

December 13, 2024

Dear U.S. EPA Transition Team:

On behalf of the Environmental Council of the States (ECOS), I write to express the commitment of your state co-regulators to a productive relationship with the U.S. Environmental Protection Agency (EPA).

ECOS is the national nonprofit, nonpartisan association of state and territorial environmental agency leaders. Since its inception more than 30 years ago, ECOS has been dedicated to safeguarding human health and the environment for the citizens of our respective states, territories, and the District of Columbia. ECOS provides a forum for early engagement, collaboration, and the exchange of views and experiences among the states and with our federal partners.

As we pursue our mutual goals of delivering environmental performance and minimizing regulatory burden, the states offer EPA their vast experience as the primary implementers of federal environmental laws (see attached fact sheet). With delegated authority for more than 90% of the federal environmental programs, the states are uniquely positioned to identify implementation challenges and to offer solutions. ECOS facilitates this state input to EPA.

ECOS also provides input to EPA on state budget priorities. For example, member agencies devote considerable effort to helping communities and regulated entities navigate the permitting process, which is particularly important given the urgent need for new water and energy infrastructure. On several occasions, ECOS has shared with EPA and Congress that sufficient funding is critical to preserving the core ability of state staff to issue and renew permits; gather data for determinations regarding the quality of local and regional air, water, and land resources; and meet existing and new obligations.

The partnership between the states and EPA and resourcing of both are critical to the successful implementation of efficient and effective regulatory programs. As ECOS and EPA work together to protect public health and the environment, while helping create the conditions for expanding economic opportunity, we are eager to offer counsel and support for EPA in its priorities. The states have also articulated priorities, which we offer for EPA's consideration:

Meeting State Capacity Needs

The demand on state agencies to implement and enforce the nation's environmental laws is growing rapidly due to expanding and changing populations, a public increasingly engaged with its state regulators, a rising number of regulated entities, and regulatory programs that are growing in number, scope, and complexity. The challenges posed by emerging contaminants, such as PFAS, add to this burden. So do states' increasing deployments in response to disaster.

States need resources to meet these growing demands. However, for two decades, EPA's categorical grant funding, which supports state regulatory programs, has been stagnant if not in decline, even as inflation has soared. ECOS continues to urge that EPA and Congress increase state funding, including categorical grants, Superfund and Brownfields program grants, and other State and Territorial Grants such as that for Safe Drinking Water Act implementation, to maintain the states' ability to protect our communities and grow our economies. ECOS also invites EPA to collaborate with us on ways to reduce regulatory burdens without compromising responsible environmental protection.

In addition to increasing resources and reducing burdens, ECOS is focused on efficiency. State environmental agencies are very interested in continuing their work with the federal government and the private sector in modernizing the business of environmental protection through permitting efficiencies, improved data exchange, and other innovations. For example, some states are now leveraging artificial intelligence (AI) to support their core functions, and we look forward to working collaboratively with EPA to define the appropriate uses of AI.

Accelerating the Circular Economy

"Sustainable Materials Management" promises significant environmental and economic benefits. ECOS asks for EPA's active collaboration in promoting market-based, regulatory, and other approaches to extend the useful life of materials in our production cycles, diverting materials from landfills, and closing the loop where appropriate between post-consumer use and supply chains.

For example, as the useful life of batteries, solar panels, and everyday electronics expires, critical minerals and other materials from these products can be salvaged to support U.S. independence from foreign markets. Similarly, there could be significant value in capturing critical minerals from produced waters in the oil and gas sector, as these waters are transformed from a waste to a resource for beneficial use.

Advancing Water and Energy Infrastructure

Aging infrastructure, deferred maintenance, rapidly growing demand, and a need for diversification, hardening, and resilience all point to an imperative for significant new water and energy assets. Among ECOS members, there is broad consensus about the urgency of the effort and bipartisan recognition that environmental permitting must move faster and smarter if we are to see timely benefits from these projects.

ECOS urges EPA funding to ensure that state permitting teams are appropriately staffed and that EPA and Congress not lose sight of the importance of sustaining water infrastructure state revolving funds. ECOS also seeks EPA engagement in developing permit streamlining solutions, maintaining a sense of context and proportion in delivering project benefits sooner.

