

August 11, 2009

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S. William Becker

Regina McCarthy  
Assistant Administrator  
Office of Air and Radiation  
U.S. Environmental Protection Agency  
1200 Pennsylvania Avenue, NW  
Washington, DC 20460

Dear Gina:

The National Association of Clean Air Agencies (NACAA) Board of Directors and Committee Chairs held their quarterly meeting on July 25-27, 2009, in San Francisco, California. Representatives from 28 state and local agencies who are the leadership of NACAA attended this three-day meeting and discussed a range of issues of great importance to our efforts to achieve and preserve clean air and protect public health across the country.

We are writing to share with you our perspectives regarding several of the major issues we discussed during the meeting. We believe each of these is worthy of further discussion with you and your staff. Please note, however, that these issues are by no means the only topics that are of great concern to us.

**Ozone Reconsideration** – We understand that EPA is considering options for quickly revising the 8-hour ozone National Ambient Air Quality Standard (NAAQS), which was set at 0.075 parts per million (ppm) in March 2008. In our comments on the proposed standard, NACAA recommended that EPA follow the science and set the standard within the range recommended by the Clean Air Scientific Advisory Committee (CASAC) – between 0.060 and 0.070 ppm. Since the previous administration did not follow CASAC's advice, we recommended to the current administration that EPA accelerate the review of the ozone NAAQS to ensure its prompt revision "to accord with the scientific and public health evidence showing the need" for a more stringent standard. We understand that EPA is considering other options that would either delay the transition to the 0.075-ppm standard by not issuing designations in March 2010, or would replace the 0.075-ppm standard following designations, thus resulting in overlapping implementation schedules, confusion, wasted (and precious) resources, and legal uncertainty. NACAA urges EPA to instead follow the path we outlined in our recommendations and accelerate the NAAQS review.

**Resources** – There is a critical need for substantial additional funding for state and local air pollution control agencies to carry out our ongoing activities and the new challenges we face. A recent study by NACAA quantifies the current shortfall at

several hundred million dollars; however, we know these are difficult economic times (many agencies have had to reduce staff) and believe a minimum increase of \$100 million is desperately needed to maintain existing programs and personnel and incorporate new and expanded EPA programs. As we requested in our July 6, 2009, letter to you, we urge that EPA advocate for an increase of \$100 million in FY 2011 for federal grants to state and local air agencies under Sections 103 and 105 of the Clean Air Act.

There are several important activities that additional funding will help to support. The following are among those discussed by the NACAA Board Members and Committee Chairs. Please note that some of these initiatives are funded by federal grants to state and local agencies and others would require increased contributions from EPA's own budget. Note also that in addition to funding important programmatic activities, increases to state and local air grants will also help accommodate the revised regional allocation formula EPA is developing without causing undue hardship and disruption for those agencies that are likely to have their portion of the federal grants reduced under a revised formula.

- *Revised Allocation Formula* – The revisions to the methodology and formula that EPA uses for allocating Section 105 grants among activities and the regions will likely result in shifts – some possibly very dramatic – in the percentage of the total grant that each region receives. Unless there are significant increases to the total Section 105 grant amount, there are state and local agencies that could suffer serious disruptions to their programs following the implementation of the new formula. Such a scenario would result in “winners” and “losers” among the membership of our association. Accordingly, NACAA has now decided that it cannot participate with EPA in the development of an implementation scheme for the new formula unless there are significant (i.e., \$100 million) increases to Section 103 and 105 grants.
- *Training* – It is very important that EPA's training efforts be fully funded. Section 103(b) of the Clean Air Act stipulates that EPA “shall provide training for, and make training grants to, personnel of air pollution control agencies” and that such training “shall be provided ... without charge.” EPA's Clean Air Act Advisory Committee (CAAAC) has called on EPA to invest in efforts to train high quality staff at federal, state and local air pollution control agencies. In addition, NACAA has previously stated that current funding for training is insufficient to meet the training needs of federal, state and local air quality staff. EPA funding for state and local training has declined from a level of \$1 million annually in FY 2002 to \$275,000 in FY 2009. Meanwhile, state and local agencies have contributed almost \$2 million annually of scarce state and local grant funds to fill the gap left by inadequate EPA funding. We urge EPA to return to its statutorily required role as the provider of a national training program for federal, state and local air agencies. We recommend that EPA begin by increasing its training budget for state and local training to a sum that is at least equal to the amount state and local agencies currently contribute (\$2 million per year).
- *Monitoring* – Monitoring requirements for states and localities have expanded (and will soon expand more) with the revision of the lead NAAQS, EPA's Air Toxics in Schools Initiative, the ozone monitoring proposal, and the proposed nitrogen dioxide (NO<sub>2</sub>)

NAAQS revisions. Source monitoring at lead facilities may well be doubled with EPA's reconsideration of the threshold for source monitoring; three rural ozone monitors are proposed for every state; ozone monitoring is likely to be expanded to include smaller communities; and the near-roadway network for NO<sub>2</sub> that has been proposed will pose challenging technical and practical problems. These new and expanded network requirements will necessitate a significant increase in resources. In addition, funding at requisite levels should be granted under the authority of Section 103 of the Clean Air Act since many states and localities would be unable to meet the match requirements of Section 105 and accept this funding. Moreover, the regulatory programs for these new and expanded networks should provide states and localities with the greatest flexibility possible, for example to allow the siting criteria and technical aspects of the networks to be adapted to reflect particular jurisdictional needs while also supporting a national network.

- *Regional Planning Organizations* – As we articulated in our recent letter (August 3, 2009) to you on this subject, the contributions of the Regional Planning Organizations (RPOs) continue to be very valuable to state and local air agencies, yet federal funding for them has been eliminated. These organizations provide essential technical support in a very cost-effective manner. We recommend that funds to support the important work of the RPOs be included in the FY 2011 budget.

**EPA/NACAA Retreat** – We believe EPA and NACAA would derive great benefit from holding a retreat during which we could discuss some of the major issues facing the national air program, including the items articulated in this letter and other important topics. We suggest that the attendees include you, your office directors and a few other key EPA staff, as well as the leadership of NACAA. Since many of these issues are pressing, we recommend the retreat be scheduled for sometime this fall and that we set aside one and a half days to allow for ample discussion.

**NACAA Fall Membership Meeting** – NACAA will hold its Fall Membership Meeting in Boston, Massachusetts on September 21-23, 2009. We know that Bill Becker has already invited you to participate. We hope you are able to attend. This would be a wonderful opportunity for you to talk about the important activities you are working on and would provide you and our members a chance to get to know each other better.

Thank you for your attention to these issues. We look forward to hearing from you.

Sincerely,



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NACAA Co-President



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Houston, Texas  
NACAA Co-President