



June 5, 2024

Chair Pat Murray
U.S. Senate Committee on Appropriations
Room S-128, The Capitol,
Washington, D.C. 20510

Vice Chair Susan Collins
U.S. Senate Committee on Appropriations
Room S-128, The Capitol,
Washington, D.C. 20510

Subject: Fiscal Year (FY) 2025 Appropriations for the U.S. Environmental Protection Agency (EPA) State and Local Air Quality Management Grants

The Association of Air Pollution Control Agencies (AAPCA)¹ appreciates the opportunity to provide feedback on Fiscal Year (FY) 2025 appropriations for the U.S. Environmental Protection Agency (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 are co-regulators with U.S. EPA, responsible for implementing federal Clean Air Act (CAA) rules in their jurisdictions.² Funding directed to air agencies – including State and Local Air Quality Management Grants under CAA Sections 103 and 105 – must be adequate for historic CAA obligations as well as the mounting number of significant and substantive regulatory actions³ from U.S. EPA that will further exacerbate existing resource constraints. AAPCA’s state and local air agency members consider sufficient, stable resources to be critical to performing core CAA activities.

Congress provided a total of \$4.418 billion for STAG in the *Consolidated Appropriations Act of 2024* (H.R. 4366), which was signed into law on March 9, 2024.⁴ Approximately \$61.5 million below the FY 2023 enacted level, Congress departed from a formerly steady trend of annual increases directed to state, local, and tribal environmental agencies through STAG. State and Local Air Quality Management Grants under the STAG program – which provide important support to air agencies charged with protecting air quality and public health – have been subject to stagnant funding levels for more than a decade. Virtually no change was seen in enacted funding levels from FY 2014 through FY 2020; incremental increases from FY 2021 through FY 2023 brought the appropriated amount to almost 11 percent above FY 2013 levels; and FY 2024 enacted funding levels are only 3 percent higher than they were a decade ago. Table 1 includes the enacted State and Local Air Quality Management Grants for FY 2014 – FY 2024.

Table 1. FY 2014 – FY 2024 Enacted State and Local Air Quality Management Grants

Fiscal Year	State & Local Air Quality Management Grants (enacted)
FY 2024	\$235.922 million

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 51 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 2024.

³ U.S. EPA’s Office of Air and Radiation [lists](#) 84 short- and long-term regulatory actions in the *Fall 2023 Unified Agenda of Regulatory and Deregulatory Actions*.

⁴ H.R. 4366 – *Consolidated Appropriations Act, 2024* ([P.L. 118-42](#)). Including rescission of funds.

FY 2023	\$249.038 million
FY 2022	\$231.391 million
FY 2021	\$229.500 million
FY 2020	\$228.219 million
FY 2019	\$228.219 million
FY 2018	\$228.219 million
FY 2017	\$228.219 million
FY 2016	\$228.219 million
FY 2015	\$228.219 million
FY 2014	\$228.219 million

In fact, most STAG funding for programs implemented by state, local, and tribal air pollution control agencies saw a decrease or no change for FY 2024 compared to the FY 2023 enacted levels, including:

- \$90 million for diesel emissions (DERA) grants (\$10 million below FY 2023 enacted);
- \$67.8 million for targeted airshed grants (\$2.127 million below FY 2023 enacted);
- \$7 million for wildfire smoke preparedness (equal to FY 2023 enacted); and
- \$1.106 billion for categorical grants (\$54.292 million below FY 2023 enacted), including:
 - \$235.922 million for state and local air quality management grants (\$13.116 million below FY 2023 enacted);
 - \$16.3 million for Tribal air quality management (\$115,000 below FY 2023 enacted); and
 - No funding for multipurpose grants (no change from FY 2023 funding levels).⁵

Contrary to lapses in appropriations, there has been a significant increase in the technically complex and resource-intensive work for agencies with delegated CAA authority, and increased funding is essential to meet the growing complexities of implementing air pollution control programs. This is clearly indicated in U.S. EPA’s *FY 2025 Justification of Appropriation Estimates for the Committee on Appropriations* for the FY 2025 President’s Budget, which states:

The budget includes \$1.465 billion for categorical grants, to directly support tribal, state, and local partners. This represents an increase of \$304.5 million above the FY 2024 [Annualized Continuing Resolution (ACR)] level to support our co-implementing partners in managing rising costs and advancing progress across core environmental programs. Of the total request, [\$400.198] million will support the State and Local Air Quality Management Grants, an increase of \$151.2 million above the FY 2024 ACR level.⁶

These grants provide funding which state and local air agencies use judiciously by strategically deploying resources, creating efficient programming and best practices, and relying on leadership and staff that are dedicated public servants. For the prevention and control of air pollution, 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;

⁵ See STAG funding tables included in the Interior, Environment, & Related Agencies [Explanatory Statement](#) (pg. 218-221).

⁶ U.S. EPA, *FY 2025 Justification of Appropriation Estimates for the Committee on Appropriations*, March 2024 (pg.18). See also U.S. EPA’s [“FY 2025 EPA Budget in Brief”](#) (pg. 109).

- Serve as the nation’s primary air quality monitoring entities, manage emissions inventories, and perform photochemical and air dispersion modeling;
- Implement federal rules and standards for hazardous air pollutants, including case-by-case maximum achievable control technology (MACT) determinations;
- 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 15,800 Full Compliance Evaluations (FCE) in 2023, compared to about 200 FCEs conducted by U.S. EPA⁷;
- 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 quality⁸ 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.

The Administration’s latest regulatory agenda indicated there were 52 forthcoming regulatory actions from U.S. EPA’s Office of Air and Radiation (OAR).⁹ Of these, 63 percent (33) are expected to be completed by the end of the 2024 federal fiscal year, including 9 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. Apart from adopting and implementing these regulations, state and local air agencies will be responsible for associated permitting changes and engagement with communities, regulated industries, and other stakeholders in their jurisdictions. Of concern, state and local agencies have indicated difficulties hiring and retaining a qualified, technical, and experienced workforce to meet the growing complexities of air pollution control work.¹⁰ Current funding levels coupled with other resource constraints and expanding CAA obligations, make meeting core CAA responsibilities even more challenging.

From their on-the-ground expertise, state and local agencies understand that melding national environmental regulations with local priorities, economic strategies, and social needs requires significant resources. Increased funding for State and Local Air Quality Management Grants that adequately accounts for new and historic CAA mandates and increased responsibilities already imposed

⁷ 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 20, 2024.

⁸ U.S. EPA, [Air Quality – National Summary](#). See also: U.S. EPA, [Our Nation’s Air: Trends Through 2022](#), June 2023.

⁹ [Fall 2023 Unified Agenda of Regulatory and Deregulatory Actions](#), released December 6, 2023. Excluding long-term actions.

¹⁰ AAPCA, [“Staffing at State and Local Air Pollution Control Agencies,”](#) November 2023.



is critical 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 enables 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 105.¹¹

Thank you for your attention to this letter. 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 2025 appropriations for U.S. EPA. If you have any questions, please contact Ms. Morgan Dickie, Interim Executive Director, at mdickie@csg.org or (859) 244-8042.

Sincerely,

E. Morgan Dickie
Interim Executive Director, AAPCA

cc: Mr. Jeff Merkley, Chair, Subcommittee on Interior, Environment, & Related Agencies
Ms. Lisa Murkowski, Ranking Member, Subcommittee on Interior, Environment, & Related Agencies

¹¹ 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."