

August 2, 2017

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Beth Burchard
K. Blair Budd
Office of the Chief Financial Officer
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Ms. Burchard and Ms. Budd:

On behalf of the National Association of Clean Air Agencies (NACAA), thank you for this opportunity to provide comments on the U.S. Environmental Protection Agency's (EPA) Draft FY 2018-2019 Office of Air and Radiation (OAR) National Program Manager Guidance (June 28, 2017) and the Draft National Program Manager (NPM) Guidance for FY 2018-2019 for the Office of Enforcement and Compliance Assurance (June 29, 2017). NACAA is a national, non-partisan, non-profit association of state and local air pollution control agencies in 45 states, the District of Columbia and four territories. The air quality professionals in our member agencies have vast experience dedicated to improving air quality in the United States. These comments are based upon that experience. The views expressed in this document do not necessarily represent the positions of every state and local air pollution control agency in the country.

The draft guidance documents are based on the FY 2018 Administration budget request, which calls for \$159.5 million in grants for state and local air pollution control agencies under Sections 103 and 105 of the Clean Air Act (CAA). This is a reduction of 30 percent from the FY 2017 level of \$227.8 million. NACAA is very concerned about the significant hardship such a reduction would pose on public health and welfare.

For many years, state and local air pollution control agencies have struggled with insufficient resources and have done what they could to address budget shortfalls. Therefore, state and local agencies would find it difficult to accommodate *any* cuts to federal air quality grants; cuts of 30 percent would be devastating. Such reductions would severely impede the ability of many agencies to continue essential programs and, in the most extreme cases, some smaller local agencies could conceivably have to close down entirely. With such cuts, many state and local air pollution control agencies will have trouble fully implementing the CAA's health-based air quality standards and delivering the clean and healthful air the public expects and deserves. Additionally, these agencies and their regions could be subject to harsh sanctions under the CAA, including the

withholding of millions of dollars in federal highway funds, severe emissions “off-set” limits that could interfere with economic development, and the possibility of EPA imposing Federal Implementation Plans on states.

While we understand that increased funding is unlikely this year, at least maintaining current funding levels for state and local agencies will allow not only protection of public health, but also the continuation of services that benefit the public and the regulated community, such as more expedited permit processing, compliance assistance and streamlined regulatory operations. These services, if adequately funded, contribute to economic development and administrative efficiencies. Accordingly, NACAA urges EPA and the Administration to do whatever it must to ensure that federal air grants to state and local air pollution control agencies in FY 2018 and 2019 are not reduced in any way.

NACAA has reviewed the draft NPM guidance and is providing comments on the attached template that EPA has provided. Thank you for your consideration of our comments and recommendations. We look forward to having the opportunity to discuss these issues with you. Please do not hesitate to contact NACAA if you need additional information.

Sincerely,

A handwritten signature in black ink that reads "Bruce A. Andersen". The signature is written in a cursive style with a clear first and last name.

Bruce Andersen
Kansas City, Kansas
Chair
NACAA Program Funding Committee

cc: Marc Vincent
Margaret Walters
Kimberly Chavez
Michele McKeever

**Comments of the National Association of Clean Air Agencies (NACAA) on
EPA's Draft FY 2018-2019 NPM Guidance
August 2, 2017**

Issue Area	Comment	Commenter(s)
<i>List general issue area (e.g., NAAQS, indoor air, etc.); sort comments by issue areas</i>	<i>Stakeholder comment</i>	<i>Organization of Commenter(s)</i>
<i>OAR Introduction, Page 1</i>	EPA appropriately acknowledges that there will not be sufficient resources for all activities and that priorities may vary throughout the nation. NACAA supports EPA's plan to work with state and local air agencies "to adjust resources to meet changing priorities" and to work collaboratively with state and local air agencies to resolve planning issues. However, we believe it is even more important for EPA to ensure that there is sufficient funding for state and local air quality efforts and, at a minimum, that such funding will not be cut. It is especially important that state and local programs be strong and well-funded if they are to take on any additional responsibilities.	<i>National Association of Clean Air Agencies (NACAA)</i>
<i>OAR Introduction, Page 1</i>	The guidance presents activities expected to be undertaken by EPA, states, territories and tribal governments. However, unlike previous guidance documents, this draft merely provides general statements about the efforts that EPA headquarters or regional offices will carry out and does not include any detailed activities. This is important information that should be included.	<i>National Association of Clean Air Agencies (NACAA)</i>

Issue Area	Comment	Commenter(s)
<i>Ambient Monitoring, OAR App. B, Page 2 (Effective Use and Distribution of STAG Funds)</i>	EPA is proposing to begin shifting funding for the fine particulate matter (PM _{2.5}) monitoring network from Section 103 to Section 105 authority, which would require state and local agencies to provide matching funds. The PM _{2.5} monitoring program has been funded under Section 103 and this arrangement has worked very well. NACAA recommends that it continue and, therefore, we oppose the transition of the program to Section 105 authority. The proposed shift would require state and local agencies to provide a 40-percent match, which not all agencies can afford. Those agencies that are unable to provide matching funds would not be able to accept the grants for these important monitoring programs. As a result, these agencies could be forced to discontinue required monitoring at existing sites. Since these are nationwide monitoring efforts, NACAA believes the funding should be provided under Section 103 authority so it is accessible to all, regardless of their ability to match the grants.	<i>National Association of Clean Air Agencies (NACAA)</i>
<i>Multi-Jurisdictional Organizations, OAR App. B, Page 3 (Effective Use and Distribution of STAG Funds)</i>	When discussing the mechanism for state and local agencies to fund multi-jurisdictional organizations (MJOs), the draft says, “State and local agencies that participate in multiple organizations can only direct their federal funds to a single organization.” It is unclear why EPA would impose this restriction. The various MJOs across the country focus on different geographic areas and issues. State and local agencies often benefit from having a variety of resources to provide information and support, especially since funding is inadequate. NACAA recommends it be up to the state and local agencies (with input from the EPA regional offices, as appropriate) to determine the best way for state and local agencies	<i>National Association of Clean Air Agencies (NACAA)</i>

Issue Area	Comment	Commenter(s)
	to provide funding to the multi-jurisdictional groups to which they belong.	
<i>DERA, OAR App. B, Page 3 (Effective Use and Distribution of STAG Funds)</i>	NACAA is pleased that the President's budget request called for funding for the Diesel Emission Reduction Act (DERA) program. This is an important program to address emissions from the large legacy fleet of diesel engines. It is important that DERA not be funded at the expense of the Section 103/105 grants and we strongly urge that any future funding for DERA not be in lieu of increases to state and local air grants. Additionally, since many of the DERA funds are not provided to state and local governments, we recommend that future DERA activities not be funded through the STAG account. Instead, we suggest that the grants be provided through one of EPA's other accounts.	<i>National Association of Clean Air Agencies (NACAA)</i>
<i>Office of Enforcement and Compliance Assurance Introduction, Page 2</i>	<p>EPA should treat states in a consistent manner to the extent possible. Therefore, headquarters should work closely with regional offices to implement new guidance.</p> <p>In conjunction with state and local agency input, EPA should continue to work toward global-sector settlements where appropriate. This would include continued pursuit of global settlements already in progress.</p> <p>Finally, it is important that EPA continue to act as a federal backstop and environmental presence to aid state and local agencies in enforcement activities.</p>	<i>National Association of Clean Air Agencies (NACAA)</i>