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6 SAFEGUARDING AMERICAN PROSPERITY AND PEOPLE'S LIVELIHOODS:

7 LEGISLATION TO MODERNIZE AIR QUALITY STANDARDS

8 THURSDAY, FEBRUARY 15, 2024

9 House of Representatives,

10 Subcommittee on Environment, Manufacturing,

11 and Critical Materials,

12 Committee on Energy and Commerce,

13 Washington, D.C.

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17 The subcommittee met, pursuant to call, at 10:30 a.m.,

18 Room 2322, Rayburn House Office Building, Hon. Buddy Carter

19 [chairman of the subcommittee], presiding.

20 Present: Representatives Carter, Palmer, Crenshaw,

21 Joyce, Weber, Allen, Balderson, Fulcher, Pfluger, Miller-

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22 Meeks, Obernolte, Rodgers (ex-officio); Tonko, DeGette,  
23 Schakowsky, Sarbanes, Clarke, Ruiz, and Pallone (ex-officio).

24 Also present: Representatives Curtis; and Blunt  
25 Rochester.

26 Staff Present: Kate Arey, Digital Director; Sarah  
27 Burke, Deputy Staff Director; David Burns, Professional Staff  
28 Member; Marjorie Connell, Director of Archives; Nick Crocker,  
29 Senior Advisor and Director of Coalitions; Sydney Greene,  
30 Director of Operations; Nate Hodson, Staff Director; Tara  
31 Hupman, Chief Counsel; Sean Kelly, Press Secretary; Peter  
32 Kielty, General Counsel; Emily King, Member Services  
33 Director; Elise Krekorian, Counsel; Drew Lingle, Professional  
34 Staff Member; Mary Martin, Chief Counsel, Energy &  
35 Environment; Brandon Mooney, Deputy Chief Counsel; Kaitlyn  
36 Peterson, Clerk, Energy and Environment; Peter Spencer,  
37 Senior Professional Staff Member; Timia Crisp, Minority  
38 Professional Staff Member; Anthony Gutierrez, Minority  
39 Professional Staff Member; Caitlin Haberman, Minority Staff  
40 Director, Environment, Manufacturing, and Critical Minerals;  
41 Mackenzie Kuhl, Minority Digital Manager; Caroline Rinker,  
42 Minority Press Assistant; Emma Roehrig, Minority Staff

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43 Assistant; Kylea Rogers, Minority Policy Analyst; Rebecca  
44 Tomilchik, Minority Junior Professional Staff Member; and  
45 Deyona Burton, Minority Intern.

46

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47           \*Mr. Carter. The subcommittee will come to order.

48           Before I have my opening statement I would like to take  
49 a moment of personal privilege. As many of you know, our  
50 chair of the Energy and Commerce Committee recently announced  
51 that she would be leaving Congress and leaving us. While we  
52 are extremely sad about that, we are happy for her. She has  
53 done an outstanding job, and I do not use that word lightly  
54 and I do mean it sincerely. She has been a great mentor for  
55 me personally, and she has been a great leader of this  
56 committee and a great Member of Congress. And we will miss  
57 her dearly.

58           And we want to wish you all the best.

59           And I want to recognize the ranking member now for his  
60 comments.

61           [Applause.]

62           \*Mr. Tonko. Well, Chair Rodgers, it has been a pleasure  
63 to work with you on this committee as subcommittee chair at  
64 one time, and now as ranker. I recognize your desire to make  
65 positive change and to have worked with you in a very  
66 constructive way. I appreciate your 20 years of service. I  
67 haven't even achieved that level yet, but -- so I can imagine

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68 how much effort that takes, and --

69 [Audio malfunction.]

70 \*The Chair. We have got to get this recorded, come on.

71 [Laughter.]

72 [Pause.]

73 \*The Chair. Thank you. Well, just a big thank you,  
74 everyone. I do believe the best is yet to come. And as I  
75 think about this final year and all of the just impressive,  
76 passionate, just brilliant members and staff, all the staff  
77 of this committee, I know that this committee is in good  
78 hands with all of you.

79 It has been a privilege, just such a privilege to lead  
80 this committee, chair this committee. When I got on the  
81 committee I knew I would never become the chair because I  
82 wasn't going to stay in Congress this long. But, you know,  
83 things happen, the years go by, and what an honor for me to  
84 lead this committee with all of you. We have worked on a  
85 number of important issues together. And you know what? We  
86 are going to finish this year, and we are going to finish it  
87 strong.

88 And there is more to be done, so I think we should go to

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89 work. Thank you very much.

90 \*Mr. Carter. Okay, the chair now recognizes himself for  
91 an opening statement.

92 Let me welcome the witnesses to this hearing on  
93 legislation to update the process under the Clean Air Act for  
94 setting and implementing National Ambient Air Quality  
95 Standards, NAAQS.

96 The Clean Air Act requires the promulgation of NAAQS for  
97 six criteria: air pollutants; sulfur dioxide; particulate  
98 matter; nitrogen dioxide; carbon monoxide; ozone; and lead.  
99 Under the current structure of the statute, EPA is required  
100 to review periodically the scientific data upon which the  
101 NAAQS are based, and revise the standards, if necessary, to  
102 maintain an adequate margin of safety that is requested to  
103 protect public health.

104 Today we will hear testimony and receive feedback on the  
105 Air Quality Standards Implementation Act of 2024. This  
106 discussion draft would update how the standards are reviewed  
107 and implemented, and provide more clarity in the law to  
108 enable better control of harmful emissions like wildfire  
109 smoke. This hearing is of the utmost importance to many

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110 districts across the country.

111 Southeast Georgia, where I am from, is poised for a  
112 manufacturing boom. Our favorable climate, access to ports,  
113 low electricity rates, and welcoming-businesses environment  
114 is -- have made it one of the best places to invest in the  
115 country. We are growing quickly, billion-dollar  
116 manufacturing investments have been made, and further  
117 opportunities are quickly presenting themselves.

118 In addition to these developing areas, we have legacy  
119 industries that are a backbone of our economy. Georgia is  
120 the number-one forestry state in the country, and according  
121 to the Georgia Forestry Commission the industry provided over  
122 \$1.5 billion in economic output to my district in 2022.

123 These sectors are looking to grow, and while they grow  
124 they are seeking to do it with the highest environmental  
125 standards in the world. However, actions like the Biden  
126 Administration's recently finalized annual PM2.5 standard  
127 threaten to slam the brakes on these investments and economic  
128 drivers.

129 One of the main concerns is that, because of the success  
130 of the Clean Air Act already, new standards are getting

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131 closer and closer to background levels. Because of this,  
132 even areas that meet the standard will not have enough room  
133 or head space to allow for permitting new or expanded  
134 construction. This recent action by the EPA is  
135 counterproductive to our goals of onshoring supply chains and  
136 boosting American manufacturing.

137         According to a report conducted by Oxford Economics, the  
138 EPA's recently finalized PM2.5 standards will threaten up to  
139 \$197.4 billion of economic activity and put nearly 1 million  
140 jobs at risk. We will hear today about analysis of  
141 permitting from three dozen different industries, including  
142 pharmaceuticals, paper and wood, and electric vehicle  
143 batteries. The analysis shows that the recently finalized  
144 PM2.5 standard would result in the failure to permit nearly  
145 80 percent of those projects. And these are industries that  
146 already control emissions to the highest standards. We  
147 learned in a hearing last fall that most of the PM2.5  
148 emissions do not even come from these sources.

149         After 40 years, something is not working with our system  
150 to set and enforce standards. The Clean Air Act was not  
151 established to kill American productivity and prosperity. It



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152 was established to enhance our success. We must make  
153 practical reforms to ensure the NAAQS process works in a way  
154 that makes sense. It should reflect the experience of 40  
155 years of implementing air quality standards.

156 The discussion draft reflects some of the experience.  
157 Among other measures, it would provide more time to develop  
158 new standards while providing time for EPA and the states to  
159 focus on implementing standards. It ensures that state air  
160 pollution agencies responsible for and experts in  
161 implementing the standards have a larger voice in the  
162 process. It would make clear that wildfire and other  
163 exceptional events can be reliably excluded from compliance  
164 data, and it would make it easier to reduce wildfires and  
165 lower harmful pollution levels.

166 I invite constructive comments from the panelists, both  
167 on PM2.5 implementation challenges, and what those indicate  
168 about the current process, and how reforms may address those  
169 challenges.

170 I should note that we sought to have EPA testify today,  
171 but EPA declined to attend at this point. We will continue  
172 to work with the agency, as we should, including examining

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173 the comments it supplied to our bill.

174 We will also continue to work to get this right.

175 America has the best environmental standards and wonderful

176 economic potential. We will work to make sure this remains

177 the case going forward.

178 [The prepared statement of Mr. Carter follows:]

179

180 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

181

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182           \*Mr. Carter. At this time I will recognize the ranking  
183 member for his opening statement.

184           \*Mr. Tonko. Thank you, Mr. Chair.

185           The Clean Air Act is the most successful environmental  
186 law in our nation's history. No one can deny that we have  
187 significantly reduced air pollution while growing our  
188 economy. According to EPA, between 1970 and 2019 aggregate  
189 emissions of common air pollutants dropped some 77 percent,  
190 while the U.S. gross domestic product grew 285 percent.

191           And yet, in the past, my colleagues across the aisle  
192 have pointed to this progress as a reason why we should not  
193 worry about further protection of public health rather than  
194 as a proof that the Clean Air Act is working incredibly well  
195 and as intended because, despite the past five decades of  
196 success, according to the American Lung Association's 2023  
197 State of Air Report, 1 in 3 Americans still live with  
198 unhealthy levels of air pollution.

199           In my opinion, and in the opinions of many doctors,  
200 scientists, public health experts, and environmental  
201 organizations, there is much more work to do.

202           The National Ambient Air Quality Standards, or NAAQS,

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203 are a critically important part of achieving clean air for  
204 all Americans. As we have discussed at previous hearings,  
205 the NAAQS are special not only because these standards  
206 protect Americans from dangerous pollution like soot and  
207 smog, but because they are required by law to be based on the  
208 latest science to be protective of our health without  
209 consideration of costs.

210 Last week EPA finalized an updated standard for fine  
211 particulate matter. This is just the latest example of this  
212 law working exactly as intended. EPA's independent science  
213 advisers on the Clean Air Scientific Advisory Committee, upon  
214 reviewing the latest scientific literature, determined that  
215 the previous standard was not health protective, and  
216 recommended strengthening it. EPA had a public comment  
217 process, and decided to lower the annual standard from 12 to  
218 9 micrograms per cubic meter to provide increased health  
219 protection, consistent with the recommendations of EPA's  
220 science advisers.

221 Moving forward, Americans will get to experience  
222 tremendous benefits from this rule. Most importantly, it  
223 will save lives, avoiding 4,500 premature deaths. It will

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224 also reduce health care costs from avoided hospital visits  
225 and asthma cases. I applaud EPA for following both the law  
226 and the science to strengthen the annual PM2.5 standard.

227       Unfortunately, the bill before us today would make  
228 updates like this one much more difficult. It would double  
229 the amount of time between reviews of standards. It would  
230 inject cost considerations and attainability into the  
231 standard-setting process. And with overly broad language,  
232 the bill would increase the number of events that may be  
233 considered exceptional. These provisions will drastically  
234 weaken what has been an incredibly effective public health  
235 law.

236       We have proven time and time again that growing our  
237 economy and protecting public health are not at odds.  
238 Unfortunately, the proposal we are examining today does not  
239 share that view, and I cannot support legislation that would  
240 undermine the current process of setting health protective  
241 standards based on sound, updated science.

242       The Clean Air Act is working effectively as intended.  
243 It continues to drive innovation, protect American's health,  
244 and enable economic growth. Rather than change course, as

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245 proposed by the majority, we should embrace this law's  
246 success and look to build upon that tremendous history moving  
247 forward.

248 I look forward to today's hearing and its discussion  
249 that will inspire all of us.

250 [The prepared statement of Mr. Tonko follows:]

251

252 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

253

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254           \*Mr. Tonko. With that, I yield back, Mr. Chair.

255           \*Mr. Carter. The gentleman yields. I now recognize the  
256 chair of the full committee, the aforementioned Chair  
257 Rodgers, for five minutes for an opening statement.

258           \*The Chair. Thank you, Mr. Chairman.

259           For decades America has been the best place to do  
260 business, and we have the best air quality in the world. We  
261 have led the world with some of the highest environmental  
262 standards. America has done more to lift people out of  
263 poverty, raise the standard of living more than any other  
264 nation in the world.

265           Unfortunately, that is all being threatened. The  
266 number-one barrier to getting anything done today in the  
267 United States is permitting, and it currently takes seven  
268 years, on average. And unfortunately, rules like the EPA is  
269 proposing are going to make that much worse.

270           Last week the Biden Administration EPA finalized the  
271 standard on fine particulate matter, or PM2.5, a decision  
272 that is devastating for American manufacturing, people's  
273 livelihoods, and our economic leadership. This new rule goes  
274 way beyond the original congressional intent first laid out

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275 in the Clean Air Act, which stated goal says, "reasonable  
276 actions to promote," "reasonable actions to limit or reduce  
277 emissions and pollution."

278 The Administration's process to develop this latest rule  
279 was rushed, lacked transparency, and failed to incorporate  
280 feedback from stakeholders across the country who will be  
281 impacted the hardest. With EPA's nearly 150 proposed major  
282 rules, this is just the latest example of President Biden's  
283 extreme agenda that is going to devastate our communities.

284 As we will hear today, the EPA's decision to finalize  
285 these unrealistic standards will have far-reaching  
286 consequences for our economy. The harm will extend to nearly  
287 every sector, including manufacturing, power, agriculture,  
288 construction, and forestry, jeopardize hundreds of billions  
289 of dollars in U.S. economic activity and millions of jobs,  
290 and make it nearly impossible to build new manufacturing  
291 facilities, making efforts to secure our supply chains and  
292 reduce our dependence on countries like China nearly  
293 impossible.

294 By all measures, the nation's air quality has improved  
295 dramatically since the Clean Air Act was enacted, and current



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296 standards are improving quality even more. The EPA itself  
297 has concluded that the current standards are protective of  
298 public health, and has reported that nearly -- that the total  
299 emissions of criteria air pollutants have dropped 73 percent  
300 since 1980.

301 The data is clear: the U.S. air quality is the best in  
302 the world, and it is only getting better. Despite this  
303 progress, the Biden EPA is taking steps to introduce these  
304 new standards that are completely divorced from reality.  
305 Instead of more harmful regulations, what we need are  
306 reasonable solutions that are appropriately balanced,  
307 protecting our environment while ensuring America continues  
308 its economic leadership. That is the approach that we have  
309 taken for decades, and it has worked as our air gets cleaner.

310 The Clean Air Act provisions were established decades  
311 ago, when the air quality was much worse, and we need to  
312 revisit that. We learned in our September hearing that as  
313 new PM standards get closer to natural background levels,  
314 there is less room for traditional industry industrial  
315 sources to get permits or further cut their emissions. But  
316 the EPA's new, stricter standards completely ignore this

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317 fact.

318 Under those standards permitting new economic  
319 development will be nearly impossible. This will severely  
320 hinder new manufacturing projects including pulp and paper,  
321 steel, cement, the automotive sector, advanced batteries, and  
322 even pharmaceuticals. States will be forced to limit new  
323 economic activity for communities that need them most.  
324 Additionally, limits in current law prevent states from  
325 addressing other naturally occurring sources of pollution,  
326 such as wildfires.

327 We must update air quality standards responsibly in a  
328 way that reflects reality. The discussion draft under  
329 consideration today will ensure that measures to implement  
330 health protections are realistic and balanced in their  
331 approach. It will enable more orderly and responsible  
332 requirements that states can actually implement. It will  
333 ensure regulators follow the law when considering how to  
334 promote healthy communities, taking into account things like  
335 adverse public health, welfare, social, economic, and energy  
336 impacts. It will also make it easier to reduce wildfire  
337 risk, something that is especially important in my home state

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338 of Washington.

339           Protecting our environment and our economy are not  
340 mutually exclusive goals, but in order to achieve both, we  
341 must rethink how we address pollution levels that are outside  
342 our control. This discussion draft today is a starting point  
343 to maintain America's economic leadership and ensure public  
344 health, and I look forward to the discussion and yield back.

345           [The prepared statement of The Chair follows:]

346

347 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

348

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349           \*Mr. Carter. The gentlelady yields. The chair now  
350 recognizes the ranking member of the full committee, the  
351 gentleman from New Jersey, Mr. Pallone, for five minutes for  
352 an opening statement.

353           \*Mr. Pallone. Thank you, Mr. Chairman.

354           Today we are examining a partisan Republican draft bill  
355 that would undermine core protections of the Clean Air Act.  
356 Republicans simply cannot help themselves. They continue to  
357 put corporate polluters over people.

