TESTIMONY OF DANNY SEIDEN, PRESIDENT AND CHIEF EXECUTIVE OFFICER

ARIZONA CHAMBER OF COMMERCE & INDUSTRY

BEFORE THE U.S. HOUSE COMMITTEE ON ENERGY AND COMMERCE,

SUBCOMMITTEE ON ENVIRONMENT

Hearing titled:

From Gridlock to Growth: Permitting Reform Under the Clean Air Act

SEPT. 16, 2025

Chairman Palmer, Ranking Member Tonko, Full Committee Chairman Guthrie, Ranking Member Pallone and Members of the Subcommittee:

Thank you for the opportunity to testify today regarding Arizona's unique position at the crossroads of economic growth and air quality regulation. I am honored to present the perspective of Arizona's business community, which is committed to advancing both a strong economy and clean air for our citizens.

Background

The Arizona Chamber of Commerce & Industry represents employers across all sectors of our state's economy, from manufacturing and mining to technology, energy, and health care. These industries have helped make Arizona one of the fastest-growing states in the nation, leading in semiconductor investment, advanced manufacturing, and clean energy development.

We are proud to serve as the official state affiliate of the National Association of Manufacturers. Through this partnership, Arizona businesses have a direct voice in shaping national manufacturing policy. In recent years, we've worked closely with the NAM to secure major wins for manufacturers—ranging from advancing pro-growth tax policies that help small and medium-sized firms reinvest in their workforce, to strengthening supply chain resilience, to advocating for smarter, more competitive trade policies. Together, we are ensuring Arizona manufacturers remain globally competitive while continuing to drive innovation and high-quality jobs across our state.

Arizona has proven that we can improve environmental quality and grow our economy at the same time. It is not an either-or choice. With the right policy vision and bold leadership, our state has advanced both at once through collaboration, partnership, ingenuity, and innovation. Over the past three decades, Arizona has experienced tremendous growth. Since 1990, our state's population, vehicle miles traveled, and gross domestic product have all risen sharply—our GDP alone has increased by more than 550%. Importantly, this growth has occurred alongside significant, measurable improvements in air quality.

No manufacturing win better reflects our growth than TSMC's announcement earlier this year of an additional $100 billion investment in Arizona—bringing its total commitment to $165 billion, the largest foreign direct investment in U.S. history.

This was no accident. It was the product of years spent building a pro-growth policy environment rooted in streamlined permitting, a competitive tax and regulatory climate, and consistent advocacy for the CHIPS Act and related initiatives.

Those efforts have helped secure other major national wins. Arizona State University was selected recently as one of only three CHIPS for America R&D centers, focused on advanced semiconductor manufacturing, packaging, and next-generation innovation. And in a major signal of the state's rising influence, Arizona will host SEMICON West this year—breaking San Francisco's 50-year streak as the exclusive site of North America's top semiconductor conference.

Over the years, Arizona businesses have invested heavily in cleaner technologies, adopted stringent control measures, and partnered with regulators to reduce emissions across multiple sectors. Our energy producers, manufacturers, and transportation industries have all made significant strides.

