

Restore Air Quality Funding to States and Localities

Appropriations Request

The President's Budget for FY 2007 proposes cutting funding for state and local air quality grants by \$35.1 million, from \$220.3 million to \$185.2 million. These funds should be restored and state and local air grants should receive at least the amount appropriated in FY 2006, which is \$35.1 million above the President's request for FY 2007. Additionally, the fine particulate matter monitoring grant program should not be shifted from Section 103 authority to Section 105 authority.

Background

States and localities have already had their air quality budgets cut by 25 percent over the last decade, taking inflation into account. States and localities need approximately \$1 billion annually to implement the Clean Air Act, yet last year Congress only provided \$220 million in grants. That means that states and localities were already footing more than 75 percent of the bill for air pollution control. The proposed cuts would reduce the federal government's share to under 20 percent.

Air pollution remains a significant problem in our country. Over 150 million people live in areas that violate new, health-based air quality standards for smog and small airborne particles, causing serious health and welfare effects, including premature mortality. Air toxics are known sources of cancer and other health effects. EPA has issued a number of rules in recent years to help further reduce air pollution. As a result, state and local responsibilities are increasing rather than decreasing.

State and local air pollution grants enable states and cities to perform basic air pollution control activities like monitoring ambient air quality, formulating and planning control options, offering compliance assistance, permitting sources, inspecting facilities, compiling emission inventories, enforcing laws and regulations and educating the public. They do the actual work of protecting public health by controlling emissions of many pollutants, including particulate matter, ground-level ozone, toxic air pollutants and acid rain. The benefits of these programs have been estimated to exceed their costs many times over.

The President's FY 2007 budget request would decrease the state and local grant program by \$35.1 million (or 16 percent), from \$220.3 million to \$185.2 million. Specifically, it makes the following cuts: \$15.6 million from the Section 105 air grants program; \$17 million from the Section 103 fine particulate monitoring program and \$2.5 million from regional planning organizations. Also, funding for the fine particulate monitoring program would be shifted from Section 103 authority to Section 105, requiring additional state and local matching funds.

The cuts will have real effects for state and local air pollution control efforts. For example, some agencies may be forced to choose between retaining valuable staff and monitoring air pollution. State and local air agencies have already done their part to absorb past cuts. They have eliminated activities, increased their own appropriations and fees, and matched federal funds on a 40-percent basis. States may well have to increase permitting and emissions fees on affected industries, even without the proposed cuts, in order to fulfill their new responsibilities.

While some say that progress on pollutants like carbon monoxide and lead have resulted in reduced responsibilities, the reality is that the workload and number of requirements related to the many pollutants that must be controlled have increased rather than decreased. Another argument that has been made is that some of the funds are merely being shifted from Section 103 to Section 105. But Section 105 requires states to provide 40-percent in matching funds. The reality is that states are being required to do more with less, and already underfunded clean air requirements are fast becoming un-funded mandates.