358           Since 1970 the Clean Air Act has directed the  
359 Environmental Protection Agency to set health-based air  
360 quality standards based solely on the latest science and  
361 medical evidence. The National Ambient Air Quality  
362 Standards, or NAAQS, essentially sets the level of pollution  
363 that is safe to breathe. These standards are the foundation  
364 of the Clean Air Act. They have been extremely effective for  
365 over 50 years in cleaning the air and protecting public  
366 health.

367           Last week the Biden EPA strengthened the NAAQS for fine  
368 particulate matter, also known as PM2.5. Fine particulate  
369 matter poses serious and significant health risks to our

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370 communities every day, including increased rates of heart  
371 disease and respiratory impacts. Even short-term exposure  
372 for hours or days can cause aggravated asthma attacks, acute  
373 bronchitis, and increased susceptibility to respiratory  
374 infections. This pollution is dangerous, and Americans have  
375 a right to clean, safe air.

376         And basically, I want to commend the Biden EPA for  
377 fighting to protect that right with a stronger health-based  
378 standard. Last week's announcement is a welcome return to  
379 pollution standards rooted in science. Under the new  
380 standard we will see tremendous public health benefits of up  
381 to \$46 billion in 2032 alone. EPA also projects the new  
382 standard will avoid 800,000 asthma attacks, nearly 300,000  
383 lost work days, and thousands of premature deaths.

384         Now it is up to the states to develop plans to implement  
385 this more protective standard. Costs and technological  
386 feasibility are front and center in this planning. States  
387 have the flexibility to select the most efficient and cost-  
388 effective tools and measures to meet the standards.

389         The track record of the structure has been remarkably  
390 successful. The air has gotten cleaner, the economy has

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391 continued to grow, and, most importantly, public health has  
392 improved. But the Republican majority is not interested in  
393 the Clean Air Act's record of success. This Republican draft  
394 legislation is clearly a response to EPA's upholding its duty  
395 to protect communities across the country from dangerous air  
396 pollution like ozone and fine particulate matter. Today I am  
397 sure we will hear fearmongering about the phantom cost to  
398 industry imposed by any attempt to safeguard the health of  
399 Americans.

400 Time and again my Republican colleagues have claimed  
401 this draft proposal will not increase air pollution or  
402 undermine the public health protections currently found in  
403 the Clean Air Act, and they are clearly wrong. Any time you  
404 alter the fundamental premise of the Clean Air Act that  
405 standards should be set to ensure the air is safe and healthy  
406 to breathe, you are making our air dirtier and undermining  
407 our public health.

408 This Republican draft is a compilation of misguided  
409 handouts to corporate polluters, making it clear that they  
410 are only interested in finding loopholes for their friends at  
411 the expense of American families and workers. The draft

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412 would allow industry profits to override science in setting  
413 air quality standards, provide amnesty to new polluting  
414 facilities at the expense of existing ones, and remove  
415 incentives to cut pollution. It would also weaken and delay  
416 the fundamental protections in the law, virtually  
417 guaranteeing that people living in areas with poor air  
418 quality will continue to breathe unhealthy air.

419 Now, our experience with the Clean Air Act tells us that  
420 we do not have to choose between the health of our  
421 communities and a healthy economy. We can and must have  
422 both. Instead of wasting the committee's time with this old  
423 proposal, we should be looking for ways to ensure EPA and the  
424 states have the resources necessary to continue to give every  
425 American clean, healthy air to breathe. This proposal is an  
426 attack on the health and safety of Americans, and that is why  
427 I oppose it, and that is why in previous Congresses I have  
428 opposed it and will continue to oppose it.

429 [The prepared statement of Mr. Pallone follows:]

430

431 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

432

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433           \*Mr. Pallone. And with that, Mr. Chairman, I yield back  
434 the balance of my time.

435           \*Mr. Carter. The gentleman yields back. Now for our  
436 witnesses.

437           First of all, we have Mr. John Eunice, who is the deputy  
438 director of the Georgia Environmental Protection Division.

439           Mr. Eunice, thank you for being here.

440           He is also famous, ladies and gentlemen, for at the age  
441 of 19 he was elected to the Valdosta City Council as the  
442 youngest member ever.

443           I just thought I would throw that in, John.

444           Also, Mr. Christopher Netram -- Netram, excuse me --  
445 managing vice president of policy at the National Association  
446 of Manufacturers.

447           Thank you for being here.

448           Mr. Seth Johnson, a senior attorney at Earthjustice.

449           And Mr. Paul Noe, the vice president of public policy at  
450 the American Forestry and Paper Association.

451           Thank all of you for being here.

452           Mr. Eunice, you are recognized for five minutes for your  
453 opening statement.

454



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455 STATEMENT OF JOHN EUNICE, DEPUTY DIRECTOR, GEORGIA  
456 ENVIRONMENTAL PROTECTION DIVISION; CHRISTOPHER NETRAM,  
457 MANAGING VICE PRESIDENT, POLICY, NATIONAL ASSOCIATION OF  
458 MANUFACTURERS; SETH JOHNSON, SENIOR ATTORNEY, EARTHJUSTICE;  
459 AND PAUL NOE, VICE PRESIDENT OF PUBLIC POLICY, AMERICAN  
460 FORESTRY AND PAPER ASSOCIATION

461

462 STATEMENT OF JOHN EUNICE

463

464 \*Mr. Eunice. Thank you, Chairman Carter, Ranking Member  
465 Tonko, members of the committee. My name is John Eunice, and  
466 I am the deputy director of the Georgia Environmental  
467 Protection Division. I am here to discuss the crucial aspect  
468 of environmental regulation that affects all of us: the  
469 National Ambient Air Quality Standards and their impacts on  
470 state regulatory agencies.

471 The establishment of the NAAQS has resulted in  
472 significant improvements of U.S. air quality. In Georgia,  
473 total emissions of air pollutants dropped by 68 percent from  
474 1990 to 2022. During that same period, gross domestic  
475 product increased by 437 percent. It is a striking example

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476 of the positive impacts of the Clean Air Act.

477 My presentation will focus on the Air Quality Standards  
478 Implementation Act of 2024, in conjunction with EPA's recent  
479 announcement regarding PM2.5 standards. Georgia and other  
480 states have some concerns with the new PM2.5 standards, and  
481 the proposed legislation poses some options that warrant  
482 discussion to help address them.

483 First, EPA's decision to lower the attainment standard  
484 from 12 micrograms per cubic meter to 9 will have noticeable  
485 effects across the country. In Georgia, our state is in  
486 attainment with the existing PM2.5 standard. However,  
487 according to a recent EPA report, 12 of Georgia's 14  
488 Metropolitan Statistical Areas have PM2.5 levels currently  
489 exceeding the new EPA standard of 9. Those 12 MSAs include  
490 more than 90 percent of our state's population.

491 If the standard holds, Georgia EPD will have to develop  
492 separate State Implementation Plans, or SIPs, for each MSA to  
493 bring those areas back into attainment. These plans are  
494 hundreds of pages long, require significant stakeholder  
495 input, and take years to develop. Compounding that problem  
496 is that traditional point sources of these emissions, such as

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497 power plants and industrial operations, have already been  
498 adequately controlled with technology advances, leaving state  
499 regulators with limited options for bringing non-attainment  
500 areas back into attainment.

501 The proposed legislation would help states address non-  
502 attainment areas more quickly by requiring implementation  
503 guidance be issued concurrently with the issuance of any new  
504 rules so states have an immediate understanding of how to  
505 come into attainment. Currently, new NAAQS standards go into  
506 effect once the rule becomes final. However, it may take EPA  
507 months or even years to release implementation guidance.

508 Next, a variety of sources contribute to PM<sub>2.5</sub>, but less  
509 than 20 percent of these sources fall under regulatory  
510 oversight of state agencies. The vast majority of  
511 contributors of PM<sub>2.5</sub> are unregulated or exceptional events  
512 like road dust, agricultural operations, and wildfires, which  
513 penalizes many areas that will now be placed in non-  
514 attainment.

515 The proposed legislation explicitly recognizes  
516 prescribed fires as exceptional events, which saves state  
517 regulators from burdensome reporting requirements, and helps

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518 prevent even more significant air quality concerns by  
519 preventing catastrophic wildfires.

520 Third, there will be resource and personnel challenges  
521 for state agencies to implement this rule. Federal funding  
522 to states that implement Federal air standards such as NAAQS  
523 has been stagnant for years, even though EPA continues to  
524 develop stricter rules that states must then determine how to  
525 apply locally. Every time a Federal standard like PM2.5  
526 tightens, the pressure on states to comply increases without  
527 additional resources.

528 The legislation addresses this by extending the  
529 timelines for NAAQS reviews from 5 to 10 years, which would  
530 result in more stability for states. Currently, the five-  
531 year reviews run so closely together it seems as though as  
532 soon as one review ends, another review begins. Extending  
533 the timelines of reviews would allow better allocation of the  
534 limited Federal resources the states currently receive.

535 Finally, this new rule takes PM2.5 levels severely close  
536 to area background levels, which will likely pose  
537 difficulties for future economic development. In Georgia we  
538 have experienced major economic growth over the past decade

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539 due to effective logistics and transportation corridors,  
540 efficient ports of entry, and a favorable tax and business  
541 climate. This new rule poses a serious threat to that  
542 continued growth. Population and economic growth in Georgia  
543 to this point has coincided with improvements in air quality.

544       However, the proximity of this standard to background  
545 levels of PM2.5 puts Georgia and other states in a situation  
546 that could result in a stagnation of economic growth, because  
547 the new standard for attainment may not be achievable for  
548 many areas. In the last three years Georgia had landed the  
549 two largest economic development projects in state history.  
550 Both of these projects happened to be electric vehicle  
551 manufacturing facilities that will employ more than 15,000  
552 people combined. One of these facilities is in Chairman  
553 Carter's district. Had this rule been in effect during the  
554 recruitment process for both of these facilities, then they  
555 likely would have located elsewhere.

556       The legislation provides a couple of provisions that  
557 could help address these concerns from arising in the future.  
558 It would allow the administrator to consider whether the  
559 recommended standard is actually attainable, and it would

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560 also increase the number of representatives from air  
561 pollution control agencies on the Clean Air Scientific  
562 Advisory Committee. Both provisions would help states in the  
563 development of future NAAQS.

564 In closing, I want to emphasize that Georgia EPD's  
565 mission is to protect public health and the environment, and  
566 we will not waver from that commitment. While I believe the  
567 PM2.5 final rule is well intentioned, it poses multiple  
568 challenges to agencies like Georgia EPD. There is likely  
569 room for balance in the NAAQS process moving forward, and  
570 this legislation proposes some intriguing ideas that could  
571 benefit states and the public.

572 Thank you, Chairman Carter, for the opportunity. I look  
573 forward to your questions.

574 [The prepared statement of Mr. Eunice follows:]

575

576 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

577

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578           \*Mr. Carter. Thank you, Mr. Eunice.

579           Mr. Netram.

580

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581 STATEMENT OF CHRISTOPHER NETRAM

582

583           \*Mr. Netram. Good morning, Chairman Carter, Ranking  
584 Member Tonko, and members of the subcommittee. My name is  
585 Chris Netram, and I am the managing vice president of policy  
586 at the National Association of Manufacturers. I appreciate  
587 the opportunity to testify on behalf of the manufacturing  
588 industry and the 13 million men and women who make things in  
589 America.

590           Manufacturing supports communities, creates well-paying  
591 jobs, pioneers new technologies, empowers economic  
592 competitiveness as well as American influence abroad. But  
593 manufacturers are facing a regulatory onslaught. The total  
594 cost of complying with existing Federal regulations exceeds  
595 \$3 trillion a year, including \$350 billion just on  
596 manufacturing. The average manufacturer pays more than  
597 \$29,000 per employee per year to comply with Federal  
598 regulations, a figure that rises to \$50,000 for small  
599 manufacturers -- \$50,000 per employee every single year. For  
600 a small company with 20 employees, that is \$1 million a year  
601 that isn't spent on capital investment or R&D.



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602           The EPA's unworkable PM2.5 standard is the latest piece  
603 of this regulatory onslaught. This new rule will make it  
604 much more difficult to create jobs and build advanced  
605 factories in the United States. That is because the new  
606 standard of 9 is in line with background levels of  
607 particulate matter in many parts of the country. In other  
608 words, the standard is now so low that companies will be  
609 expected to reduce their emissions below what naturally  
610 occurs.

611           Making matters worse, most particulate matter comes from  
612 non-industrial sources. The vast majority of emissions come  
613 from sources like wildfires, controlled burns, crop dust, and  
614 unpaved roads. Industry accounts for less than 20 percent of  
615 all PM2.5, yet the onus will fall on manufacturing to meet  
616 the EPA's unrealistic standard.

617           In practice, hundreds of counties across the country  
618 could be forced into non-attainment. That means it will be  
619 extraordinarily difficult for them to attract manufacturing  
620 investment. Roads, bridges, factories, these important  
621 projects could be stalled if manufacturers can't get permits  
622 to build them.

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623           With a PM standard as low as 9, it will be virtually  
624 impossible for manufacturers to have any head room or head  
625 space, as the chairman called them, to allow for growth.  
626 Companies that want to invest in communities at or near non-  
627 attainment levels will be hard pressed to guarantee that new  
628 shovels in the ground won't push them past the level of 9.

629           And there will be an economic cost to this change. A  
630 recent NAM study analyzed a PM standard of 8, which is  
631 slightly more stringent than what was actually finalized by  
632 the EPA, and it found that our nation would lose up to \$200  
633 billion in economic activity and up to a million jobs.

634           Moreover, the EPA's approach will directly undermine the  
635 President's commitment to manufacturing and Congress's  
636 important work to support manufacturing growth here at home.  
637 The Bipartisan Infrastructure Law, the CHIPS and Science Act,  
638 tax reform, all of these bills were designed to spur  
639 investment, but unbalanced regulations and permitting delays  
640 threaten that progress.

641           In addition, the EPA's actions make the U.S. a global  
642 outlier. Europe's current PM standard is 25. China's, to  
643 the extent it follows it, is 35. If we want the next

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644 manufacturing dollar to be spent in America rather than  
645 abroad, a standard of 9 makes us less competitive. That is  
646 why manufacturers urge Congress to act immediately.

647 As a first step, Congress should pass a CRA overturning  
648 this rule. At the same time, however, Congress should reform  
649 the NAAQS process. The committee's discussion draft reflects  
650 a more tailored approach that would take multiple factors  
651 into consideration -- for starters, the economic effect and  
652 impact on American competitiveness in addition to public  
653 health.

654 First, the draft would extend the EPA's review period to  
655 10 years, providing states and businesses much-needed  
656 certainty.

657 The draft would also allow the EPA to count wildfire  
658 mitigation as an exceptional event, rather than holding  
659 manufacturers accountable for PM they simply can't control.

660 And the draft would require the EPA to consider economic  
661 effects in its NAAQS analysis, allowing the agency to take a  
662 holistic view of its standards.

663 These reforms reflect the tremendous progress we have  
664 made as a nation since the passage of the Clean Air Act. The

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665 U.S. has seen a 78 percent reduction in PM over the last 50  
666 years, in large part due to manufacturers' investments in  
667 cleaner production. We are now at a point where industry  
668 contributes less than a fifth of all PM2.5, far less than  
669 fires and dust that have absolutely nothing to do with  
670 manufacturing.

671 In short, Congress must act to reverse this damaging  
672 decision and reform the NAAQS process.

673 I would like to thank the subcommittee for shining a  
674 light on the EPA's regulatory overreach, and I look forward  
675 to answering any questions you may have.

676 [The prepared statement of Mr. Netram follows:]

677

678 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

679

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680           \*Mr. Carter. Thank you, Mr. Netram.

681           At this time we recognize Mr. Seth Johnson for your

682 opening statement.

683

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684 STATEMENT OF SETH JOHNSON

685

686 \*Mr. Johnson. Good morning, committee members, and  
687 thank you for inviting me to testify today. My name is Seth  
688 Johnson. I am an attorney at Earthjustice in Washington,  
689 D.C. My written testimony makes five major points.

690 One, the Clean Air Act is a health-based, highly  
691 effective, and successful law.

692 Two, more pollution reductions are still needed to  
693 realize the Clean Air Act's full promise: healthful air for  
694 all Americans.

695 Three, doomsday claims about clean air standards are  
696 nothing new and lack merit.

697 Four, the Air Quality Standards Implementation Act of  
698 2024 would undermine the promise of the Clean Air Act and  
699 should not be enacted.

700 Five, instead, we should ensure EPA and state air  
701 agencies have adequate resources and clear mandates to carry  
702 out their core missions, ensuring people everywhere in our  
703 country enjoy clean, healthy air.

704 I will summarize these points now. Everyone in this

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705 country is entitled to breathe clean, healthy air. That is  
706 the promise we made ourselves as Americans in 1970 and  
707 reaffirmed in 1977 and 1990, when overwhelming bipartisan  
708 majorities carefully and thoughtfully amended the Clean Air  
709 Act. We have made great strides toward keeping that promise.  
710 We must not waver from it.