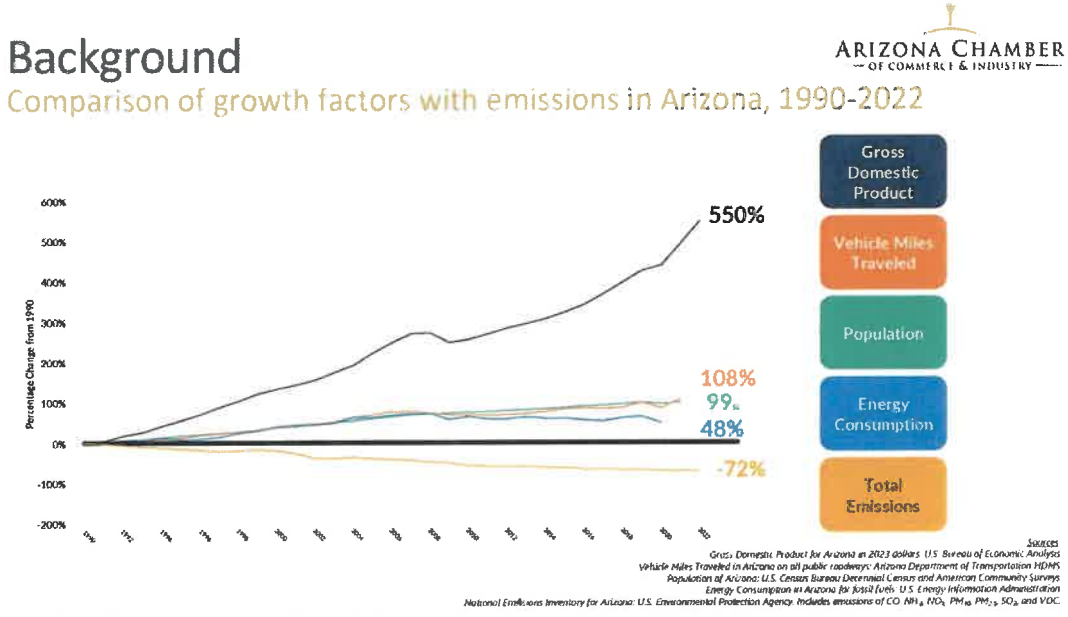
And yet, ozone levels in Arizona continue to exceed federal standards. This disconnect between declining local emissions and rising ozone readings demonstrates a central truth: much of Arizona's air quality challenge is driven by factors beyond our control.

Arizona has a track record of collaboration between all levels of government and between the private and public sectors. The Clean Air Act is built on the principle of *cooperative federalism*, which means the federal government sets national air quality standards while states develop and implement the plans to achieve them. This framework allows states to tailor solutions to their unique economic, geographic, and environmental conditions, while ensuring that all Americans benefit from cleaner air. For Arizona, cooperative federalism is especially important—our state needs flexibility and partnership with the federal government to address air quality challenges driven largely by factors outside our control, such as interstate pollution and international transport of emissions, without sacrificing economic growth and innovation.

Despite this, Arizona has often been penalized by unfair interpretations and implementation of federal air quality rules. These rigid standards have threatened to stall projects critical to our economy and national security, including semiconductor fabs, mining operations, hospital expansions and the utility infrastructure necessary to support them, all while Arizona businesses have remained responsible environmental stewards. That's why the Arizona Chamber has long called for commonsense permitting reforms to ensure states like ours aren't penalized unfairly for growth, especially considering the remarkable local emissions reductions we've achieved.

