

April 30, 2003

Mr. Robert D. Brenner
Deputy Assistant Administrator
Office of Air and Radiation
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Mr. Brenner:

On behalf of the State and Territorial Air Pollution Program Administrators and the Association of Local Air Pollution Control Officials, thank you for the opportunity to comment on the draft FY 2004 Air and Radiation Grant Guidance and preliminary allocation, dated March 31, 2003. Since federal grants to state and local air agencies are of critical importance to us, we appreciate your request for our input and recommendations.

While we are gratified that the President's proposed budget requested \$5 million more than the total allocated in FY 2003, we are disappointed that the increase is so small in comparison to the needs of the program. Additionally, the fact that the entire increase, along with \$2 million of the amount appropriated for FY 2003, is earmarked and, thus, not available for state and local agencies to direct to the areas of greatest health and environmental need, means that even the additional grants are not able to address our funding shortfall. We strongly urge EPA to do everything in its power to secure funding increases for the state and local air programs.

In the section of the grant guidance related to air toxics, EPA recommends that state, local and tribal agencies "focus their efforts on areas with highest potential health risks..." We are in agreement that we should emphasize the areas of greatest risk and we encourage EPA to do the same. That is, the agency should target its resources (we are referring primarily to funding) to the environmental medium that poses the greatest environmental risk.

Air Toxics Monitoring

As we mentioned above, we are concerned that the allocation earmarks for air toxics monitoring the *entire* increase – \$5 million – *and* the \$2 million that Congress added to our budgets in FY 2003. While air toxics monitoring is extremely worthwhile

and could certainly use additional funds, it is hard for us to reconcile the \$7-million increase for toxic monitoring with all of the other pressing needs we face. For example, we have many obligations under the Clean Air Act related to the National Ambient Air Quality Standards (NAAQS) that will require additional funding in the near future. We are required by the Clean Air Act to put together a plan to attain and maintain the NAAQS. However, there is not a similar mandate to conduct toxics monitoring. It would be more helpful for many state and local air agencies to be able to use any additional funds to address needs that are more critical in their areas.

Accordingly, we recommend that the \$7 million that is set aside in the draft allocation for air toxics monitoring be distributed to the regions as Section 105 funds with the mandate that the funds be used to support the highest priority activities, which can include continued funding for base program activities. Depending on the agencies' priorities, these funds *could* be used to support air toxics monitoring. Since a new allocation scheme has not yet been developed, we recommend the increase be distributed to the regions in the same proportion as the rest of the Section 105 grants.

Furthermore, with respect to the \$6.5 million that was shifted from NAAQS activities to air toxics monitoring last year, we recommend the funds be distributed to the regions as in the past. State and local agencies should have the flexibility to use the funds for air toxics monitoring or other important activities.

Finally, we recommend that the \$3 million that has been distributed for air toxics monitoring under Section 103 in previous years continue to be set aside for that purpose and distributed under Section 103, in accordance with the specific recommendations that the air toxics monitoring workgroup will make. However, we believe that there should be further development of a clear approach and strategy for air toxics monitoring, which will guide the expenditure of the funds.

Regional Distribution

We are pleased that you proposed to distribute funds so as to ensure that no region suffered a decrease. However, as we have indicated in the past, it is very important that EPA develop an updated regional allocation formula for Section 105 grants and distribute increases with the goal of adjusting the allocation. In that way, no region will receive diminished funding, but the allocation can be adjusted equitably. We are disappointed that EPA has not yet developed this revised allocation scheme. We believe the development of an updated allocation scheme should be well considered and may take some time. Therefore, we strongly urge EPA to begin work on an updated allocation formula as soon as possible.

In a further effort to limit disruptions to existing state and local programs, we also recommend that in FY 2004 every state and direct-funded local agency receive at least the same level of Section 105 funding as in FY 2003.

Flexibility

Obviously, all areas of the country do not have exactly the same public health and environmental concerns. Therefore, as we have recommended in the past, the grant guidance and allocation should explicitly provide state and local air agencies with flexibility to use the grant funds for those activities the agencies believe are of the highest priority and will result in the greatest environmental benefit.

Withholding Grant Funds

We strongly believe that funds should not be held off-the-top at the national or regional levels without the concurrence of state and local agencies. We recommend that the final guidance include instructions to the EPA Regional Offices that Section 105 grant funds may not be withheld unless the funded activities or programs benefit state and local agencies and are the responsibility of state and local air agencies, and only if state and local agencies have concurred in the use of Section 105 funds for the activities or programs. These criteria should apply at the regional as well as at the national level. Moreover, regional offices should not take grant funds “off-the-top” unless the criteria are met.

Thank you again for this opportunity to provide our input. Please contact us if we can provide additional information.

Sincerely

Lloyd Eagan
President of STAPPA

Ellen Garvey
President of ALAPCO