711 The Clean Air Act is a highly successful law. It has  
712 helped drive massive pollution reductions. These  
713 improvements in air quality have promoted the health and  
714 well-being of hundreds of millions of Americans. But work  
715 under the Act isn't done yet. Tens of millions are still  
716 waiting for the air to be safe and clean in their  
717 communities.

718 Also, the harms from air pollution are often not evenly  
719 distributed. All too often, the communities who bear the  
720 brunt of harmful air pollution have been historically  
721 marginalized. These historical factors are, unfortunately,  
722 still with us. So improving air quality doesn't just improve  
723 public health and the environment, it also makes important  
724 progress toward realizing justice. This work took a big step  
725 forward recently when EPA finalized a landmark update

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726 strengthening the annual healthy air standard for fine  
727 particulate matter, or soot.

728 Soot kills people. It also causes or is likely to cause  
729 many other serious health harms. The new standard will help  
730 reduce those harms and also reduce the disproportionate  
731 burden soot places on communities of color and low-income  
732 communities. The bill under discussion today would break the  
733 promise embodied in the Clean Air Act, and would retreat from  
734 the best this country offers.

735 Where the Clean Air Act offers vision, optimism, and the  
736 promise of justice, the bill is shortsighted, defeatist, and  
737 resigned to perpetuating inequity. The Clean Air Act is  
738 working. Pollution is down. The economy is up. The Clean  
739 Air Act has the fundamental premise that Americans have the  
740 right to safe, healthy air based solely on the science about  
741 the harmful effects of air pollution.

742 Because everyone has the right to engage in ordinary  
743 outdoor activities without risking their health and  
744 well-being, we use this science to set national ambient air  
745 quality standards that must protect sensitive subpopulations  
746 like children and older adults. Then, after setting these



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747 science-based standards, we work to attain them in sensible,  
748 effective ways. The net result is that the Clean Air Act  
749 catalyzes innovation, and we benefit, both in terms of health  
750 and welfare and economically.

751 The Clean Air Act has a proven record of producing and  
752 allowing for both pollution reductions and economic growth.  
753 Since 1970, when the modern Clean Air Act started operating,  
754 emissions of the air pollution regulated by standards have  
755 dropped by 78 percent. At the same time, our gross domestic  
756 product has tripled. Decade after decade we have seen that  
757 good public health policy is also good economic policy.  
758 Decades of studies have shown that air pollution harms our  
759 health and, at its most extreme, leads to death.

760 But air pollution also has acute effects that are felt  
761 daily by millions of Americans and can include missed  
762 workdays and missed school days due to illness like asthma or  
763 COPD. Air pollution also affects our cognitive abilities, so  
764 it is no wonder that, as air pollution decreases,  
765 productivity and economic growth increase. Air pollution not  
766 only chokes us, but it chokes our economy.

767 For 54 years the Clean Air Act has worked successfully

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768 to lessen that burden. At the same time, though, erroneous  
769 doom and gloom forecasts from industry have abounded. That  
770 pessimism conflicts with our country's actual experience:  
771 clean air reduction, clean air standards sparking  
772 technological advancements generating deep pollution  
773 reductions along with strong economic growth.

774 Earthjustice and others have explained the flaws in  
775 several recent attacks on EPA's new soot standard as my  
776 written testimony and its attachments detail.

777 Overall, the Clean Air Act is a great deal for our  
778 country. The benefits of the Clean Air Act significantly  
779 exceed the costs. We have substantially improved air  
780 quality, saved and bettered many people's lives, and, in sum,  
781 obtained a huge net benefit for our country. The bill under  
782 consideration should not be adopted. It would weaken the  
783 Clean Air Act radically without a single improvement, rob  
784 Americans of their 54-year right to healthy air based on  
785 medical science, and delay lifesaving health standards  
786 already years overdue.

787 I welcome your questions.

788 [The prepared statement of Mr. Johnson follows:]

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790 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

791

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792           \*Mr. Carter. Thank you, Mr. Johnson.

793           Mr. Noe, you are recognized for five minutes for your

794 opening statement.

795

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796 STATEMENT OF PAUL NOE

797

798           \*Mr. Noe. Thank you, Chairman Carter, and Ranking  
799 Member Tonko, and distinguished members of the committee. My  
800 name is Paul Noe, and I am here today on behalf of the  
801 American Forest and Paper Association and the American Wood  
802 Council. Thank you for the opportunity to speak about  
803 reforming EPA's air quality program.

804           AF&PA represents manufacturers of sustainable paper  
805 products and AWC represents manufacturers of structural wood  
806 products. These products are sourced from sustainably-  
807 managed forests and made in America. Our industry employs  
808 about 925,000 hard-working Americans, producing 5 percent of  
809 our nation's GDP. And I am proud to say our industry has  
810 already cut its greenhouse gas emissions by 24 percent, and  
811 we have a voluntary goal to cut them in half by 2030,  
812 consistent with President Biden's goal.

813           Our members care deeply about the health and well-being  
814 of the communities in which we operate, and we will continue  
815 the work to reduce harmful pollutants using the best  
816 technology. But there is no way to sugarcoat it: our

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817 regulatory process is not working, and we need your help to  
818 fix it.

819       Specific problems manufacturers face with the current  
820 NAAQS program include, first, outdated tools and policies  
821 that require facilities to use multiple worst-case  
822 assumptions and overstate a project's true impacts on air  
823 quality and cause permit gridlock; second, a perpetual cycle  
824 of litigation-driven reviews creates massive regulatory  
825 uncertainty and massive investment uncertainty; and third,  
826 our regulatory system simply does not optimally address the  
827 most impactful emissions.

828       Last week's PM NAAQS rule vividly demonstrates why  
829 common-sense reforms are urgently needed. Under previous PM  
830 standards our industry made substantial capital investments  
831 to modernize, and we made great environmental progress. But  
832 last week's PM NAAQS will no longer permit similarly  
833 beneficial projects. That is a lose-lose for our mills, for  
834 our employees, and the environment.

835       Furthermore, affected communities won't truly benefit  
836 until EPA addresses 84 percent of their particulate matter  
837 that is left unaddressed by this rule from other sources such

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838 as wildfires and road dust. Our mills account for less than  
839 one percent of the PM. We can't have progress on our  
840 nation's air quality objectives that is meaningful by simply  
841 forcing on -- focusing on the same stationary sources that  
842 have been regulated for decades under this program,  
843 especially when the permit program is so challenged and so  
844 unworkable.

845 Let me be clear. This new PM standard is a perfect  
846 storm for permanent gridlock, making it much harder to  
847 modernize facilities and to continue reducing emissions.  
848 EPA's rush to tighten this standard close to background  
849 levels and without a workable implementation plan has caused  
850 a tremendous gridlock.

851 And the rulemaking also sets an unrealistic, 60-day  
852 effective date, which sets a course for this gridlock to  
853 commence right away.

854 It is very frustrating that EPA and the White House  
855 ignored concerns raised not only by industry, but by our  
856 partners in labor and many elected leaders from both parties.  
857 As a result, many current and future modernization projects  
858 are now at risk.

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859           So where do we go from here? The proposed legislation  
860 you are considering today would greatly improve the NAAQS  
861 program. We absolutely support a workable implementation  
862 plan when a standard is lowered, so they can be successfully  
863 attained: establishing a 10-year cycle to increase  
864 uncertainty [sic] and reduce wasteful litigation and  
865 reforming the exceptional events program to prevent  
866 wildfires, which, again, is the largest source of particulate  
867 matter.

868           We applaud the committee for putting this bill forward,  
869 but we also urge you to strengthen it to cover this PM NAAQS  
870 rule to ensure a workable implementation plan when it takes  
871 effect.

872           We also think it is important to clarify what an  
873 acceptable implementation plan should include, to provide for  
874 realistic modeling that reflects where people actually live  
875 and work, and the variability of emissions, and allowing  
876 exceptional events to be accounted for in modeling and  
877 permitting.

878           Unfortunately, this rule is only the tip of the iceberg  
879 because we face a enormous cumulative regulatory challenge



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880 now. Many rules disregard evidence of unintended harms. If  
881 we don't change this trajectory now, we believe American jobs  
882 in many of your districts are at stake, and we stand ready to  
883 work with you to resolve this issue.

884 Thank you for your consideration, and I want to express  
885 my great appreciation for Chair Rodgers's tireless leadership  
886 over two decades to support sustainable manufacturing in  
887 America. Thank you.

888 [The prepared statement of Mr. Noe follows:]

889

890 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

891

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892           \*Mr. Carter. Thank you, Mr. Noe. Okay, we will now  
893 begin questioning, and I want to recognize myself for five  
894 minutes.

895           Mr. Eunice, I will start with you. Thank you for your  
896 testimony today. As you and I know, and as you shared with  
897 everyone, Georgia has one of the best air quality departments  
898 in the nation, and I appreciate you presenting your  
899 perspective on that today.

900           You referenced in your statement that Georgia landed two  
901 of the largest economic development projects in state history  
902 in the last few years, and both of them are EV manufacturing  
903 plants. In fact, you also noted that one of them is in my  
904 district, the single largest economic development project in  
905 the history of our state, a \$5.5 billion investment creating  
906 over 8,100 jobs, probably that much more of an investment in  
907 ancillary businesses, probably that many more jobs in  
908 ancillary businesses. So obviously, we are very excited  
909 about that.

910           But in your testimony it shows that industrial emissions  
911 are a relatively small portion of the emission profile, and a  
912 lot is background and other sources. This seems to miss the

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913 mark for improving air quality. Do you think that standards  
914 should be set that are attainable?

915 \*Mr. Eunice. Absolutely, Mr. Chairman. I think that is  
916 one of the considerations that should be taken by the CASAC  
917 and that EPA should consider. In fact, Georgia's division of  
918 air quality director, Dr. Jim Boylan, formerly served on the  
919 Clean Air Scientific Advisory Committee, and that is a point  
920 that he made in multiple discussions over his six years of  
921 service.

922 \*Mr. Carter. Well, let me ask you this. These two  
923 facilities that we referenced and that have been located in  
924 Georgia, would they have been located there under this  
925 recently finalized PM2.5 standard?

926 \*Mr. Eunice. So in my experience, when an economic  
927 prospect comes into Georgia and asks about specific locations  
928 that they would like to locate their facilities, the first  
929 thing they ask is, is this area in attainment with NAAQS or  
930 not? And if we -- the answer is no, then that list, that  
931 option is very quickly stricken from their consideration,  
932 just because they know the hurdles they will have to go  
933 through will be enormous.

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934           \*Mr. Carter. So if these new standards for PM2.5 are  
935 implemented, would they force the state to create compliance  
936 plans across all the economically active areas of the state,  
937 which constitute about 90 percent of the population, I  
938 believe you said?

939           That is a large, new burden for these communities, isn't  
940 it?

941           \*Mr. Eunice. It would be. And I do want to clarify  
942 that some of these areas, after we do some additional  
943 modeling, may not end up being a non-attainment, but from our  
944 initial estimates this is what -- 90 percent of the  
945 population of our state would be impacted.

946           \*Mr. Carter. All right, thank you, Mr. Eunice.

947           Mr. Noe, I will go to you. As you know, we got a lot of  
948 paper mills in south Georgia.

949           \*Mr. Noe. Yes, sir.

950           \*Mr. Carter. In fact, my dad worked in a paper mill for  
951 33 years, and made sure that I worked there for two summers,  
952 and I couldn't get back to college quick enough. I will tell  
953 you. You work on a broke beater in a paper mill, and it will  
954 make you want to go back and study hard. So I appreciate

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955 your industry and everything that you all do.

956 But as you know, today we are examining this draft  
957 legislation to modernize NAAQS and the standard-setting  
958 process. As part of that modernization effort, do you think  
959 we should look at the -- providing more time for compliance  
960 in this draft bill?

961 \*Mr. Noe. Here is what we need, Mr. Chairman. The  
962 short answer is yes, but this is what is critical. We need a  
963 real-world, workable implementation plan with the rule. We  
964 have got things ass-backwards now. The rule comes out, it is  
965 tightened dramatically, we don't have a workable  
966 implementation plan. That is a recipe for permanent  
967 gridlock, and we have been asking the agency for a decade to  
968 reform its broken air permit program.

969 \*Mr. Carter. You know, the proponents of this have --  
970 the new PM2.5 standard -- have said that industry always  
971 adapts. And to a certain extent, that is true, and we  
972 appreciate that. But is that really the case when the  
973 standard is getting so close to the background levels?

974 I mean, you in your testimony said, you know, there is  
975 only so much you can do.

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976           \*Mr. Noe. Well, here is the problem, okay? Because we  
977 have this broken permit program, projects are in jeopardy all  
978 across our country.

979           [Chart]

980           \*Mr. Noe. The map that is behind you, the maps at page  
981 17 of my testimony shows that the country lights up -- no  
982 longer do we have much green, which is go, you can go  
983 forward. We have got a lot more red, non-attainment. But  
984 what is huge is the pink.

985           And what that means is the standard is at 9, but average  
986 background in this country is 8. This is simple math. You  
987 typically need three micrograms, modeled micrograms, for a  
988 project to be approved. The math no longer works because you  
989 can only say eight plus one. If you are plus anything beyond  
990 one, you are at grave risk that no project can happen. That  
991 map shows it in dramatic detail, and those black dots on that  
992 map are real permits that were approved at 12 that would be  
993 blocked at 9.

994           \*Mr. Carter. Great. Thank you, Mr. Noe, and thank all  
995 of you for being here.

996           I will yield back, and at this time recognize the

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997 ranking member, Mr. Tonko, for five minutes of questioning.

998 \*Mr. Tonko. Thank you, Mr. Chair.

999 As I expressed earlier, it is critically important that  
1000 these standards are based on the latest science to ensure  
1001 they are health protective. However, I am concerned that  
1002 several provisions in the majority's proposal will undermine  
1003 those efforts. For example, the proposal would change the 5-  
1004 year review cycle to a 10-year cycle.

1005 Mr. Johnson, what would be the consequences of making  
1006 that order of change?

1007 \*Mr. Johnson. Thank you, Representative.

1008 Well, scientists are continually studying the effects of  
1009 air pollution, and sometimes even over the span of a few  
1010 years there can be significant new science that is developed,  
1011 and we saw this with the soot standard, where studies from  
1012 2018 to 2021, just a 3-year period, strengthened the showing  
1013 that historically marginalized communities like low-income  
1014 communities are disproportionately burdened by soot pollution  
1015 and its harmful effects.

1016 So frequent review of the standards is necessary to  
1017 ensure that they keep up with the developing science, and

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1018 this is especially important for communities that we are  
1019 learning or confirming are especially harmed by air  
1020 pollution.

1021 \*Mr. Tonko. And there could be a lot of science  
1022 produced in a short period of time. For example, the 2020  
1023 Ozone Standard Review included more than 1,700 new studies  
1024 that were published since EPA's 2015 review of that standard.

1025 So Mr. Johnson, if we are committed to having our  
1026 environmental protections be based on the latest best  
1027 available science, would shifting to a 10-year review cycle  
1028 undermine that goal?

1029 \*Mr. Johnson. Absolutely, it would undermine the goal  
1030 because it would make it -- EPA's reviews often run long and,  
1031 if they are given more time, they would run longer. And the  
1032 whole time that is happening, who would be left behind? It  
1033 would be the people who are most harmed by the air pollution  
1034 that they are breathing, and they wouldn't have stronger  
1035 protections to keep them well.

1036 \*Mr. Tonko. Mr. Johnson, I would also like to ask you  
1037 about the legislation's proposed changes to the Clean Air  
1038 Scientific Advisory Committee. Currently, the CASAC is



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1039 statutorily required to have seven members, with at least one  
1040 from a state agency. What is the role of the CASAC today?

1041 \*Mr. Johnson. Sure. The role of the CASAC is hugely  
1042 important. As I mentioned, this is, you know, sort of a  
1043 unique opportunity for regulators to engage with developing  
1044 science. And it can be very fast moving science, so it is  
1045 really important, I think, to have, you know, people who are  
1046 really deeply immersed in it and who are focusing on what the  
1047 standard's role is, which is to say this is what the science  
1048 says is safe and healthy for people to breathe.

1049 \*Mr. Tonko. So would you say it is to inform EPA's  
1050 consideration of the latest science when reviewing standards,  
1051 or is it more focused on implementation and feasibility of  
1052 standards?

1053 \*Mr. Johnson. CASAC's role in the standard-setting  
1054 process is integral. It is hugely important. That is what  
1055 they focus on. And the standards are science and health-  
1056 based. They do not and cannot -- and properly do not and  
1057 should not -- take into account predictions of feasibility or  
1058 attainability.

1059 \*Mr. Tonko. I know that states could have tremendous

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1060 technical and scientific expertise, and I am proud that a  
1061 representative from New York's Department of Environmental  
1062 Conservation is serving on that committee.

1063         So while it is important for states to have an ability  
1064 to contribute to scientific reviews of standards, I also  
1065 believe states are just one of several important  
1066 contributors. Mr. Johnson, are you concerned that this  
1067 proposed change to CASAC's membership may tip the balance of  
1068 the committee?