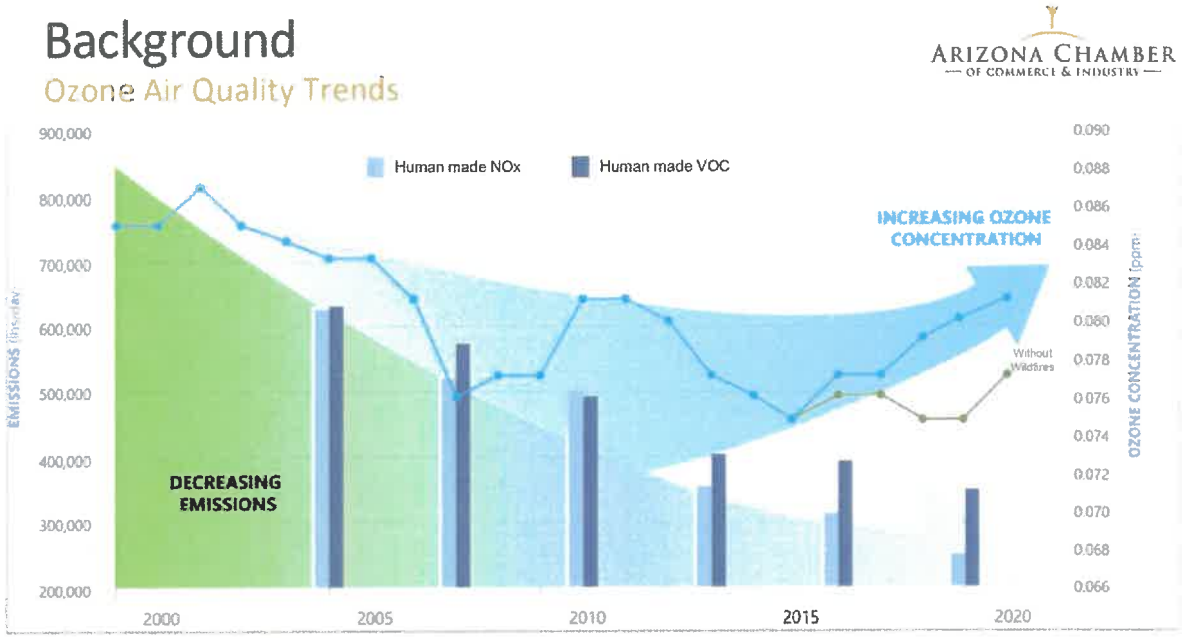
Arizona's Air Quality Record and Regulatory Challenges

We are facing a false narrative that Arizona has poor air quality that can be remedied only by additional local controls. This is simply not true. We have been responsible and extremely successful in lowering emissions. Since 1990, Arizona's population and economic activity have grown dramatically, yet emissions have declined steadily. Businesses have invested heavily in cleaner technologies, efficiency, and compliance. Overall emissions of all air pollutants in Arizona have declined by more than 70%.



Despite these improvements, Arizona continues to face the burden of nonattainment designations under the Clean Air Act. The problem is not a lack of effort by Arizona businesses or regulators; it is that much of our measured pollution originates from sources beyond our control, including:

- International transport of emissions across the U.S.–Mexico border and from Southeast Asia;
- Wildfires and natural events; and
- Interstate transport from neighboring states.



Even more frustrating is that, for reasons unknown, significant decreases in the emissions of the precursors that form ozone have corresponded to increased concentrations of ozone. Simply put, ozone around the Phoenix metropolitan area no longer responds to controls the way it did when the Clean Air Act was passed in the 1970s and amended in the 1990s. Arizona has implemented all 93 identified control measures, yet our businesses and communities are penalized as if they are responsible. This creates uncertainty for employers and jeopardizes major investments in critical industries like semiconductors, advanced manufacturing, and data centers.

