



**Testimony of the Association of Air Pollution Control Agencies
Submitted to the
U.S. Senate Appropriations Subcommittee on Interior, Environment, and Related Agencies
Regarding
Fiscal Year 2024 Appropriations for U.S. Environmental Protection Agency
State and Local Air Quality Management Grants**

May 24, 2023

The Association of Air Pollution Control Agencies (AAPCA)¹ thanks this Subcommittee for the opportunity to provide input on Fiscal Year (FY) 2024 appropriations for the U.S. Environmental Protection Agency (EPA). AAPCA's state and local air agency members are co-regulators with U.S. EPA, responsible for implementing federal Clean Air Act (CAA) rules in their jurisdictions.² As FY 2024 appropriations are developed, AAPCA asks that funding directed to air agencies, including State and Local Air Quality Management Grants under CAA Sections 103 and 105, be adjusted for historic CAA obligations as well as the mounting number of significant and substantive regulatory actions³ from U.S. EPA that will further impact already strained resources.

Congress provided a total of \$4.48 billion for State and Tribal Assistance Grants (STAG) in the *Consolidated Appropriations Act of 2023* (H.R. 2617), which was signed into law on December 29, 2022.⁴ Nearly \$128 million above the FY 2022 enacted level, Congress continued a steady trend of annual increases directed to state, tribal, and local environmental agencies through STAG, with FY 2023 appropriations nearly 32 percent above FY 2013. Though under the STAG program, State and Local Air Quality Management Grants, which provide important support to air agencies charged with protecting air quality and public health, have not seen a similar appropriations trajectory. With virtually no change in enacted funding levels from FY 2014 through FY 2020, incremental increases beginning in FY 2021 brought the FY 2023 appropriated amount to just under 11 percent above FY 2013.

State and local air agencies utilize funding from these grants judiciously by strategically deploying resources, creating efficient programming and best practices, and relying on leadership and staff that are dedicated public servants. Through technically complex and resource intensive activities, agencies with delegated CAA authority:

- Develop and update state implementation plans (SIPs) to attain/maintain National Ambient Air Quality Standards (NAAQS) and improve visibility under the Regional Haze Program;
- Serve as the nation's primary air quality monitoring entities, manage emissions inventories, and perform photochemical and air dispersion modeling;

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. Created in 2012, AAPCA represents 48 state and local air pollution control agencies, and senior officials from 21 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](#). More about AAPCA is at: www.cleanairact.org.

² AAPCA, *State Air Trends & Successes: The StATS Report*, May 2023.

³ U.S. EPA's Office of Air and Radiation [lists](#) 97 short- and long-term regulatory actions in the *Fall 2022 Unified Agenda of Regulatory and Deregulatory Actions*.

⁴ H.R. 2617 – *Consolidated Appropriations Act, 2023* ([P.L. 117-328](#)). Funding levels prior to rescissions.

- Implement federal rules and standards for hazardous air pollutants;
- Review, issue, and enforce air quality permits for a range of sources, from small businesses to industrial and commercial facilities;
- Ensure facility compliance through inspection and enforcement oversight, including conducting more than 15,400 Full Compliance Evaluations (FCE) in 2022, compared to fewer than 200 FCEs conducted by U.S. EPA⁵;
- Hire, train, and retain qualified staff; and,
- Lead public outreach and information campaigns, including forecasting air quality, responding to complaints, and conducting stakeholder engagement.

State and local air agencies have led these efforts and continued to improve the nation's air quality⁶ while administering progressively complicated and demanding operations that have had to accommodate growing inflation in expenses related to personnel, travel, equipment and building costs for monitoring sites. Budgetary challenges have also been compounded by the achievements of air pollution control agencies, as fees collected on a per-ton basis from major sources through the CAA Title V Operating Permit program have substantially decreased in revenue as the program meets its primary goal: driving emissions down to create better air quality. Coupled with expanding CAA obligations, current funding conditions make meeting core CAA responsibilities more difficult.

