

**TESTIMONY OF THE**

**STATE AND TERRITORIAL AIR POLLUTION**

**PROGRAM ADMINISTRATORS**

**AND THE**

**ASSOCIATION OF LOCAL AIR POLLUTION**

**CONTROL OFFICIALS**

**PRESENTED TO THE**

**HOUSE APPROPRIATIONS SUBCOMMITTEE ON**

**VA, HUD, AND INDEPENDENT AGENCIES**

**APRIL 28, 1999**

**Testimony of the  
State and Territorial Air Pollution Program Administrators  
and the  
Association of Local Air Pollution Control Officials  
Presented to the House Appropriations Subcommittee on  
VA, HUD, and Independent Agencies**

**April 28, 1999**

The State and Territorial Air Pollution Program Administrators (STAPPA) and the Association of Local Air Pollution Control Officials (ALAPCO) appreciate this opportunity to provide testimony regarding the FY 2000 proposed budget for the U.S. Environmental Protection Agency, particularly regarding grants to state and local air pollution control agencies under Sections 103 and 105 of the Clean Air Act. The President's request for FY 2000 includes an increase of \$3.2 million for state and local air grants, under both Sections 103 and 105, for a total of approximately \$198.7 million. While STAPPA and ALAPCO are pleased that the President's budget acknowledges the need for additional funds, we believe this proposed budget leaves state and local air agencies with serious funding gaps that will make it difficult for us to continue to fulfill our responsibilities under the Clean Air Act. Accordingly, STAPPA and ALAPCO request an increase of \$30 million above the President's request for FY 2000, which we will discuss in greater detail below.

STAPPA and ALAPCO are the national associations of state and local air pollution control agencies in the 54 states and territories and over 150 major metropolitan areas across the nation. Under the Clean Air Act, state and local air quality officials have the primary responsibility for ensuring healthful air quality for our citizens. These agencies must carry out numerous activities to implement federal, state and local clean air requirements. These include programs to address particulate matter, ground-level ozone, toxic air pollution, acid rain and other types of air pollutants, many of which cause significant adverse health effects, including cancer, severe respiratory ailments and premature death. Air agencies must address new initiatives that focus on emerging problems, as well as carry out the core elements of our programs, which serve as the backbone of our nation's clean air effort.

**STATE AND LOCAL AIR GRANTS SHOULD BE INCREASED**

The President's budget request for FY 2000 calls for an increase of \$3.2 million in grants for state and local air pollution control agencies, bringing the total amount requested to \$198.7 million. While we are grateful for the proposed additional funds and, perhaps even more so, for the recognition implicit in the increase that state and local air grants ought to be augmented, we believe the proposal is not nearly adequate to address our nation's environmental needs.

State and local air pollution control agencies face a serious shortfall in federal grants. This deficit is due to the fact that federal funding under Section 105 of the Clean

Air Act has declined by over \$36 million since FY 1995, while our responsibilities and the cost of state and local programs under the Clean Air Act have increased dramatically. These responsibilities include both new initiatives to address emerging issues, as well as ongoing activities to preserve the gains and improvements in air quality that we have already made.

As we reported to you last year, in the spring of 1997, the U.S. Environmental Protection Agency (EPA) and members of STAPPA and ALAPCO undertook a four-month, intensive study to identify and estimate the costs related to activities that should be funded with state and local air grants under Section 105 of the Clean Air Act. The calculations of additional need addressed both the deficiencies in existing programs and the support needed for new initiatives. The EPA/STAPPA/ALAPCO analysis determined that to operate a good, but not *perfect*, program, a total increase of \$98 million in federal grants to state and local air agencies under Section 105 of the Clean Air Act would be necessary (this amount did *not* address grants for the fine particulate matter monitoring effort under Section 103).

Among the many activities the study identified as being in need of additional funds were compliance assistance programs, especially for small businesses; development, replacement and/or upgrading of monitors (apart from fine particulate matter monitoring); collection of emission and pollutant data, especially related to emissions of toxic air pollutants; minor source inspections and permits; training; implementation of ozone strategies; implementation of strategies to address toxic air emissions in urban areas; and multi-state approaches to regional air quality problems. Last year we provided you and your staff with more detailed data about this study. We would be happy to provide you with this information again, if you wish.

In spite of the fact that EPA participated in this study and recognized the need for additional funding, to date the agency has not requested the grant increases that this study indicates are necessary.

State and local air agencies would very much appreciate receiving the entire \$98-million increase in FY 2000. However, we recognize that this is unlikely, especially in view of the very difficult task facing Congress in distributing finite resources to many worthy programs. We believe, therefore, that it is reasonable for the increase to be phased in over a three-year period. Since the President's proposed budget calls for a \$3-million increase, we request that you appropriate an additional \$30 million above the Administration's request, increasing the total amount for state and local air grants to \$228.7 million in FY 2000. The balance of the increase – \$66 million – could then be added in FY 2001 and FY 2002.