1069         \*Mr. Johnson. Oh, absolutely. States do indeed have an  
1070 important role to play as regulators, and they offer some  
1071 expertise, certainly, in science. But like I said, I think  
1072 this is a very good opportunity for -- it is important for  
1073 the members of the Scientific Advisory Committee to be sort  
1074 of fully immersed in the science that is going on and the  
1075 scientific research that is going on.

1076         \*Mr. Tonko. So some of these changes, obviously, are  
1077 going to really change the approach as we have known it, and  
1078 so I thank you for your responses.

1079         Mr. Chair, I thank you again for holding this hearing,  
1080 but I do want to reiterate my serious concerns with this

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1081 proposal. And with that I yield back.

1082 \*Mr. Joyce. [Presiding] The gentleman yields. The  
1083 chair now recognizes the gentleman from Alabama, Mr. Palmer,  
1084 for his five minutes of questioning.

1085 \*Mr. Palmer. I thank the chairman. Mr. Noe, what  
1086 causes asthma?

1087 \*Mr. Noe. I am not a health expert.

1088 \*Mr. Palmer. Well, even the health experts --

1089 \*Mr. Noe. But --

1090 \*Mr. Palmer. -- don't know, but I just wanted to give  
1091 you a chance to respond to that, because what we have seen  
1092 since 1980 is a 60 percent reduction in emissions, despite  
1093 the fact that the economy has grown over 700-and-something  
1094 percent, vehicle miles driven is up 113 percent, population  
1095 is up 42 percent, I think.

1096 The issue here about air quality is a valid issue, but  
1097 the fact of the matter is that we don't know what causes a  
1098 lot of the respiratory illnesses, particularly asthma. What  
1099 we have found is that people in -- lower-income people who  
1100 have poor housing, poor diets, poor access to health care are  
1101 the ones where we have seen the predominant increase in

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1102 asthma rates.

1103           So when you talk about -- and you made a great point  
1104 about this -- the unbelievable economic damage that it  
1105 imposes on people who don't have access to better-paying jobs  
1106 -- and when you don't have access to better-paying jobs, they  
1107 don't -- they can't afford better housing, they can't eat  
1108 better, they don't have access to health care -- in many  
1109 respects what my colleagues across the aisle are advocating  
1110 is really going to be more problematic for people who are  
1111 struggling with these diseases. It doesn't make any sense.

1112           I look at what we have done just in reduction of  
1113 particulate matter. I have worked for two engineering  
1114 companies, one of which -- in combustion engineering and  
1115 environmental systems. And we have done -- made tremendous  
1116 progress in reducing emissions, and particularly particulate  
1117 matter, yet asthma rates have continued to go up.

1118           So I want to raise the proposition here that, as our  
1119 economy has gotten better -- and by the way, the economy is  
1120 not necessarily a measure of GDP, because GDP is a measure of  
1121 inputs, which is spending. And although my Democratic  
1122 colleagues and the Biden Administration want to keep talking

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1123 about the economy is doing better, people are not doing  
1124 better. The cost of living continues to go up. I think the  
1125 market reflected that a couple of days ago, when the stock  
1126 market went into a tailspin, when inflation was higher than  
1127 expected.

1128 But I would like for you to just talk a little bit more  
1129 about what -- the burden that we are putting on business and  
1130 the inability to provide high-paying jobs and better living  
1131 conditions.

1132 \*Mr. Noe. Yes, let me be clear, Congressman. We  
1133 embrace the twin goals of the Clean Air Act to promote public  
1134 health and the environment, as well as the productive  
1135 capacity of the nation. And I think the good news is we can  
1136 do both, we have done both. We can continue to do both.

1137 But what we need is, when a standard is lowered, we need  
1138 an implementation plan that is based on the real world. We  
1139 need a real-world implementation plan that can work. Why do  
1140 we need that? Because what we can't have is gridlock in the  
1141 permit system where we can't modernize our facilities. Why  
1142 is that important? It is not just for American jobs, it is  
1143 not just for economic growth, it is not just for growing and

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1144 reshoring manufacturing. Those projects make environmental  
1145 progress. When you make a manufacturing facility more  
1146 efficient, you not only reduce emissions of particulate  
1147 matter, but you reduce greenhouse gases and every other  
1148 emission. That is the win-win we need to get --

1149 \*Mr. Palmer. But that is what we have accomplished over  
1150 the last 44 years.

1151 \*Mr. Noe. Yes, sir.

1152 \*Mr. Palmer. Because we have been able to meet these  
1153 standards, and the EPA has continued to increase the  
1154 requirements. But we have always been able to meet them.

1155 One of my big problems with this is that about 25  
1156 percent of the air pollution over California, for instance,  
1157 originated in China. We have had several people mention the  
1158 wildfires. Is it -- it is unreasonable, I think, to expect  
1159 businesses to be responsible for meeting some of these  
1160 standards, because so much of what they are having to deal  
1161 with was -- originated in Asia or from a wildfire.

1162 \*Mr. Noe. That is why we say it is so important to have  
1163 a real-world implementation plan, and that is why it is so  
1164 important to look at the whole issue and be realistic about

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1165 the things you are talking about, Congressman, like  
1166 international transport of emissions, wildfires. The current  
1167 program is not doing that.

1168 It doesn't make sense to me, from a public health  
1169 perspective, to only look at 16 percent of PM emissions and  
1170 ignore 84 percent. I personally don't see how that fulfills  
1171 the agency's responsibility to protect public health. And it  
1172 doesn't work very well. We are now at a point where the  
1173 standard is set close to average U.S. background, and our  
1174 modernization projects that could reduce emissions as well as  
1175 create high-paying American jobs are going to be gridlocked,  
1176 and that is alarming.

1177 \*Mr. Palmer. I thank the gentleman for his response.  
1178 I yield back.

1179 \*Mr. Joyce. The gentleman yields. The chair now  
1180 recognizes the gentlelady from Colorado, Ms. DeGette.

1181 \*Ms. DeGette. Thank you, Mr. Chairman. After the last  
1182 questions I have many thoughts and only five minutes. So let  
1183 me see if I can put this in context.

1184 First of all, I have lived my entire life in Denver,  
1185 Colorado. In the 1970s the pollution from particulates was

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1186 so bad in Denver, Colorado you couldn't see the mountains on  
1187 most days. And then the Clean Air Act was passed and  
1188 implemented. And now, in the winter time most days, it is  
1189 crystal clear and beautiful. If you -- I urge everyone to  
1190 come to Denver, and then you can go skiing up in the  
1191 mountains, assuming we have snow. But that was as a result  
1192 of the Clean Air Act.

1193 And the previous questioner, I don't think he meant to  
1194 say this, but what I heard was an allegation that the Clean  
1195 Air Act didn't really have health benefits, which is just not  
1196 true from all the studies that you can read. A recent study  
1197 showed that the annual benefits from cleaner air include up  
1198 to 370,000 avoided premature deaths, 189,000 fewer hospital  
1199 admissions, and also economic benefits of up to \$3.8 trillion  
1200 for the economy.

1201 And I see, Mr. Noe, you are nodding yes. And I think  
1202 everybody in the business community would probably agree with  
1203 that. I surely see in my own family and in my own  
1204 constituents asthma has really gone down because of the Clean  
1205 Air Act.

1206 But unfortunately, that doesn't mean that we no longer



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1207 need to have the Clean Air Act or that we need no need to no  
1208 longer strengthen the Clean Air Act. Sadly, what is  
1209 happening in Denver, Colorado right now, we fixed the  
1210 particulate problem in the winter, but in the summer now we  
1211 have the ozone problem. And the last couple of years in  
1212 Denver, Colorado, now we can't see the mountains in the  
1213 summer because of ozone. A lot of that is because of  
1214 population growth along the Front Range in Colorado and our  
1215 geography. Some of it is due to wildfires in the western  
1216 United States and in Canada, where the smoke comes down.

1217 I have never met one environmental regulator who thought  
1218 that we should make businesses pay for what happened in  
1219 wildfires. But what we do have to do is make sure that  
1220 businesses are complying with environmental regulations so  
1221 they are not adding to the natural problems that we have  
1222 already.

1223 So I want to ask you, Mr. Johnson, about a couple of the  
1224 provisions of this discussion draft -- section 2(e), in  
1225 particular -- which seems to me to undermine decades of the  
1226 Clean Air Act and weaken air quality standards.

1227 The Clean Air Act requires a large, new, or expanding

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1228 industrial facility to get an air pollution permit before  
1229 starting construction. The facility has to commit to install  
1230 pollution controls, and it has to demonstrate that its  
1231 emissions won't produce unhealthy levels of air pollution in  
1232 the area. If the facility's pollution would cause the area  
1233 to violate an air pollution standard, then the facility has  
1234 to do more to reduce or offset the emissions.

1235 But 2(e) of the draft law creates a loophole. If the  
1236 EPA fails to meet the new procedural requirements, the  
1237 proposal would allow the facility to get a permit by  
1238 measuring its emissions against an outdated, less protective  
1239 air quality standard. So some witnesses have referred to  
1240 this as "amnesty.'" I would like it, Mr. Johnson, if you  
1241 could just tell us briefly what the practical effect of  
1242 allowing a new facility to be permitted under an outdated  
1243 standard would be. How would existing facilities be impacted  
1244 by such a change?

1245 \*Mr. Johnson. Well, I think, as Mr. Noe said before,  
1246 that gets it ass-backwards. It allows for air pollution  
1247 problems to occur, and then seeks to solve them rather than  
1248 preventing them up front, which is what the Clean Air Act

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1249 recognizes today is the cheaper, more efficient, better  
1250 solution.

1251 \*Ms. DeGette. That is right. And another concern with  
1252 section 2(e) of the draft is that it assumes that it is a  
1253 huge problem if EPA does not issue rules and guidance at the  
1254 same time as the new air quality standard. Do you think it  
1255 is always necessary for EPA to issue guidance at the same  
1256 time EPA finalizes a revised standard?

1257 \*Mr. Johnson. There are cases where that is not  
1258 necessary. For example, EPA's current PM implementation rule  
1259 covers all future PM standards. It would be -- there is  
1260 nothing really necessary to do now.

1261 \*Ms. DeGette. Right, thank you.

1262 I yield back.

1263 \*Mr. Joyce. The gentlelady yields. The chair now  
1264 recognizes the chair of the entire committee, Mrs. McMorris  
1265 Rodgers.

1266 \*The Chair. Thank you, Mr. Chairman.

1267 Just taking off where we just ended, I take -- I guess I  
1268 just don't agree with this idea that there is no issue  
1269 guidance necessary. I met with a company yesterday who has

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1270 two new plants that they are -- they would like to move  
1271 forward on. They have been working through the permitting  
1272 process with this new rule. You know, they have 60 days to  
1273 implement, and they have no way to implement because this --  
1274 what is being proposed by the EPA is completely unattainable.  
1275 There is no technology.

1276 And we are not talking about saying we no longer support  
1277 the Clean Air Act. We absolutely are committed to the Clean  
1278 Air Act and making sure that it works for everyone, and that  
1279 America continues to have the best, cleanest air in the  
1280 world. And we do, and we have, and we are committed to that.  
1281 But we have got to do it in a way where it actually -- the  
1282 standard-setting process works, and that we can actually  
1283 manufacture and build in America.

1284 You know, let's see. So last year we passed the  
1285 legislation funding micro processing plants in the United  
1286 States, billions of dollars. And I said at the time I think  
1287 we probably need to address the permitting. And I was told,  
1288 oh, no, permitting won't be a problem. And this year they  
1289 are wanting to come in and not only are they saying  
1290 permitting is a problem, they are saying they want to be

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1291 exempted completely. Wouldn't everyone like to be exempted?

1292 We are not talking about exempting people completely.

1293 We are talking about a process that is broken, and we need to

1294 we need to have a process that is going to work so that we

1295 can actually build and manufacture in America with the -- and

1296 have the highest standards. So Mr. Noe, I would like to

1297 start with you.

1298 Mr. Noe, could you -- would you say the standard-setting

1299 process is broken, and would you elaborate?

1300 \*Mr. Noe. Here is the problem. When you lower a

1301 standard almost to background, and you don't have a workable

1302 permit program that is based on the real world, a realistic

1303 permit program, you are not -- you are going to gridlock

1304 permits because the way the math works is quite simple,

1305 actually.

1306 The standard is at nine; average U.S. background is

1307 eight; headroom to get a permit has to be eight plus

1308 something, and if it is anything over one you don't get the

1309 permit. The average headroom a permit needs for a

1310 significant project is three. Eight plus three is more than

1311 nine. The project is not going to proceed in that

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1312 circumstance, and this is a serious problem all around the  
1313 country. And the map that was up before that is on page 17  
1314 of my testimony shows that the map lights up in pink.

1315 Bear in mind those areas are in attainment, but they are  
1316 so close to the standard there is no headroom to get the  
1317 permit. It is gridlock all over the country.

1318 And just to audit our own findings, we went back and  
1319 looked at 28 real permits that went forward under the prior  
1320 standard of 12. And we asked ourselves, well, what would  
1321 happen if the standard were lowered to 9? Almost 80 percent  
1322 of those projects fail.

1323 So this is what we mean, Chair Rodgers, when we talk  
1324 about a permit gridlock crisis.

1325 \*The Chair. Thank you. As a follow-up, what percentage  
1326 of emissions would industrial facilities represent,  
1327 typically?

1328 \*Mr. Noe. All of industry is about 16 percent of the PM  
1329 inventory, 84 percent is unaddressed by the rule. Our  
1330 industry is one percent.

1331 \*The Chair. Thank you. What are the main sources of PM  
1332 levels?

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1333           \*Mr. Noe. The main sources are sources unaddressed by  
1334 the rule such as wildfires, road dust, and other sources.

1335           \*The Chair. Mr. Eunice, we heard testimony last  
1336 September that ratcheting down particulate matter standards  
1337 making -- makes reducing wildfire risk even harder. Will  
1338 lower standards make it more difficult to manage wildfire  
1339 risk?

1340           \*Mr. Eunice. The short answer is yes, Madam Chair, they  
1341 absolutely will.

1342           \*The Chair. EPA has been notoriously uncertain and  
1343 costly in approving prescribed burns and exceptional events,  
1344 and there is always a threat of litigation. Would you agree  
1345 we should make clear in the law that states shouldn't be  
1346 punished for wildfire mitigation that will actually reduce  
1347 wildfire damage and pollution?

1348           \*Mr. Eunice. Yes, Madam Chair.

1349           \*The Chair. Thank you.

1350           Mr. Netram, the way NAAQS process is functioning risks  
1351 offshoring of critical economic investments to places with  
1352 awful environmental, labor, and human rights standards such  
1353 as China. Would you agree?

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1354           \*Mr. Netram. I do agree with that. We are in a global  
1355 battle for industrial investment. If those dollars don't end  
1356 up in the U.S. with our high standards, they will be  
1357 someplace with much lower protections.

1358           \*The Chair. Thank you. Should we have a standard-  
1359 setting process that does not drive these economically vital  
1360 investments away from the United States of America?

1361           \*Mr. Netram. I absolutely agree with that, and I think  
1362 taking considerations in addition to public health, like  
1363 achievability and economic considerations, is a reasonable  
1364 exercise.

1365           \*The Chair. I believe we can have both.  
1366 I yield back.

1367           \*Mr. Joyce. The gentlelady yields. The chair now  
1368 recognizes the gentlelady from Illinois, Ms. Schakowsky, for  
1369 her five minutes of questioning.

1370           \*Ms. Schakowsky. Thank you, Mr. Chairman.

1371           I would really label this draft legislation as the soot  
1372 protection act, and I am not happy about what I am hearing  
1373 from industry because we are seeing at this time the greatest  
1374 investment that we have seen in a long time in infrastructure



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1375 and in construction and job creation right now in this  
1376 Administration.

1377         You know, I am very concerned about my city of Chicago,  
1378 where up to two -- up to one out of three children has been  
1379 suffering from higher levels of asthma and other various  
1380 breathing problems because of pollution in the communities,  
1381 and we need to do something about this. And I don't think  
1382 that is an either-or choice. I think we can have the kind of  
1383 growth in our economy as well as protecting our families.

1384         So the EPA -- let's talk about jobs. The EPA has  
1385 estimated that this rule would prevent 290,000 jobs lost  
1386 because workers not able to work because of the effects of  
1387 the pollution [sic]. And it estimates that it will save \$46  
1388 billion in health care costs by 2030. It seems to me that  
1389 that is a fair trade-off. If there are some difficulties or  
1390 some challenges, that we meet them in the corporate sector,  
1391 and that we make sure that we protect our people.

1392         So Dr. Johnson, I just wanted to ask if you could  
1393 discuss how this draft bill, the bill that we are considering  
1394 today, which I am not in favor of, on -- what kind of effect  
1395 it would have on -- if you see that this would actually save

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1396 enough children and enough people to make it worth the --  
1397 worth doing.