The Administration's current regulatory agenda indicates there are 79 forthcoming regulatory actions from U.S. EPA's Office of Air and Radiation (OAR).⁷ Of these, more than 70 are expected to be completed by the end of the 2024 federal fiscal year, including 11 major/economically significant regulations. Once finalized by U.S. EPA, state and local air agencies will be (or are already) at the forefront of implementation and planning for many of these rules, including:

- A projected tighter fine particulate matter (PM_{2.5}) NAAQS⁸;
- New source performance standards (NSPS) for methane from the oil and natural gas sector⁹;
- Greenhouse gas (GHG) emission standards for the power sector for both coal and natural gas electric generating units (EGUs)¹⁰; and,
- Numerous air toxics rules, including for ethylene oxide (EtO) commercial sterilizers.¹¹

Apart from implementing these regulations, state and local air agencies will be responsible for associated permitting changes as well as evolving policies to boost engagement with communities. Already well-versed in working directly with communities, regulated industries, and other stakeholders in their jurisdictions, state and local agencies understand that melding new national environmental

⁵ U.S. EPA, [Analyze Trends: State Air Dashboard](#). U.S. EPA [defines](#) an FCE as "a comprehensive evaluation of the compliance status of the facility. It looks for all regulated pollutants at all regulated emission units, and it addresses the compliance status of each unit, as well as the facility's continuing ability to maintain compliance at each emission unit." Data accessed May 9, 2023.

⁶ U.S. EPA, [Air Quality – National Summary](#). See also: U.S. EPA, [Our Nation's Air: Trends Through 2021](#), June 2022.

⁷ [Fall 2022 Unified Agenda of Regulatory and Deregulatory Actions](#), released January 4, 2023.

⁸ [RIN 2060-AV52](#), Final rule expected August 2023.

⁹ [RIN 2060-AV16](#), Final rule expected August 2023.

¹⁰ [RIN 2060-AV09](#), Final rule expected July 2024.

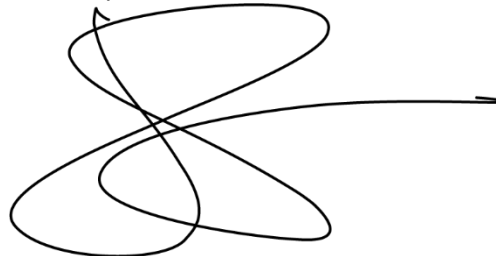
¹¹ [RIN 2060-AU37](#), Final rule expected October 2023.

requirements with local priorities, economic strategies, and social needs will further impact current resources.

Funding for State and Local Air Quality Management Grants that accounts for new and historic CAA mandates and increased responsibilities will be vital for state and local air agency budgets as well as ensuring the cooperative federalism balance needed for successful environmental outcomes. Providing maximum flexibility in air agency grants allows for programs to determine the best use for addressing air pollution control needs in their jurisdiction. Additional considerations that may affect state and local resources include how U.S. EPA alters the regional and state allocation formula for State and Local Air Quality Management Grants as well as maintaining funding for PM_{2.5} monitoring under CAA Section 103, rather than Section 105.¹²

Thank you for your attention to this testimony. AAPCA’s state and local air agency members appreciate the recognition of your Committee in recent funding legislation and look forward to working with you as Congress develops its priorities for FY 2024 appropriations for U.S. EPA. If you have any questions, please contact Mr. Jason Sloan, Executive Director, at jsloan@csg.org or (859) 244-8043.

Sincerely,



Jason Sloan
Executive Director, AAPCA

¹² U.S. EPA’s [FY2023 and 2024 National Program Manager Guidance Monitoring Appendix](#) states: “Per appropriation language since the beginning of the PM_{2.5} monitoring program, EPA intends to continue to make grants available under §103 of the Clean Air Act to support PM_{2.5} monitoring activities. Should this appropriation language change, EPA will revisit this issue.”