### **CLEAN AIR PARTNERSHIP FUND**

The President's budget request includes \$200 million for the Clean Air Partnership Fund, which will provide grants to form partnerships among the private sector, the federal government and state or local agencies for a variety of activities that

will improve air quality. The fund is intended to promote multi-pollutant strategies, demonstration projects, innovative initiatives, technological advances and locally managed and self-supporting activities, among other things, that will integrate control strategies to reduce multiple pollutants most efficiently. The Clean Air Partnership is designed to leverage state, local and private funds, which will enhance its ability to accomplish its goal of improving air quality.

STAPPA and ALAPCO are pleased that the Administration's request includes these additional funds for the Clean Air Partnership. The proposal will provide state and local agencies with excellent opportunities to develop multi-pollutant control strategies aimed at reducing air pollution in a cost-effective manner. We believe that the harmonization of various clean air goals, such as the reduction of greenhouse gases through criteria pollutant control programs, for example, is critical and we applaud EPA for promoting such activities. We plan to work closely with EPA as it develops this program more fully.

In light of our support for the Clean Air Partnership, we urge Congress to include in its appropriation to EPA the \$200 million that the President requested for the program. These funds should be *in addition to* those federal grants (discussed earlier) that assist state and local air pollution control agencies in fulfilling their responsibilities. While the partnership is a laudable new program, there are still many other critical activities that we can carry out only through federal grants provided under Section 105 and other authorities of the Clean Air Act. The partnership program is not intended to be a substitute for those ongoing grant programs, nor does it address the enormous budget shortfall we discussed earlier in this testimony.

### **EPA'S BUDGET**

In order for state and local agencies to successfully obtain and maintain healthful air quality for our citizens, we need adequate federal funding. In addition to that, however, it is also critical that EPA's own budget be sufficient to allow the agency to meet all of its responsibilities. Without the tools, programs and rules the agency is charged with developing, state and local agencies will be unable to implement important federal air quality requirements. Therefore, we request that you provide EPA with sufficient funding to meet its obligations, even increasing funding above the President's budget request, where necessary.

For example, EPA for several years has been inappropriately earmarking state and local air grants for activities that the agency should be carrying out with its own budget. One such activity is training. Funding training activities is clearly a federal responsibility, yet EPA has been using state and local grant funds for these purposes for many years. Another example is the Emission Inventory Improvement Program, which will develop essential tools for collecting and reporting emissions data. EPA has used Section 105 grants, rather than its own budget, to fund this program. While these programs are critical, EPA should be supporting them with its own budget, rather than shifting the financial burden to state and local agencies. If EPA's own budget were

increased in these areas, the agency would not feel compelled to commandeer state and local funds for these programs.

Another example of the inadequacy of the President's request is the reduction of \$1 million within EPA's own budget from air toxics rule development projects. These funds are being diverted to support characterization of the air toxics problem. While we agree it is critical to have a better understanding of toxic air pollution, this activity should not come at the expense of toxics rule development. We maintain that *both* these activities warrant adequate funding. In fact, underfunding rule development will actually cause funds to be wasted. If EPA does not meet the deadline for development of Maximum Achievable Control Technology standards, which is very possible, particularly if the agency does not have sufficient funding, state and local agencies will be required to develop the rules themselves on a case-by-case basis (pursuant to Section 112[j] of the Clean Air Act). Such a scenario would be inefficient and overly burdensome and costly for state and local agencies. Therefore, providing EPA with adequate funds will save resources in the long run.

In other similar examples, EPA's budget calls for a reduction of \$10 million for characterizing the composition of PM<sub>2.5</sub> particles using chemical speciation studies, a reduction of \$1.3 million from emissions characterization for mobile sources modeling, and \$8.9 million from visibility-related programs, including regional approaches to haze. We are concerned that these large reductions will not allow the agency to develop all the necessary programs and tools that state and local agencies require to fulfill their responsibilities and hope that EPA's budget can be made adequate to allow the agency to do its best work.

### **CONCLUSION**

Although we are pleased that the President's request calls for an additional \$3 million for state and local air grants, we believe the increase should be much higher. Specifically, we request an increase of \$30 million above the President's request for FY 2000, raising the total for state and local air agency grants to \$228.7 million.

We support the Clean Air Partnership Fund and urge Congress to include funding for this program in the FY 2000 appropriation. We do not believe this program is a substitute for state and local operational air grants under the Clean Air Act, however, and the adoption of the partnership should not adversely affect appropriations for our current activities.

Finally, if state and local air agencies are to succeed in protecting air quality, we believe EPA must be adequately funded so it can fulfill its responsibilities.

Thank you very much for this opportunity to provide you with our testimony. Please contact us if you have questions or require any additional information.