1398 \*Mr. Johnson. Thanks. Just for the record, I am not a  
1399 doctor.

1400 \*Ms. Schakowsky. Did I say Doctor?

1401 \*Mr. Johnson. I think you called me Dr. Johnson.

1402 \*Ms. Schakowsky. Oh, I am sorry.

1403 \*Mr. Johnson. I do not want to have that  
1404 responsibility.

1405 \*Ms. Schakowsky. Okay.

1406 [Laughter.]

1407 \*Mr. Johnson. But I think this bill would jeopardize  
1408 people's health and, well, their productivity in two big  
1409 ways, both in the standard-setting process and in the  
1410 standard-implementing process, which would jeopardize health  
1411 tremendously.

1412 \*Ms. Schakowsky. So it seems to me that when we are  
1413 talking about the creation of businesses, that we ought to be  
1414 also considering the workers. And so if we have a better  
1415 standard, and making sure that those jobs are safer and  
1416 cleaner, that that would be a really positive outcome.

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1417           And also, Mr. Johnson, I wondered if you could also talk  
1418 about why it is important for the EPA to make sure that --  
1419 let me see. Let me -- if I could read properly -- how about  
1420 low-income communities is what I really want to ask you  
1421 about, because often those are the places that construction  
1422 projects are put. It is easier to get a permit to go there.  
1423 So why is it important for us to especially focus on low-  
1424 income communities?

1425           \*Mr. Johnson. Soot is one of the more well-studied  
1426 pollutants in terms of its disparate impacts, and those  
1427 studies have established and well established that several  
1428 types of communities, including low-income communities, are  
1429 more burdened by exposure to soot pollution and by also  
1430 harmful health effects, especially death resulting from soot  
1431 pollution.

1432           And so I think, you know, making sure that we are taking  
1433 that into account, and making sure that we put that first in  
1434 our mind so that we can put people first is really important.  
1435 And that will have benefits, substantial benefits for  
1436 everybody, but especially for the people who have,  
1437 unfortunately, borne the burden for far too long.

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1438           \*Ms. Schakowsky. Thank you so much.

1439           And I yield back.

1440           \*Mr. Carter. [Presiding] The gentlelady yields. The  
1441 chair now recognizes the vice chair of this committee, the  
1442 gentleman from Pennsylvania, Dr. Joyce.

1443           \*Mr. Joyce. First I want to thank Chairman Carter and  
1444 ranking Member Tonko for holding today's important hearing on  
1445 a legislative fix to EPA's proposed PM2.5 rule, and for the  
1446 witnesses for appearing with us.

1447           The National Ambient Air Quality Standard, NAAQS,  
1448 setting process is broken. The evidence of this is in EPA's  
1449 proposed PM2.5 rule, which is unworkable for states and  
1450 draconian for businesses. Sadly, this is all part of a  
1451 worrying trend in the EPA of extreme regulations and  
1452 government overreach.

1453           There is a misconception among many here in Washington  
1454 that manufacturing is strictly based in urban centers. Yes,  
1455 in south central Pennsylvania we produce coal, natural gas,  
1456 agricultural goods. But in Pennsylvania's 13th congressional  
1457 district there is also a vibrant manufacturing section in my  
1458 district that includes sectors such as steel, glass,

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1459 aviation, aluminum, and paper. In these small towns the  
1460 manufacturers are the economic heartbeat of the communities.

1461 The paper industry is a great example of this, with  
1462 companies like International Paper in Biglerville, like  
1463 Nittany Paper in Mifflin County, and like American Eagle  
1464 Paper Products in Blair County, each being integral and  
1465 economical parts of the communities in which they reside.

1466 Sadly, PM2.5 will make it harder for these industries to  
1467 survive, and harder to thrive. These companies have stayed  
1468 in business by continuing to update and innovate their  
1469 production of goods. American manufacturing today is the  
1470 cleanest and the most efficient it has ever been. PM2.5 will  
1471 make it difficult to impossible for businesses in my district  
1472 to adapt and modernize against international competition.  
1473 The new, complex permitting process that manufacturers will  
1474 be forced to go through will scare away capital, and it will  
1475 scare away new investments, all of this under the guise of  
1476 public health.

1477 For the record, I am a doctor, and I have practiced  
1478 medicine for over 25 years. Caring about my constituents'  
1479 health is not a political slogan, it is what I dedicated my

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1480 life and my education to. And I can tell you from my  
1481 personal experience the way to improve healthy outcomes in a  
1482 community is not to choke off economic development. It is to  
1483 enforce and lift up the community regulators that overreach  
1484 and take them away from the equation. It is to allow  
1485 businesses to survive and businesses to thrive. The EPA  
1486 needs to stop acting like it operates in a faulty vacuum, and  
1487 start to recognize that -- the real world effects it has on  
1488 American families.

1489 My first question is for you, Mr. Noe. Thank you for  
1490 being here to represent the paper industry. As I mentioned,  
1491 paper mills are critical to small towns throughout my  
1492 district. How would PM2.5 affect continued investment in  
1493 them, their ability to modernize, and their long-term  
1494 viability?

1495 \*Mr. Noe. Here is the problem, Congressman, and thank  
1496 you for the question.

1497 If EPA sets a standard close to background with a permit  
1498 program that greatly overestimates the headroom needed for  
1499 the permits, you have permit gridlock. Modernization  
1500 projects can't proceed.

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1501           What do I mean? Replacing older boilers, kilns, and  
1502 furnaces with modern, efficient ones. Expanding lumber  
1503 production to build new, affordable homes that sequester  
1504 carbon. Repurposing a mill from making something like  
1505 newsprint to sustainable packaging. This is where the Clean  
1506 Air Act wanted us to be, which is where we can promote  
1507 economic growth, we can promote high-paying jobs in America,  
1508 and we can also make environmental progress. Because when  
1509 you make these facilities more efficient using best controls,  
1510 you make both economic and environmental progress. That is  
1511 the win-win we need.

1512           \*Mr. Joyce. And that win-win my friends on the other  
1513 side of the aisle don't seem to recognize. They talk about  
1514 situations where, in past regulations, industry complains but  
1515 end of the day they comply.

1516           From your view, what is different this time?

1517           \*Mr. Noe. There is something very different right now,  
1518 and it is very serious. And it is the basic issue I had  
1519 explained where never before in history have NAAQS standards  
1520 become so close to background. The PM max is literally one  
1521 microgram from average background in the U.S. You tip -- for

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1522 a significant project, you need three, as I said before. So  
1523 the permit can't proceed in that situation --

1524 \*Mr. Joyce. So with that narrow window, will industry  
1525 be stifled?

1526 \*Mr. Noe. Absolutely.

1527 \*Mr. Joyce. Within that narrow window, will jobs be  
1528 lost?

1529 \*Mr. Noe. Absolutely.

1530 \*Mr. Joyce. Within that narrow window, will my  
1531 constituents not have the family-sustaining wages with health  
1532 insurance that they are used to?

1533 \*Mr. Noe. That is exactly the problem.

1534 \*Mr. Joyce. My time has expired, Mr. Chairman, I yield.

1535 \*Mr. Carter. The gentleman yields. The chair now  
1536 recognizes the ranking member of the full committee from New  
1537 Jersey, Mr. Pallone, for five minutes of questions.

1538 \*Mr. Pallone. Thank you, Mr. Chairman.

1539 Every time EPA proposes a new policy we hear the same  
1540 litany of arguments over why it can't be done. These  
1541 arguments rely on these exaggerated and unsupported claims  
1542 about implementation costs, job losses, minimal health



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1543 benefits. I mean, I have just heard these doomsday claims  
1544 over and over again. It never stops.

1545 Mr. Johnson, what does the history of the Clean Air Act  
1546 tell us about the relationship between environmental health  
1547 and safety regulations and our economy, please?

1548 \*Mr. Johnson. It tells us that we can have both, and we  
1549 do have both.

1550 \*Mr. Pallone. Now, one of the exaggerated -- truly  
1551 exaggerated -- Republican claims being circulated about the  
1552 new PM2.5 standard is that the majority of counties around  
1553 the nation will be in non-attainment. Of course, this  
1554 conflicts with EPA's own analysis.

1555 [Chart]

1556 \*Mr. Pallone. Now, we have this map here. Most  
1557 counties with monitors already meet the strength and particle  
1558 pollution standard. Look at the map. The overwhelming  
1559 majority of the United States is in light green. These are  
1560 counties with air monitors that already meet the more  
1561 protective standards.

1562 So Mr. Johnson, you mentioned this false Republican  
1563 claim in your testimony. Can you expand on why their

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1564 analysis is not realistic?

1565           \*Mr. Johnson. Sure. So the approach that was used in  
1566 those maps is not the approach that EPA has ever taken to  
1567 making designations under a PM standard.

1568           And indeed, EPA last week put out a memorandum that  
1569 confirmed that it is not going to follow -- does not intend  
1570 to follow that approach, but rather would follow its  
1571 historical approach, which is a careful, thoughtful approach  
1572 that looks at a variety of factors and has never resulted in  
1573 a map that looked like that.

1574           \*Mr. Pallone. So the National Association of  
1575 Manufacturers released a report that, as you mentioned today  
1576 -- about the economic effects associated with the stronger  
1577 PM2.5 standard. True to form, the report paints a dark  
1578 picture.

1579           Mr. Johnson, based on your Clean Air Act expertise, what  
1580 do you think of their report and the potential economic  
1581 impacts?

1582           I know you have commented on it already, but I would  
1583 like you to comment on the potential economic impacts, if you  
1584 could.

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1585           \*Mr. Johnson. Sure. I think it is important to note  
1586 that the report doesn't even claim to say this is what will  
1587 result economically from stronger standards. It says this is  
1588 an amount that could be exposed to regulation. That is very  
1589 different from saying that is job losses or economic growth  
1590 or any sort of thing that will be lost. It is just a measure  
1591 of exposure.

1592           And, you know, I think the report has also got some  
1593 flaws. It assumes that there won't be any improvements in  
1594 technological controls. And that is just not what we have  
1595 seen historically. Part of the genius of the Clean Air Act  
1596 is that it assumes, it predicts. It believes that we, our  
1597 country, with innovative business and innovative -- we can  
1598 innovate, we can come up with solutions. And industry touts  
1599 how innovative it is, yet they seem to doubt themselves in  
1600 this circumstance.

1601           But what we have seen is predictions of doom and gloom  
1602 routinely falsified by reality. In the late 1970s early  
1603 1980s the City of Houston argued that it could never, ever  
1604 meet the 1979 ozone standard. It said it was impossible,  
1605 unattainable. In 2013 it met it, and it has remained

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1606 monitoring attainment ever since. So future predictions are  
1607 not necessarily future realities. We can do better. We have  
1608 shown that we do do better.

1609 \*Mr. Pallone. Well, thank you. You know, I -- since  
1610 the beginning of the Clean Air Act polluters have cried wolf  
1611 every time EPA has issued a new rule to protect public  
1612 health. They have claimed time and again that a new clean  
1613 air rule will lead to economic ruin. But those claims just  
1614 never come true. They are exaggerated. And once again they  
1615 are being used to justify this dangerous legislation that  
1616 will leave communities exposed to the harmful impacts of air  
1617 pollution.

1618 You know, I want to say when I -- a long time ago I was  
1619 a freshman in college and I came down to Washington, and I  
1620 was working on the Clean Air Act. You know, I think it was  
1621 just -- I don't know if it was just being adopted or  
1622 whatever. And Nixon was the President. And most of the  
1623 people, a lot of the people that were preaching that we  
1624 needed the Clean Air Act and make it pass were Republicans,  
1625 right? All very concerned about the environment.

1626 Contrary to what Mr. Noe said, the emphasis was not on

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1627 the economic impact, the emphasis was on the pollution impact  
1628 to save people's lives, to be -- make sure we were breathing  
1629 clean air. And I don't know how that got switched around. I  
1630 don't know how the primary focus of my colleagues on the  
1631 other side now is all about the economy and jobs. I am not  
1632 saying the economy and jobs aren't important, but you can't  
1633 do anything if you can't breathe, and that still should be  
1634 the primary focus that we have to be able to clean -- to  
1635 breathe clean air.

1636 But thank you. Thank you, Mr. Chairman.

1637 \*Mr. Carter. The gentleman yields. The chair now  
1638 recognizes the gentleman from Georgia, Mr. Allen, for five  
1639 minutes of questioning.

1640 \*Mr. Allen. Thank you, Chair Carter, for holding this  
1641 important hearing on the National Ambient Air Quality  
1642 standards-setting process. I thank our witnesses today.

1643 I would also like to welcome Mr. John Eunice from my  
1644 beloved state of Georgia for being here today to share the  
1645 challenges of implementing air quality standards.

1646 We are looking at a discussion draft today to improve  
1647 the National Ambient Air Quality Standards. Last year we had

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1648 a hearing on the proposed standards for fine particulate  
1649 matter, PM2.5, from the Biden Environmental Protection  
1650 Agency.

1651       Recently, the Biden Administration announced their final  
1652 PM2.5 standard, which will, as we are hearing, have  
1653 devastating impacts on manufacturing. This announcement  
1654 shows the need to improve the process for assessing air  
1655 standard or air quality standards.

1656       Of course, Mr. Noe, you need to respond maybe to what  
1657 was just said to you earlier, but you make a compelling  
1658 argument in your testimony for sustainable regulation. In  
1659 your testimony you talk about many ways the current permit  
1660 system is broken. Is that what the Clean Air Act was set up  
1661 to do?

1662       \*Mr. Noe. Not at all. The Clean Air Act -- Congress  
1663 was quite clear in the very beginning of the Act. Congress  
1664 said there is twin purposes to the Act: to promote public  
1665 health and air quality, as well as the productive capacity of  
1666 the nation. And as I said before, the good news -- no one is  
1667 disagreeing with that on this panel. We are for both.

1668       The problem we have got now is because, for the first

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1669 time in history, the PM standard is so close to background it  
1670 is going to result in huge gridlock for projects that will  
1671 both promote American jobs, which is why our workers were up  
1672 here visiting with you all just weeks ago, but it is also  
1673 going to allow for environmental -- continued environmental  
1674 progress. And not just on PM, but on greenhouse gases and  
1675 every other emission.

1676 \*Mr. Allen. Yes.

1677 \*Mr. Noe. Efficiencies, that sweet spot where we can  
1678 meet the twin purposes of the Clean Air Act, that is what we  
1679 want to do.

1680 So you don't want unintended outcomes where you gum up  
1681 the works for things that are a win-win for jobs and the  
1682 environment. That is where we are.

1683 \*Mr. Allen. Well, the permit process is a real problem  
1684 in the country. I mean, we can't get pipelines permitted.  
1685 It would -- we could power Europe and burn the air 42 percent  
1686 cleaner, which would be good for all of us.

1687 How can this -- how can the draft legislation get this  
1688 process back on course for the people?

1689 What is this legislation going to do?

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1690           \*Mr. Noe. The legislation does some very needed things,  
1691 and the first one is to say, when you lower a standard, the  
1692 agencies responsible for developing a workable implementation  
1693 plan. That is basic, common sense. If they had done that,  
1694 we wouldn't face this gridlock problem we are facing right  
1695 now.

1696           \*Mr. Allen. Okay.

1697           \*Mr. Noe. And we have been asking them to reform this  
1698 permit program for over a decade.

1699           \*Mr. Allen. I know, and, you know, we are just at an  
1700 impasse on this.

1701           Mr. Eunice, as we are looking at improving this process  
1702 through legislation, one part of the discussion draft  
1703 addresses improvements to a Clean Air Scientific Advisory  
1704 Committee to require having three people from state air  
1705 pollution control agencies on the board, instead of just one,  
1706 which is the current standard. Can you share how expanding  
1707 the number of people representing state air pollution control  
1708 agencies on the board would be beneficial?

1709           \*Mr. Eunice. Yes, thank you, Congressman. So Georgia,  
1710 for six years, had a representative on the Clean Air



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1711 Scientific Advisory Committee, and he was the -- for a period  
1712 of time, he was not the only Air Pollution Control Agency  
1713 representative, but now there is currently just one. And I  
1714 feel like that perspective has gotten lost of what it is  
1715 actually going to take to implement this standard at a state  
1716 level and the burden that places on communities. And so I  
1717 think having that additional voice would be beneficial.

1718 \*Mr. Allen. Well, the EPA is supposed to operate under  
1719 the principle of cooperative federalism. However, we have  
1720 heard concerns from other state regulators in previous  
1721 hearings that you and your colleagues are being treated as  
1722 though you are just any other stakeholder. Where is the  
1723 cooperation, and what is the problem?

1724 \*Mr. Eunice. Yes, Congressman, there have been some  
1725 challenges recently with some heavy-handed approaches from  
1726 EPA into areas that have traditionally been handled by  
1727 states.

1728 \*Mr. Allen. Right.

1729 \*Mr. Eunice. And that is a fact --

1730 \*Mr. Allen. I mean, do they treat you as a co-  
1731 regulator, or do they just ignore you, too?

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1732 \*Mr. Eunice. It is becoming more and more difficult.