Environmental Council of the States

In addition to ensuring proper and expeditious permitting of projects, ECOS member agencies increasingly are charged with promoting sustainable economic development and community growth within state borders. Today, state environmental agency programs are helping to boost tourism and recreational opportunities, support economic benefits through land redevelopment, assist drinking water and wastewater treatment systems to meet the needs of growing populations, restore watersheds, digitize data to improve customer service, assist new and expanding industries in reducing compliance costs, and more. Our members firmly believe that environmental protection and economic development go hand-in-hand.

We greatly appreciate the opportunity to share the views and priorities of our members and plan for successful state-federal collaboration ahead. Please reach out to ECOS Executive Director Ben Grumbles at bgrumbles@ecos.org or (202) 266-4929 to arrange a discussion or obtain additional information.

Sincerely,

Jon Niermann

ECOS President









National Environmental Protection: The Role of States

What role do states play in protecting human health and the environment?

Through the Clean Air Act, Clean Water Act, and Resource Conservation & Recovery Act subtitle C, Congress established its intent for states to exercise primary authority to **prevent and reduce air, water, and hazardous waste pollution**. U.S. EPA establishes rules and standards, and states are delegated authority to implement them through their own permit and enforcement programs.

States devote considerable effort to helping communities and regulated entities navigate the permitting process. Sufficient funding is critical to preserving the core ability of state staff to **issue and renew permits**; **gather data** for determinations regarding the health of local and regional air, water, and land resources; and **meet existing and new obligations**.

How do state environmental agencies fund their activities? 61%

Permit fees and other fees comprised an average of 61% of state budgets in 2019. Revenue decreases as pollution tonnages go down, and some key work is not linked to specific permits.

\$0

Some state legislatures do not provide or do not increase general funds to these agencies.

20 years

Federal funding comprises an average of just 27% of state environmental budgets and may require a state match. State and Tribal Categorical Grant funding has remained nearly unchanged in 20 years, despite inflationary pressures.



Increase Categorical Grant funding to build and sustain state capacity.



Increase State Revolving Fund (SRF) levels for state-run programs in FY24 and beyond.



Provide support for PFAS responsibilities through funding, scientific and technical support, and regulatory flexibility.

How can Congress help?

Through an ECOS resolution, states urge Congress and EPA to financially support state environmental agency implementation of federal requirements that benefit all of our communities. More information is available in the ECOS testimony to Congress on EPA's FY24 budget request.







ECOS Testimony

State Environmental Actions

States are working hard to address many priorities, including:

- Increasing community resiliency through improved infrastructure planning, adaptation strategies, and other technical assistance.
- Identifying, reducing, and remediating per- and polyfluoroalkyl substances (PFAS) pollution,
- Increasing assessment and monitoring for other emerging contaminants and harmful algal blooms,
- Updating data management systems to support data-driven decision-making,
- Advancing efforts that protect all Americans, especially vulnerable communities that bear the greatest pollution burdens,
- Strengthening pollution detection efforts to minimize pollutants and restore impaired waterbodies and airsheds,
- Working with communities to identify and replace lead service lines,
- Implementing new federal rules and updating permitting and inspection programs consistent with these requirements,
- Ensuring wetland stewardship in light of the recent reduction in the scope of federal jurisdiction, and
- Responding to increased state workload due in part to new program interpretations.

What challenges do states face?

Federal government support has eroded in the past two decades, where inflation has soared. Resulting challenges include:

- Capacity building of key staff,
- Needed investments in improved data systems, electronic permitting, and monitoring, and
- State support for capitalization grants, public water systems, and other base capacity efforts.

In addition, states continue to address existing and emerging environmental challenges. On the issue of per- and polyfluoroalkyl substances or PFAS, in order to responsibly and sustainably reduce the risk from these pervasive chemicals, ECOS requests that Congress and EPA provide states with:

- Increased funding,
- Scientific and technical support, and
- Regulatory flexibility.

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States have received EPA delegation to serve as primary implementers and enforcers of most Clean Air Act standards.

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States have primary authorization to implement and enforce the Resource Conservation & Recovery Act hazardous waste program.

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States have primacy to implement and enforce Safe Drinking Water Act programs for public water systems.

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States are authorized to implement Clean Water Act National Pollutant Discharge Elimination System permitting and enforcement programs.

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