>.

<sup>8</sup> Figures assume dollars not adjusted for inflation.

<sup>9</sup> <https://rules.house.gov/sites/republicans.rules.house.gov/files/115/OMNI/DIVISION%20G%20-%20INT%20SOM%20FY17%20OCR.pdf>.

<sup>10</sup> <http://docs.house.gov/meetings/RU/RU00/20151216/104298/HMTG-114-RU00-20151216-SD008.pdf>.

<sup>11</sup> <https://www.epa.gov/planandbudget/final-fy-2018-2019-office-air-and-radiation-oar-npm-guidance>.

<sup>12</sup> [https://www.ecos.org/wp-content/uploads/2017/03/Passback-Letter-from-ECOS-3\\_1\\_17-FINAL.pdf](https://www.ecos.org/wp-content/uploads/2017/03/Passback-Letter-from-ECOS-3_1_17-FINAL.pdf).

<sup>13</sup> <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 these comments. AAPCA and its members look forward to working with your Committee as Congress develops its priorities for FY2018 appropriations. If you have any questions, please contact AAPCA at (859) 244-8043.

Sincerely,

A handwritten signature in black ink that reads "Stuart Spencer". The signature is fluid and cursive, with the first name "Stuart" being larger and more prominent than the last name "Spencer".

Stuart Spencer  
Associate Director, Office of Air Quality  
Arkansas Department of Environmental Quality  
President, AAPCA