1733 \*Mr. Allen. Is it? Okay, thank you.

1734 Mr. Chairman, I yield back.

1735 \*Mr. Carter. The gentleman yields. The chair now  
1736 recognizes the gentleman from Maryland, Representative  
1737 Sarbanes, for five minutes of questioning.

1738 \*Mr. Sarbanes. Well, thanks very much, Mr. Chairman.  
1739 Thank you all for being here today.

1740 Since 1970 several key features of the Clean Air Act  
1741 have helped make it one of the most successful environmental  
1742 laws in the world. I mean, it really is a terrific piece of  
1743 legislation, and it has created a very important framework.  
1744 Its science-based, health protective standards keep us moving  
1745 towards our ultimate objective of healthy air for everyone.  
1746 And cooperative federalism allows EPA to set clean air goals  
1747 while states decide how best to achieve them.

1748 Mr. Johnson, is it important for EPA to have the ability  
1749 to set strong, enforceable air quality standards?

1750 And do you think industry would meet these air quality  
1751 standards voluntarily if they weren't sort of corralled a  
1752 little bit?

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1753           \*Mr. Johnson. I think that is vitally important. I  
1754 think it is no coincidence that since the Clean Air Act was  
1755 enacted to have those standards, air pollution has dropped.  
1756 Before then it wasn't.

1757           \*Mr. Sarbanes. Yes, I agree. And the Clean Air Act  
1758 recognizes that it usually costs less to pollute than to  
1759 clean pollution up. Absent regulatory requirements,  
1760 businesses generally don't control pollution. I mean, I get  
1761 that. I understand that when they look at their costs they  
1762 may not necessarily step up in the way that they should.

1763           And we see almost every time EPA proposes a significant  
1764 new requirement that business leans against it. Industry  
1765 tells us it can't be done, that it will cost too much, it  
1766 will turn off the lights, et cetera, but then they kind of  
1767 get with the program, and they work it out, and we land in a  
1768 place where business is able to continue to make the  
1769 contributions we want to see from them and that they want to  
1770 achieve. And at the same time we can get to a higher  
1771 standard in terms of clean air.

1772           So again, Mr. Johnson, have we found that the industry  
1773 is -- somehow crumbles in the face of these standards, or are

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1774 they able to meet those standards, generally, when they are  
1775 brought to bear?

1776 \*Mr. Johnson. They are generally able to meet them, and  
1777 the Clean Air Act includes -- recognizes that there may be  
1778 difficulties, and makes careful, limited exceptions for those  
1779 circumstances where it is truly impossible or difficult. But  
1780 the Clean Air Act recognizes that, you know, people have the  
1781 right to breathe clean air, and we are a country that solves  
1782 problems. And we can do that, and it harnesses that energy.

1783 \*Mr. Sarbanes. Yes, and I like that statement, we are a  
1784 country that knows how to solve problems.

1785 I mean, we know from decades of experience that the  
1786 Clean Air Act actually drives innovations in pollution  
1787 controls. I mean, out-of-the-box thinking results from some  
1788 of the pressure that is brought to bear. That becomes a new  
1789 industry standard and takes us to a better place. And using  
1790 regulatory standards to drive technological innovation is  
1791 actually one of the hallmarks of the Clean Air Act, certainly  
1792 when it comes to pollution controls, and we call these  
1793 sometimes technology forcing standards. But that is a good  
1794 thing.

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1795           Once an air pollution standard is in place, American  
1796 industry gets to work and meets the standard. And along the  
1797 way we develop more effective and less expensive pollution  
1798 control technologies. So not only is our air cleaner, but we  
1799 also end up exporting tens of billions of dollars of  
1800 pollution control equipment all over the world because, as  
1801 the rest of the globe is seeking to meet higher standards and  
1802 clean up their air, they recognize that there is an  
1803 innovative toolkit that we have created based on the  
1804 standards that the EPA has set.

1805           Unfortunately, the discussion draft being considered  
1806 today would inhibit EPA's ability to drive pollution control  
1807 technology, undermining an approach that has been  
1808 environmentally and economically successful for over five  
1809 decades. And with this text I fear that Republicans are  
1810 putting polluters over people. That sounds like  
1811 sloganeering, I guess, but I do worry that there is too much  
1812 influence in this place and in a lot of places where laws are  
1813 made by industry that is leaning against these standards.  
1814 And in the public's interest we need to be pushing back on  
1815 that, and making sure that we are reaching for the next

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1816 level.

1817 American families will pay the price for the kind of  
1818 handout that I think this legislation establishes for some of  
1819 these industries in terms of boosting their profits, and that  
1820 is why I have opposed previous versions of it, and I continue  
1821 to strongly oppose the proposal today.

1822 And with that, Mr. Chair, I yield back.

1823 \*Mr. Carter. The gentleman yields. The chair now  
1824 recognizes the gentleman from Texas, Representative Weber,  
1825 for five minutes of questioning.

1826 \*Mr. Weber. I thank the gentleman, and irrespective of  
1827 the term from the other side of the --

1828 [Audio malfunction.]

1829 \*Mr. Weber. Notwithstanding the sloganeering as it was  
1830 termed --

1831 [Audio malfunction.]

1832 \*Mr. Eunice. No, sir, I haven't.

1833 \*Mr. Netram. No, sir, I have not physically been there.

1834 \*Mr. Johnson. I don't believe so.

1835 \*Mr. Noe. No, sir.

1836 [Audio malfunction.]

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1837           \*Mr. Weber. The products produced there is only growing  
1838 and only going to continue to grow -- are we back on, we are  
1839 back on -- as companies are looking to expand their capacity  
1840 and the world becomes our marketplace, quite frankly, which  
1841 is good for Americans. And it is safe, means safety for the  
1842 world.

1843           How, in your opinion, how will this new standard impact  
1844 the ability to operate and expand that very production in  
1845 those areas that will now be in non-attainment?

1846           \*Mr. Netram. Well, it is an interesting question,  
1847 partly because of what the EPA's reg would do immediately, to  
1848 Mr. Noe's point.

1849           Setting the level at near background will make it nearly  
1850 impossible to permit an expansion or a new facility. And  
1851 what is interesting about this is that our energy security is  
1852 really critical for this nation. And what we are seeing in  
1853 the energy sector right now is a ton of innovation and a lot  
1854 of dollars that are flowing into new technologies and new  
1855 power sources. All of that will be stopped if we are not  
1856 able to permit the industrial capacity that is needed to  
1857 actually meet those demands.

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1858           \*Mr. Weber. Have you ever heard of wafting, where you  
1859 have wafting of fires maybe over in Africa, or sand from the  
1860 Sahara Desert or from Mexico even come up, pollution come up?  
1861 Have you ever heard of wafting?

1862           \*Mr. Netram. Yes, sir. Over Canada? Yes.

1863           \*Mr. Weber. Do you think that is taken into  
1864 consideration when the EPA imposes this kind of strict rule?

1865           \*Mr. Netram. I think it should be. I think we need to  
1866 be able to account for what is going on that is naturally  
1867 occurring, rather than to put the entire burden of all PM  
1868 sources on the backs of the manufacturing industry to  
1869 address.

1870           \*Mr. Weber. And is it your fear, as it is mine, that,  
1871 in essence, what this will do is it will actually literally  
1872 force companies to move their operations overseas?

1873           \*Mr. Netram. That is a real concern of mine. As I  
1874 noted before, we are in a global battle for industrial  
1875 investment. The EU, China, and others went through exactly  
1876 what we went through in COVID with disrupted supply chains,  
1877 and they see the need to increase their manufacturing base.  
1878 Others are coming for those manufacturing dollars, and we



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1879 want to make sure they are here in the United States.

1880 \*Mr. Weber. Yes, all the while, while we are producing  
1881 energy cleaner than any other country in the world. Would  
1882 you agree with that?

1883 \*Mr. Netram. Yes, sir.

1884 \*Mr. Weber. Okay, Mr. Noe, I am going to come to you.  
1885 All across the country there are communities that will be hit  
1886 disproportionately hard by this new standard. These are  
1887 communities whose very livelihoods are dependent on the  
1888 manufacturing and industrial facilities that create jobs,  
1889 contribute to the local economy, and improve the quality of  
1890 life. We are talking about schools, we are talking about  
1891 teachers, we are talking about students, we are talking about  
1892 churches, we are talking about families.

1893 Can you speak to the health impact on these communities  
1894 if these facilities are forced to shut down or leave,  
1895 including but not limited to such as suicide, depression, and  
1896 even drug abuse? Can you speak to those?

1897 \*Mr. Noe. Congressman, I am -- you know, I am not a  
1898 health expert, but I think everyone knows there is a body of  
1899 literature out there on the very kinds of things you are

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1900 talking about.

1901           And by the way, it grew significantly during the Great  
1902 Recession. People realized they were actually  
1903 underestimating those impacts and not fully appreciating  
1904 them. And they also realized that this sort of argument of  
1905 don't worry that those jobs are lost because one will be  
1906 created somewhere else, that actually the transition and the  
1907 loss of human capital, all that expertise that worker gained  
1908 over their years of working in those facilities is lost.  
1909 That is a terrible, terrible loss.

1910           \*Mr. Weber. It takes quite a toll.

1911           Mr. Eunice, I want to come to you in the last time I  
1912 have left. In your written testimony you highlight the fact  
1913 that the entire State of Georgia is in attainment under the  
1914 previous PM2.5 standards. Under the new standards, the  
1915 population, 90 percent, will now live in non-attainment  
1916 areas. Texas is in a similar place. Can you speak to the  
1917 challenges that that produces for state regulators?

1918           \*Mr. Eunice. Yes, sir. So that will require that  
1919 Georgia EPD start crafting State Implementation Plans for  
1920 each of those regions that ultimately end up in non-

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1921 attainment. These pages, or these plans are hundreds of  
1922 pages long. They require years' worth of work on our end.  
1923 And then ultimately, EPA has to review to determine whether  
1924 they agree or suggest changes to these plans. It is a very  
1925 time-consuming, voluminous process. It will be a struggle  
1926 for state agencies, given this new rule, to develop those  
1927 plans and implement them.

1928 \*Mr. Weber. And all the while, it seems to be a moving  
1929 target.

1930 I yield back.

1931 \*Mr. Carter. The gentleman yields. The chair now  
1932 recognizes the gentlelady from New York, Representative  
1933 Clarke, for five minutes of questioning.

1934 \*Ms. Clarke. Thank you very much, Mr. Chairman. I  
1935 thank our ranking member in absentia for holding this hearing  
1936 today.

1937 Good afternoon and thank you to our witnesses for  
1938 testifying today and for sharing their expertise on clean air  
1939 and the necessity of strong standards.

1940 Mr. Johnson, in your testimony you highlighted some  
1941 serious concerns with this legislation that I share. One of

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1942 my major concerns seems to be shared also by our Ranking  
1943 Member Tonko, which was indicated earlier by his line of  
1944 questioning. It relates to section 2(b), which changes the  
1945 criteria for establishing an air quality standard from one  
1946 that is based solely on protecting public health to one that  
1947 includes a consideration of the "likely attainability" of  
1948 the standard.

1949 Mr. Johnson, in your opinion, is this phrase, "likely  
1950 attainability," clearly defined?

1951 \*Mr. Johnson. No, it is not clear. Attainability might  
1952 have many different meanings. In prior litigation it has  
1953 been focusing on background pollution. But even in that  
1954 litigation, different parties have had different definitions  
1955 of what constitutes background. So it is very unclear.

1956 \*Ms. Clarke. Well, thank you. We continue to hear from  
1957 our Republican colleagues about the need to insert economic  
1958 considerations into the statute. Mr. Johnson, do you believe  
1959 that costs should be considered in the air quality standards-  
1960 setting process?

1961 And is there more appropriate place for this  
1962 consideration, if you don't?

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1963           \*Mr. Johnson. I do not believe that costs should be  
1964 considered in the standard-setting process. That is the way  
1965 it has worked for the last 54 years. That is the way it has  
1966 worked very successfully for the last 54 years. Where costs  
1967 are appropriate to consider is in the implementation process.

1968           It is like going to the doctor. You want to know  
1969 whether you are sick or not. You don't want to know how much  
1970 it is going to cost. That is a separate question for later.  
1971 So that is just not the right approach.

1972           \*Ms. Clarke. Thank you. Mr. Johnson, what would the  
1973 implications of this change be on the standards EPA sets and  
1974 the agency's ability to protect the air people breathe?

1975           \*Mr. Johnson. Well, it would be a ratchet against  
1976 public health protections. And actually, we have talked  
1977 about cooperative federalism before. It would be  
1978 antithetical to cooperative federalism.

1979           Part of the genius of the Clean Air Act is its  
1980 catalyzing innovation. Another piece of the genius of the  
1981 Clean Air Act is that it is putting states in charge of  
1982 implementation, by and large, and states can come up with  
1983 their own approaches, and they can innovate, too, and they

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1984 can find new, more effective ways to come into compliance.  
1985 And that is actually what has happened, as a number of states  
1986 have explained in previous litigation.

1987 But by forcing EPA to consider so-called attainability  
1988 predictions of attainability up front, it sort of closes the  
1989 door on that, on that whole process. And so it actually  
1990 would trample -- and there are some other pieces of the bill  
1991 that would trample on the states' ability to set their own  
1992 approaches to come into compliance with healthy air.

1993 \*Ms. Clarke. Very well. And lastly, Mr. Johnson, if  
1994 this legislation were enacted, how would this impact  
1995 communities, especially those historically underserved?

1996 \*Mr. Johnson. It would have negative impacts on them.  
1997 It would allow more air pollution to linger for longer and  
1998 continue to make people sick, especially in those communities  
1999 that are historically underserved.

2000 \*Ms. Clarke. Very well, and I certainly agree that this  
2001 is a dangerous and harmful idea.

2002 This proposal has already been debated and rejected by  
2003 the courts, and the EPA notes that it cannot consider the  
2004 economic and technological feasibility of attaining ambient

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2005 air quality standards, although such factors may be  
2006 considered to a degree in the development of the state plans  
2007 to implement the standards.

2008           Inserting costs into the standards-setting process will  
2009 only serve industry. The American people will most certainly  
2010 suffer, especially those communities that have for far too  
2011 long disproportionately carried the burden of air pollution.  
2012 And that is why I have opposed previous iterations of this  
2013 language, and why I oppose the discussion draft being  
2014 considered today.

2015           With that, Mr. Chairman, I yield back.

2016           \*Mr. Carter. The gentlelady yields. The chair now  
2017 recognizes the gentleman from Texas, Representative Pfluger,  
2018 for five minutes of questioning.

2019           \*Mr. Pfluger. Well, thank you, Mr. Chairman. I thank  
2020 the witnesses for being here.

2021           I represent the Permian Basin, and we are right now  
2022 undergoing review from EPA regarding the consideration and  
2023 the redesignation of ozone non-attainment. To kind of set  
2024 the stage here, the Permian Basin is hundreds of thousands of  
2025 square miles, and the EPA has recently disclosed that there

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2026 are only two monitors for -- two air quality monitors for the  
2027 purpose of redesignation. Both of them are in New Mexico,  
2028 not a single one in Texas. So you kind of question the  
2029 science a little bit here.

2030 I will start with you, Mr. Netram. Talk to us a little  
2031 bit about the impact on -- of a non-attainment designation in  
2032 the Permian Basin, an area like that -- although it could be  
2033 any producing area -- on the development of energy,  
2034 regardless of sources.

2035 And I disagree with some of my colleagues on the other  
2036 side of the aisle on this particular point. But what cost  
2037 does it have on Americans, specifically on the production of  
2038 energy?

2039 \*Mr. Netram. So there is actually a huge opportunity  
2040 cost here, because what you are talking about is projects  
2041 that will not get built. The Permian Basin is critical to  
2042 our nation's energy security, and puts us in a position to be  
2043 a global leader in securing the world and meeting the energy  
2044 needs of our allies. It is a national security issue, as  
2045 well.

2046 So to that, setting the NAAQS standards at background



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2047 levels will make it impossible for us to further develop the  
2048 Permian Basin and make sure we can continue to lead the world  
2049 in energy security.

2050       \*Mr. Pfluger. Well, let's talk about that national  
2051 security implication there, and how would you fold that into  
2052 the NAAQS discussion and the way that they look at these  
2053 things? Because it is not just in a vacuum. I mean, the  
2054 Permian Basin is the most prolific production area keeping  
2055 this country, you know, somewhat going right now.

2056       \*Mr. Netram. That is right. So, I mean, we are seeing  
2057 a lot of discussion right now as it relates to LNG exports.  
2058 So our ability to export energy to our allies crowds out  
2059 their -- or stops them from having to rely on dirtier Russian  
2060 gas and gas coming from China. That is the national security  
2061 aspect here if we are able to prop up our allies and make  
2062 sure that they stay our allies, and are not indebted to  
2063 countries that don't have our best interests in mind.

2064       \*Mr. Pfluger. I know this has been discussed, and thank  
2065 you for that, but when we are looking at PM2.5 and the ozone  
2066 non-attainment designation, the cross-border air pollution,  
2067 obviously, is a factor. I think El Paso had this issue years

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2068 ago on the very issue of designation.

2069 Yesterday the Texas Commission on Environmental Quality,  
2070 TCEQ, sent a letter to this committee -- and I think my  
2071 colleague, Mr. Weber, was talking about this -- with concerns  
2072 about the NAAQS process. Regarding cross-border pollutants,  
2073 the letter states -- and I quote -- "naturally occurring  
2074 events such as Saharan dust, dust, high winds, and wildfires,  
2075 none of which TCEQ can control, all contribute to air quality  
2076 in Texas and impact NAAQS compliance.'"

2077 States with border cities also share a disproportionate  
2078 air quality compliance burden due to the influence of  
2079 emissions from Mexico -- like El Paso recently. And I will  
2080 get back to the quotation. "Diminishing air quality  
2081 improvements only from those sources within a state's legal  
2082 authority has its practical limits, and state implementation  
2083 plans are approaching a moment of impossibility.'"

2084 Mr. Chair, without objection I would like to enter this  
2085 letter from the TCEQ into the record.

2086 \*Mr. Carter. Without objection.

2087 [The information follows:]

2088

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2089 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

2090

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2091           \*Mr. Pfluger. So Mr. Netram, does out-of-country  
2092 pollution impact attainment?

2093           \*Mr. Netram. Yes, sir.

2094           \*Mr. Pfluger. Can you give us any previous examples of  
2095 how EPA has correctly dealt with that, and where we are  
2096 headed at this point?

2097           \*Mr. Netram. Certainly. Actually, I would defer to my  
2098 colleague, Mr. Noe.

2099           \*Mr. Pfluger. Mr. Noe?

2100           \*Mr. Noe. There are -- there is a recognition by EPA  
2101 that these -- some of these other sources are very serious.  
2102 In fact, when EPA issued the rule, they explicitly recognized  
2103 that wildfires, for example, are a very serious public health  
2104 threat, and they do have a rule on it. But to me, that just  
2105 says they ought to endorse your legislation because what the  
2106 legislation would do is remove any legal uncertainty about  
2107 whether that rule is adequate. And there are people  
2108 concerned about whether it is adequate. So further legal  
2109 clarity would help a lot there.

2110           Fires are 40 percent of our PM inventory. So this is a  
2111 huge issue. If you want to protect public health, you have

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2112 got to deal with that issue.

2113 \*Mr. Pfluger. What would you say to the EPA regarding  
2114 the only two sensors and on the New Mexico side --

2115 \*Mr. Noe. Right.

2116 \*Mr. Pfluger. -- trying to designate the Permian  
2117 Basin --

2118 \*Mr. Netram. Right.

2119 \*Mr. Pfluger. -- largely exist in Texas.

2120 \*Mr. Netram. We have to have a real-world permit  
2121 program, and it has got to be based on real data and modern  
2122 modeling tools. What they are using now is not even 20th  
2123 century. We have got to get into the 20th century with this  
2124 program, and then talk about the next.

2125 \*Mr. Pfluger. Thank you very much.

2126 Mr. Chairman, I yield back.

2127 \*Mr. Carter. The gentleman yields. The chair now  
2128 recognizes the gentleman from Idaho, Representative Fulcher,  
2129 for five minutes of questioning.

2130 \*Mr. Fulcher. Thank you, Mr. Chairman, and to the panel  
2131 for being here.

2132 I have got a -- forestry is a huge issue in Idaho. And

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2133 it is a large industry. It should be larger. But I have got  
2134 a couple questions for Mr. Noe, but I just wanted to set up a  
2135 brief statement for the record first.

2136 With this Air Quality Standards Implementation Act, I am  
2137 thankful for at least two aspects of that legislation.

2138 First, that the EPA must issue implementation  
2139 regulations and guidance when it issues new standards, or  
2140 permitting reverts to the previous standard. That is  
2141 critical for states like Idaho that are heavy on natural  
2142 resources, but yet we have limited private land, given our  
2143 heavy footprint of Federal land and where the DEQ must work  
2144 with the EPA on air quality standards and not things like  
2145 sawmills, agriculture, and specialized manufacturing and even  
2146 mining. So I am thankful that that is in there.

2147 Also, I am thankful that, with this legislation  
2148 language, states should have input in the review of potential  
2149 air quality standards. And having the states be part of the  
2150 scientific review on the front end could help both the states  
2151 and the EPA, making for a more efficient process and less  
2152 uncertain implementation.

2153 So with that for Mr. Noe, your organization had

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2154 mentioned back in September that needing a two-year effective  
2155 date to have time to prepare State Implementation Plans with  
2156 -- and with the EPA having a 60-day effective timeline, but  
2157 not issuing updated guidance to the states, can you talk  
2158 about the immediate impact on the forestry industry as a  
2159 function of that?

2160 \*Mr. Noe. Yes, this is the irony. Our industry -- and  
2161 it is a Catch-22, frankly. Our industry tends to be in  
2162 cleaner attainment areas.

2163 So there has been an EPA map shown that is all green.  
2164 What is the problem here? Well, the problem is you can be in  
2165 an attainment area but so close to the background level that  
2166 there is permit gridlock. And that is what our industry  
2167 faces: 88 percent of pulp and paper mills are in areas like  
2168 that, where their projects are at grave risk; and 97 percent  
2169 of wood products mills. There is some in your state, of  
2170 course --

2171 \*Mr. Fulcher. There are.

2172 \*Mr. Noe. -- face that. That is the problem. And that  
2173 is a lose-lose for both the environment and for jobs.

2174 \*Mr. Fulcher. So follow up on that. I am not sure how

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2175 familiar you are with Idaho, but just in general you could  
2176 answer or at least provide a perspective on this.

2177 With the finalized rule, PM2.5, what do you anticipate  
2178 the economic impact of that to be?

2179 \*Mr. Noe. Frankly, Congressman, it is going to be  
2180 severe. But the worst, hardest truth of it all is it is  
2181 unknowable because you never see the manufacturing facilities  
2182 that are built. You never see the jobs not created. You  
2183 never see the entrepreneurial ideas that are blocked by this  
2184 red tape.

2185 \*Mr. Fulcher. I understand, and that makes sense.  
2186 Thank you.

2187 \*Mr. Noe. I will add, too --

2188 \*Mr. Fulcher. All too -- please, yes.

2189 \*Mr. Noe. For our industry we think 3 to \$4 billion  
2190 impact for ours alone.

2191 And the more severe problem here, it is not about  
2192 dollars, it is about what is this doing to our industrial  
2193 policy?

2194 There is bipartisan agreement that we need to grow and  
2195 reshore manufacturing jobs. The President says it, both



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2196 Democrats and Republicans here say it. And the problem is  
2197 what we have sideways with that, undermining that are  
2198 unsustainable regulations. We don't want no regulation.  
2199 What we want are sustainable regulations that allow for both  
2200 environmental and economic progress together, and where we  
2201 are right now with this gridlock, that means all these  
2202 projects that are going to make American industries  
2203 competitive on the global scale and still make environmental  
2204 progress, they are going to be stopped.

2205 \*Mr. Fulcher. You are validating what is going on in my  
2206 mind, and so thank you for sharing that and for your  
2207 perspective.

2208 A follow-up there. There are many sawmills, obviously,  
2209 in rural America, especially in my state. How does this  
2210 legislation's extension of time from 5 to 10 years to review  
2211 the NAAQS proposal to help prepare compliance, operation, and  
2212 investments, what is -- good or bad?

2213 \*Mr. Noe. Yes, I think there has been a lot of  
2214 misunderstanding about that. There is absolutely nothing in  
2215 that bill that would prevent EPA from lowering the NAAQS  
2216 sooner than the 10-year cycle. That is what is mandatory.

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2217 And the benefit of that, saying the agency can't be sued  
2218 every five years if it doesn't see a reason to change, that  
2219 is going to reduce litigation and business and regulatory  
2220 uncertainty.

2221 But nothing prevents the agency, if it thinks the health  
2222 science merits it, for whatever reason, they can lower a  
2223 NAAQS sooner than that cycle.

2224 \*Mr. Fulcher. Okay. Mr. Noe, thank you.

2225 Mr. Chairman, I am out of time. I yield back.

2226 \*Mr. Carter. The gentleman yields back. The chair now  
2227 recognizes the gentleman from Ohio, Representative Balderson,  
2228 for five minutes of questioning.

2229 \*Mr. Balderson. Thank you all for your patience. Good  
2230 afternoon, everyone.

2231 Mr. Netram and Mr. Noe, the draft legislation we are  
2232 considering today would extend the NAAQS review cycle from 5  
2233 years to 10 years. Can you discuss how this change would  
2234 provide greater certainty for your industries and member  
2235 companies?

2236 Mr. Noe, you may go first, please.

2237 \*Mr. Noe. What it allows is for less wasteful

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2238 litigation, which is great for lawyers, they make a ton of  
2239 money off it, but litigation doesn't do anything for  
2240 businesses making environmental progress, making themselves  
2241 more competitive. That is my basic answer there.

2242 And again, nothing in that change would prevent the  
2243 agency from lowering the NAAQS sooner if it wanted to.

2244 \*Mr. Balderson. Okay. Mr. Netram?

2245 \*Mr. Netram. I agree with everything Mr. Noe said, but  
2246 I would also note that the -- in the manufacturing industry  
2247 we are making investments that last for decades. That  
2248 planning cycle takes years to do. So extending the period  
2249 from 5 years to 10 years gives you a greater period of  
2250 certainty as you are trying to plan for an investment and  
2251 calculate whether or not that new project can actually go  
2252 forward.

2253 \*Mr. Balderson. Okay, thank you. The next question is  
2254 for both of you again, and you can reverse which order there.

2255 Your testimony states that many projects will never see  
2256 the light of day because of the new PM2.5 standard. But for  
2257 those that do get off the ground, the estimated additional  
2258 capital cost on industry will be in the range of 3 to \$4

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2259 billion. Can you discuss the impact this standard will have  
2260 on small and medium businesses that are unable to afford such  
2261 significant cost increases?

2262 \*Mr. Netram. So I think there is two ways to approach  
2263 that. One is the direct, immediate cost that small and  
2264 medium-sized businesses would face from having to comply with  
2265 a stricter standard. The other is looking at the integrated  
2266 supply chain that we have in manufacturing.

2267 There are about 230,000 manufacturing firms in the U.S.  
2268 Of those, 99 percent are small and medium-sized businesses.  
2269 At some point the cost of an expansion is shared throughout  
2270 the supply chain. So what you are doing is really increasing  
2271 the aggregate level of input costs that have to get pushed  
2272 down to those small and medium-sized businesses at some  
2273 point.

2274 \*Mr. Balderson. Thank you.

2275 \*Mr. Noe. I would only add that, again, there is this  
2276 whole other cost that is a hard thing to think about, but it  
2277 is the reality. It is unknowable, because you never see what  
2278 can't happen. There are so many projects that could promote  
2279 both economic and environmental progress that will remain on

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2280 the cutting room floor. Companies won't be able to go  
2281 through this completely outdated, unrealistic permitting  
2282 process, make the calculations, and then realize we can't go  
2283 forward with the project so it is canceled. And that is a  
2284 terrible loss.

2285 \*Mr. Balderson. It is. Thank you.

2286 Can you both discuss how much industry -- industrial  
2287 sources contribute to PM2.5 concentrations?

2288 And would you say we are running into the law of  
2289 diminishing returns?

2290 For both of you.

2291 \*Mr. Noe. Total industry part of the inventory is about  
2292 16 percent; 84 percent of PM in this country is unaddressed  
2293 by the rule. Our industry is one percent. We have been  
2294 regulated under the NAAQS program writ large for over 50  
2295 years for PM. It has been, you know, since the late 1990s  
2296 for fine PM.

2297 But the point is the agency keeps going back with the  
2298 same tired approach. They are not stepping back and looking  
2299 what Congress gave it. Congress actually gave EPA tools that  
2300 are -- the ability to be much more innovative. Section 110

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2301 of the Act allows for very efficient emissions trading, where  
2302 they could do something about PM in a way that would provide  
2303 much greater benefits and be much more cost effective.

2304 \*Mr. Balderson. Mr. Netram?

2305 \*Mr. Netram. Again, I agree with all of that. But I  
2306 would also note that, as you regulate the background levels  
2307 -- and one example we have already heard here is the \$5  
2308 billion EV plant that was built in Georgia. That would  
2309 actually not be allowed to move forward under the current  
2310 standard, under a standard of 9. Its projections, as I  
2311 understand it, it was modeled out to come in under 12, but  
2312 over 9. That is the kind of thing that would not be allowed  
2313 to happen here.

2314 \*Mr. Balderson. Okay, I have another question for you,  
2315 and we are down to 30 seconds.

2316 Intel is currently investing billions of dollars to  
2317 build semiconductor fabs in Licking County in my  
2318 congressional district that I represent. Given the scope and  
2319 size of this project, the State of Ohio is currently  
2320 investing significant funds to improve infrastructure and the  
2321 surrounding community. How would EPA's proposal hurt this

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2322 growth and potentially stall construction?

2323           And I am going to ask you and save you the time. I am  
2324 going to just have someone send that answer in to us, please.

2325 I am out of time.

2326           [The information follows:]

2327

2328 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

2329

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2330           \*Mr. Balderson. Mr. Chairman.

2331           \*Mr. Carter. The gentleman yields. The chair now  
2332 recognizes the gentleman from California, Dr. Ruiz, for five  
2333 minutes of questioning.

2334           \*Mr. Ruiz. Thank you, Buddy, Mr. Chairman.

2335           Fine particulate pollution presents a significant life-  
2336 threatening hazard to public health. Exposure to fine  
2337 particles is linked with asthma attacks, chronic bronchitis,  
2338 reduced lung capacity, respiratory illnesses, and potentially  
2339 premature death.

2340           My district in particular has been identified as  
2341 suffering from air quality deemed unhealthy. Over the past  
2342 decade, much of my district has fallen under the non-  
2343 attainment zone established by the Environmental Protection  
2344 Agency, meaning that my district has exceeded the pollution  
2345 limits set forth in the 2006 and the 2012 rules, either the  
2346 15 micrograms per cubic meters or the 12 micrograms per cubic  
2347 meters, respectively.

2348           More specifically, Riverside County has one of the worst  
2349 air qualities in the country. The American Lung Association  
2350 has graded the county with an F grade for annual particle



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2351 pollution.

2352           Additionally, the South Coast Air Quality Management  
2353 District highlighted that Coachella Valley, also located in  
2354 my district, measured air quality of particulate matter at a  
2355 10 last year, and this 10 is a highly unsafe measure of an  
2356 unsafe air to breathe.

2357           As it has been mentioned in this hearing today, the EPA  
2358 established a final rule that looks to strengthen the  
2359 nation's national ambient air quality standards for  
2360 particulate matter from 12 micrograms per cubic meter to 9,  
2361 meaning that there will be less harmful particles in the  
2362 atmosphere and going into our systems, our blood systems.

2363           Exposure to fine particles can cause respiratory and  
2364 cardiovascular illnesses. This new standard on particulate  
2365 matter will enhance health safeguards for all communities  
2366 exposed to such pollutants, as individuals will be exposed to  
2367 a lower level of particulate matter exposure.

2368           More specifically, it will prevent 4,500 premature  
2369 deaths, 800,000 cases of asthma symptoms, and 290,000 lost  
2370 work days by 2032.

2371           Now, why are we here today? Because once again, instead

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2372 of supporting EPA's work to tackle this problem with the  
2373 immediacy it deserves, my Republican colleagues want to slow-  
2374 walk it, delaying action that could save lives. This is not  
2375 the first time that they have attacked the implementation of  
2376 EPA's new standard. In 2017 I watched my Republican  
2377 colleagues in this very same subcommittee argue in favor of  
2378 very similar legislation that delayed the implementation of  
2379 ozone standards aimed at improving American lives.

2380 Mr. Johnson, would keeping the previous PM2.5 standard  
2381 in place result in more negative health outcomes, especially  
2382 for underserved communities?

2383 \*Mr. Johnson. Absolutely. And the Clean Air Scientific  
2384 Advisory Committee unanimously so found.

2385 \*Mr. Ruiz. Okay. And, you know, as an emergency  
2386 physician I have witnessed firsthand the effects of elevated  
2387 levels of hazardous fine particles, particularly on the most  
2388 vulnerable members of our society: our children, the  
2389 elderly, individuals with chronic and cardiovascular  
2390 conditions, and those from low-income backgrounds.

2391 Mr. Johnson, what does EPA's new, lowered PM2.5 standard  
2392 of 9 micrograms per cubic meter mean for public health for

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2393 our most vulnerable members?

2394 And can you speak to the projected public health  
2395 benefits of the stronger standard and how it can help this  
2396 group in particular?

2397 \*Mr. Johnson. Yes, I can speak at least somewhat to  
2398 that. And if necessary, we can submit more.

2399 But EPA projects it will have huge health benefits.  
2400 And, you know, it will start to close the gap in some key  
2401 disparate outcomes, including mortality rate for populations  
2402 that historically have experienced much higher mortality due  
2403 to PM pollution, and also exposure to PM pollution which,  
2404 again, is not evenly distributed.

2405 \*Mr. Ruiz. You know, what is interesting is, you know,  
2406 there has been some recent scientific articles published in  
2407 pretty reputable medical journals that show that individuals  
2408 who live in high-polluted areas, whether by interstates or in  
2409 very polluted urban centers, on average live 10 years less  
2410 than on -- than somebody who does not. And they do take into  
2411 consideration all the potential co-founders that are  
2412 involved.

2413 So this has a very serious, serious health impact on our

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2414 population. And the individuals who most likely live in  
2415 high-polluted areas are individuals who usually -- low-income  
2416 or minority populations that have been marginalized and have  
2417 not had a potential say of saying not in our yard, because  
2418 they haven't had a voice to protect them in the political  
2419 arena and in business and in this system. So that is why it  
2420 is so important that we take their voice, their health, and  
2421 their lives and livelihoods of individuals who are breathing  
2422 this toxic air into high consideration when we evaluate  
2423 these.

2424 I yield back.

2425 \*Mr. Carter. The gentleman yields. The chair now  
2426 recognizes the gentleman from California, Representative  
2427 Obernolte, for five minutes of questioning.

2428 \*Mr. Obernolte. Thank you very much, Mr. Chairman, and  
2429 thank you to our witnesses.

2430 Mr. Noe, I would like to start with a question for you.  
2431 So, just as background, I represent a district that has the  
2432 second-most cement manufacturing in any district of the  
2433 United States. And this proposed regulation would have a  
2434 dire impact on that industry. It is estimated that if we

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2435 were to raise the standards for PM2.5 to 9 micrograms per  
2436 cubic meter, that would result in a required expenditure,  
2437 capital expenditure of nearly \$200 million for the cement  
2438 industry and another over \$50 million in ongoing operation  
2439 and maintenance every year. So obviously, those costs would  
2440 have to be passed on to customers.

2441         And here is the question, because I want to talk about  
2442 leakage. If my cement manufacturers pass that cost onto  
2443 their customers -- they compete in a global market for  
2444 cement. That means higher prices, less competition in the  
2445 global market. It might be then less expensive for people  
2446 here in the United States who are undertaking a construction  
2447 project to import cement from other places in the world,  
2448 rather than buy cement that is produced at higher expense  
2449 here.

2450         But if that happens, then the emissions that result from  
2451 the production of that cement will still occur. They will  
2452 just occur in other places of the world which already have  
2453 environmental standards laxer than our current standards.  
2454 So, in my thinking, that leakage would actually result in a  
2455 dirtier climate since we all share the same atmosphere. Do

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2456 you agree with that analysis?

2457           \*Mr. Noe. Yes, sir, and I would even add to what you  
2458 said, which is the permit gridlock that this rule is going to  
2459 create because the standard is so close to background in so  
2460 many areas -- even in places that are technically in  
2461 attainment, all right -- that not only causes all the issues  
2462 you just talked about, but American manufacturers have to  
2463 maintain their competitiveness. We are in a global  
2464 marketplace, so we have to be efficient.

2465           And the great thing about becoming more efficient is  
2466 that is not only a win for jobs and the economy, it is a win  
2467 for the environment because when you become more efficient  
2468 you have less emissions. And so that is the frustration  
2469 here, that in the name of protecting the environment we are  
2470 going to block continued progress. It makes no sense.

2471           \*Mr. Obernolte. Yes, I completely agree.

2472           Mr. Netram, I want to continue that line of questioning  
2473 with you because of the organization that you represent.  
2474 Obviously, cement manufacturers either would have to comply  
2475 with this and pass those costs along, or, if they are unable  
2476 to comply or unable to pass the costs along -- in other

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2477 words, if the market forces are such that they just can't  
2478 sell cement at the higher price to keep themselves in  
2479 business, they will go out of business.

2480           And it is estimated industry-wide, nationwide, about 43  
2481 percent of cement plants are in non-attainment, according to  
2482 the new regulation. If those plants went out of business,  
2483 how would that affect manufacturers' ability to expand  
2484 capacity here in the United States?

2485           \*Mr. Netram. Well, cement is such a key input into any  
2486 kind of manufacturing growth that you are going to have. In  
2487 any facility you are going to have cement.

2488           And in fact, I would go beyond that and say if those  
2489 effects were to actually occur, it would frustrate the intent  
2490 of Congress in passing the Infrastructure Investment and Jobs  
2491 Act. It would be next to impossible to actually update our  
2492 infrastructure in the manner that you all have deemed  
2493 appropriate. So it really is a self-inflicted wound here.

2494           \*Mr. Obernolte. All right. Well, I see I am going to  
2495 run out of time here. Let me just make the point, though, in  
2496 closing, that -- well, I think we have to be very mindful of  
2497 unintended consequences here, as you have said.

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2498           And one of the unintended consequences is that, in  
2499           imposing stricter regulations that require production to be  
2500           shifted overseas, that actually makes the climate dirtier,  
2501           not cleaner. But the other unintended consequences is that  
2502           we lower prosperity and we increase hardship for everyone  
2503           here in the United States.

2504           And that is why one of the things that the proposed bill  
2505           that we are considering does is it requires that -- an  
2506           economic analysis to be part of the environmental analysis,  
2507           and I think that that is totally fair, because everything  
2508           that we do is a trade-off between our impact on the planet  
2509           and our need to exist as a human species. We can't exist  
2510           without impacting the planet somewhat. And of course, we all  
2511           want to be good stewards of the environment, and we all want  
2512           to be as green as we possibly can, but we have to be  
2513           reasonable. And I think that an analysis of that  
2514           reasonability is a reasonable thing to do when we are talking  
2515           about the impact of the bill.

2516           But I want to thank everyone for their testimony.

2517           I yield back.

2518           \*Mr. Carter. The gentleman yields back. The chair now



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2519 recognizes the gentlelady from Iowa, Dr. Miller-Meeks, for  
2520 five minutes of questioning.

2521 \*Mrs. Miller-Meeks. Thank you, Mr. Chairman, and I also  
2522 want to thank our witnesses for testifying in front of the  
2523 committee today.

2524 As a physician, it never ceases to amaze me that in my  
2525 lifetime -- so I am in my sixth decade of life -- that the  
2526 air is vastly cleaner than it was when I was growing up, our  
2527 waterways are vastly cleaner, you can actually fish and eat  
2528 the fish that you get out of a waterway. We are not dying of  
2529 over-population or acid rain or mercury poisoning. But yet,  
2530 when we look at a prevalence of asthma, we say that is  
2531 because of pollution.

2532 So obviously, if all the mitigation strategies we have  
2533 put in place to this time haven't changed the prevalence of  
2534 asthma, maybe it is not air pollution. Let's connect some of  
2535 these dots. And you all can explain that to me on a  
2536 different occasion.

2537 But the question is then posed, if there are no changes  
2538 in health asthma -- in health outcomes if asthma continues to  
2539 prevail, if the lifespan of people in certain communities

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2540 continues to be at the level it is now, are you going to  
2541 scale back the rule? Are you going to go from 9 to 12? And  
2542 the answer to that will be no, you won't.

2543           Meanwhile, you will have decimated our manufacturing  
2544 sector and farming sector in the United States, shifted it  
2545 overseas, as my colleague, Representative Obernolte, said,  
2546 and continued to have levels of particulate matter and  
2547 pollution and dirty sources of energy rather than what we  
2548 have in the United States.

2549           And as we have heard today, U.S. fine particulate matter  
2550 standards, or PM2.5, has been set at a level of 12 micrograms  
2551 per cubic meter since 2012. Following the last statutory  
2552 review of particulate matter completed in December 2020 under  
2553 the Trump Administration, they decided to retain the existing  
2554 standards. However, the EPA's final rule, published last  
2555 week, proposes to lower this level outside of the statutory  
2556 review period to 9 micrograms per cubic meter.

2557           This committee hears me say this over and over again,  
2558 but clearly the Department of Energy and EPA is not  
2559 listening, so let me say it once more: The United States is  
2560 a global leader in reducing greenhouse gas emissions, all

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2561 while increasing energy production and making energy  
2562 affordable. Since 2005, the U.S. has reduced net greenhouse  
2563 gas emissions by 17 percent, all while primary energy  
2564 production in this country increased by 48 percent.

2565 Further, the U.S. has reduced particulate matter 2.5  
2566 emissions by 42 percent since 2000.

2567 America's air quality also surpasses the rest of the  
2568 world. U.S. levels of fine particulate matter are far lower  
2569 than the world average and lower than Europe and Southeast  
2570 Asia. On top of that, U.S.-manufactured goods are 80 percent  
2571 more carbon efficient than the world average.

2572 Mr. Eunice, if PM2.5 level has been found safe by the  
2573 EPA at 12 micrograms per cubic meter since 2012 for the last  
2574 14 years, can you tell me what alarming new research has come  
2575 to rationalize why the Biden Administration would rush to  
2576 drastically lower the approved amount by 3 points outside of  
2577 the regular statutory process?

2578 \*Mr. Eunice. It is a great question, Congressman and,  
2579 you know, Georgia EPD had a representative on the Clean Air  
2580 Scientific Advisory Committee when this standard was  
2581 reevaluated in 2020, and our representative voted in favor of

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2582 keeping the standard at 12 because he did not see any  
2583 compelling scientific evidence of needing to lower the  
2584 standard.

2585 \*Mrs. Miller-Meeks. And what is the difference to  
2586 public health in lowering the rate from 12 to 9?

2587 \*Mr. Eunice. Potentially significant. Very  
2588 significant.

2589 \*Mrs. Miller-Meeks. Mr. Netram and Mr. Noe, on the  
2590 other end of that, what impact on manufacturing, especially  
2591 in areas with heavy agricultural industries, how will they be  
2592 impacted by the EPA drastically changing the level from 12 to  
2593 9 micrograms per cubic meter, and how will this limit  
2594 innovation?

2595 \*Mr. Netram. I will go first. I will be brief. It  
2596 would be a tremendous negative impact on the manufacturing  
2597 industry.

2598 Specifically, it would make it more difficult to expand  
2599 an existing manufacturing facility or build a new  
2600 manufacturing facility, preventing us from actually  
2601 developing more innovative products and technologies.

2602 \*Mr. Noe. I agree. I will just add that we have a map

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2603 that is on page 17 of my testimony, and it shows your entire  
2604 state of Iowa is lit up pink. What that means is the margin  
2605 between the standard, which is 9, and the background, which,  
2606 on average in the U.S., is 8, is so close that there is  
2607 serious risk of permit gridlock for modernizing any facility  
2608 in your entire state, in your district.

2609 We took one project that was a real project that went  
2610 forward under the prior standard of 12, and saw that that  
2611 would have been blocked under 9. And that is a black dot in  
2612 the State of Iowa.

2613 \*Mrs. Miller-Meeks. Yes, it is safe to say that the  
2614 unintended -- or perhaps the intended -- consequence would be  
2615 shifting manufacturing and agriculture from the U.S. and  
2616 increase air pollution and greenhouse gas emissions globally.

2617 My time is expired, and with that I yield back.

2618 \*Mr. Carter. The gentlelady yields. The chair now  
2619 recognizes the gentleman from Texas, Mr. Crenshaw, for five  
2620 minutes of questioning.

2621 \*Mr. Crenshaw. Thank you, Mr. Chairman. Thank you all  
2622 for being here.

2623 You know, for the three people listening on C-SPAN, this

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2624 is -- let's try and summarize what is going on here. So  
2625 nobody disputes that the Clean Air Act is a good thing. It  
2626 has massively reduced air pollutants in America. We have  
2627 seen 70 percent reduction in pollution across the United  
2628 States. We have the very clean air compared to the rest of  
2629 the world.

2630           You know, and associated with that authority is the  
2631 EPA's ability to continue to reassess air quality standards,  
2632 which then cause the states to have to implement programs  
2633 that determine whether or not certain projects are permitted.  
2634 And what you really find interesting about this is that the  
2635 projects that we are talking about are really only 16 percent  
2636 of the actual emissions. That has been brought up multiple  
2637 times throughout this hearing. And those are, you know,  
2638 stationary emitters, things like manufacturers, power plants,  
2639 things that produce all of the stuff that we need.

2640           And any reasonable person can look at this and say, you  
2641 know, there is a logical conclusion to a point where we reach  
2642 the -- where we reach increasing marginal costs and  
2643 decreasing marginal benefits. You might argue that we are  
2644 about at that point, especially if you compare, say, our

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2645 standards to our European friends who are often hailed as,  
2646 you know, the environmentalist heroes.

2647         And so now the EPA wants to reduce the standard from 12  
2648 to 9, 9 particulates per million, or per cubic meter. And so  
2649 now we have to assess what the costs of that are going to be.  
2650 And the environmentalists say there is not going to be any  
2651 costs. There is never any costs, right? One more  
2652 regulation, just one more, just three more, just ten more.  
2653 Because the last one was good, so 10 more must be better.

2654         That is always the logic. But it can't possibly be  
2655 true. There is always a marginal benefit decrease, which is  
2656 I think what we are seeing, this diminishing return,  
2657 especially when you are talking about harming 16 percent of  
2658 the actual pollutants and not even talking about, you know,  
2659 40-something percent, which is wildfires.

2660         I find it interesting that, you know, we look at the map  
2661 of which counties in America are out of compliance, and  
2662 California is bright red. Why is that? Likely wildfires, a  
2663 lot of agriculture in that part of California. And so that  
2664 means that they cannot as easily permit new power production  
2665 facilities. What place -- what state in America is having

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2666 the biggest problems with power production and the highest  
2667 prices, the highest increases in electricity prices?  
2668 California. Maybe because they are having a hard time  
2669 actually building things. And so those costs just aren't  
2670 taken into account. And that is that is a huge, huge  
2671 problem.

2672           We went over before some of the permits that would have  
2673 been revoked recently if this standard had been in place.  
2674 And these permits are for things like steel manufacturers,  
2675 power production plants, aluminum manufacturing, EV battery  
2676 manufacturing, cement manufacturing. Last I checked, all of  
2677 these things are essential to a green energy revolution. You  
2678 want to mine more copper? Well, it is going to have some  
2679 emissions to it.

2680           But you also need a lot of copper and a lot of steel if  
2681 you want to build hundreds of miles worth of transmission  
2682 lines to get your green energy to your urban centers. Nobody  
2683 is thinking about that at the EPA, and that is a real  
2684 problem. Apparently, they don't want EV batteries made  
2685 either. They want them made in China, but God forbid we  
2686 actually do some of that processing here under our better



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2687 standards and have a better global benefit.

2688           So Mr. Netram, can you discuss the diminishing  
2689 environmental returns when we are placing more prohibitions  
2690 on manufacturing the way we are?

2691           \*Mr. Netram. Certainly, and Congressman, I think you  
2692 framed it exactly right.

2693           If you look at emissions as a pie chart, industrial  
2694 emissions are the smallest sliver of that. Eighty-four  
2695 percent of all emissions come from naturally-occurring  
2696 sources, which are outside of manufacturers' control. But  
2697 the EPA's proposal would actually impact permitting of those  
2698 industrial sources. So you are putting the burden of  
2699 addressing all of the 100 percent of naturally of -- 100  
2700 percent of PM emissions on that 16 percent of industry that  
2701 -- on that -- on industry, which accounts for only 16 percent  
2702 of that.

2703           And the diminishing returns are really significant. And  
2704 as you noted, we are a global outlier now, right? The EU  
2705 standard right now is 25. They will get to 10 over years.  
2706 The UK has an aspirational standard of 10 by 2040. They will  
2707 get to 10 in over a decade. We are putting ourselves in a

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2708 box in which it is going to be nearly impossible to build  
2709 those new investments. It is not just semiconductors and  
2710 batteries and EVs. It is everything that goes along with  
2711 that. If you want to have EVs on the road, well, we are  
2712 going to need more power capacity, more transmission lines.  
2713 There is going to be a need for much, much more  
2714 infrastructure around if you want to transition the economy.

2715 \*Mr. Crenshaw. Right. Thank you. I am out of time.  
2716 I yield back.

2717 \*Mr. Carter. The gentleman yields back. Is there  
2718 anybody else?

2719 That is it? Okay.

2720 I ask unanimous consent to insert in the record the  
2721 documents included in the staff hearing documents list.

2722 Without objection, that will be the order.

2723 [The information follows:]

2724

2725 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

2726

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2727           \*Mr. Carter. I remind members that they have 10  
2728 business days to submit questions for the record, and I ask  
2729 the witnesses to respond to the questions promptly.

2730           Thank all of you for being here, a very productive, very  
2731 informative meeting.

2732           Without objection, the subcommittee is adjourned.

2733           [Whereupon, at 12:53 p.m., the subcommittee was  
2734 adjourned.]