Current Nonattainment Status

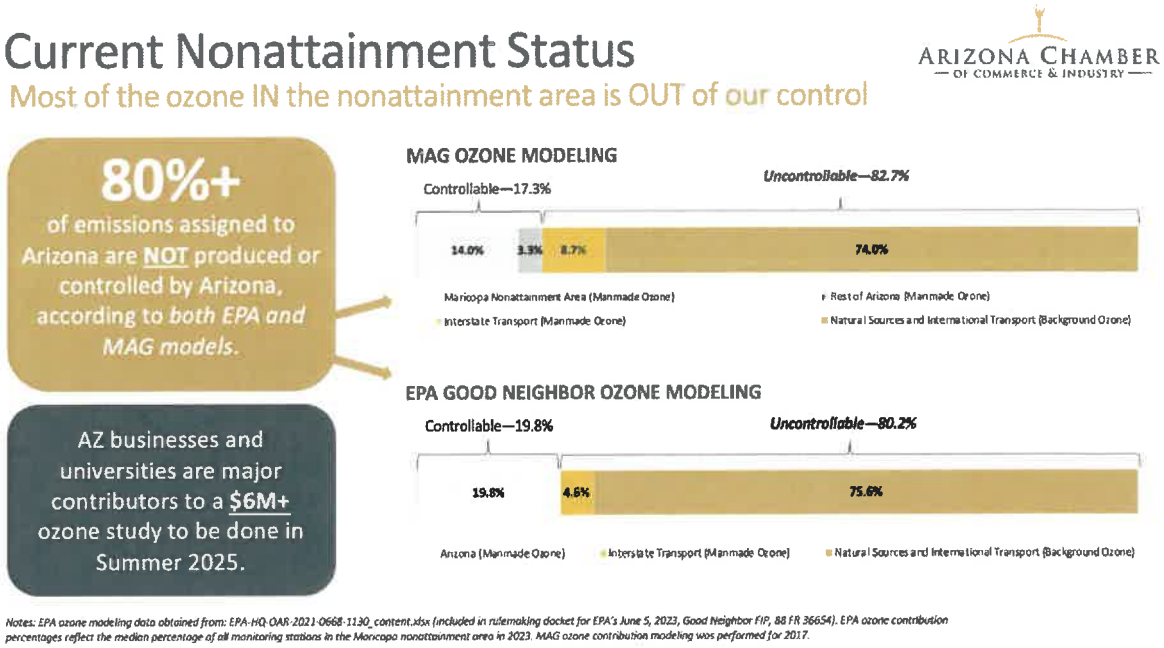
The Phoenix metropolitan area, an area about the size of Connecticut, is in *moderate* nonattainment for the 2015 ozone standard of 70 parts per billion, with ozone levels measuring between 77 and 81 ppb.

Over the past several years, Arizona stakeholders have been collaborating to find solutions that will help us achieve the 2015 standard. However, even with all 93 control measures implemented, it was clear that there was no possible path, even with the wildfire exemption. Without action, the potential remains that the Phoenix metropolitan area could be reclassified to *serious* nonattainment. And still there would be no recourse available under the Clean Air Act to reverse this classification.

According to modelling performed by both the Environmental Protection Agency and the Maricopa Association of Governments, more than 80% of the ozone in Arizona's nonattainment areas originates from out-of-state, international, and natural sources.

In other words, Arizona can only directly control less than one-fifth of the area ozone, even as we face the full weight of federal sanctions.

This reality makes compliance under the current framework unachievable. Indeed, even if every industrial source in the state were shut down, ozone levels would decrease only by about 1.5 ppb—insufficient to meet the most recent standard. Additionally, MAG modeling indicated that if we removed every vehicle from the Phoenix–Mesa metropolitan area, it would reduce ozone concentrations by approximately 7 ppb, and we would still likely not attain the standard under the current design value.



Notes: EPA ozone modeling data obtained from: EPA-HQ-OAR-2021-0668-1130_content.xlsx (included in rulemaking docket for EPA's June 5, 2023, Good Neighbor FIP, 88 FR 36654). EPA ozone contribution percentages reflect the median percentage of all monitoring stations in the Maricopa nonattainment area in 2023. MAG ozone contribution modeling was performed for 2017.

Even after decades of regulation, the science of ozone formation remains complex and is not understood fully. Ozone levels are influenced by a mix of local emissions, transported pollution from other states and countries, natural events like wildfires and stratospheric ozone intrusion, weather patterns, and the geological features in an area. This uncertainty makes it difficult to identify which control measures are truly effective. Yet states like Arizona are still expected to comply with increasingly strict standards, even when the emerging science suggests that the root causes of ozone exceedances are largely outside our control.

The business community and universities in Arizona partnered with the state's Department of Environmental Quality to raise $6 million to commission a study to better understand ozone concentration in our region. The purpose of the study is to help understand the seemingly contradictory observation that emissions of Volatile Organic Compounds and Oxides of Nitrogen are decreasing while concentrations of ground-level ozone are increasing. Understanding the root causes will help us identify any remaining effective means of reducing ozone. Preliminary results of the study should be available by early 2026.

Economic Consequences of "Serious"

If Arizona were to be reclassified to *serious* nonattainment, the economic consequences could be significant.

- Most industrial businesses will face stricter permitting requirements.

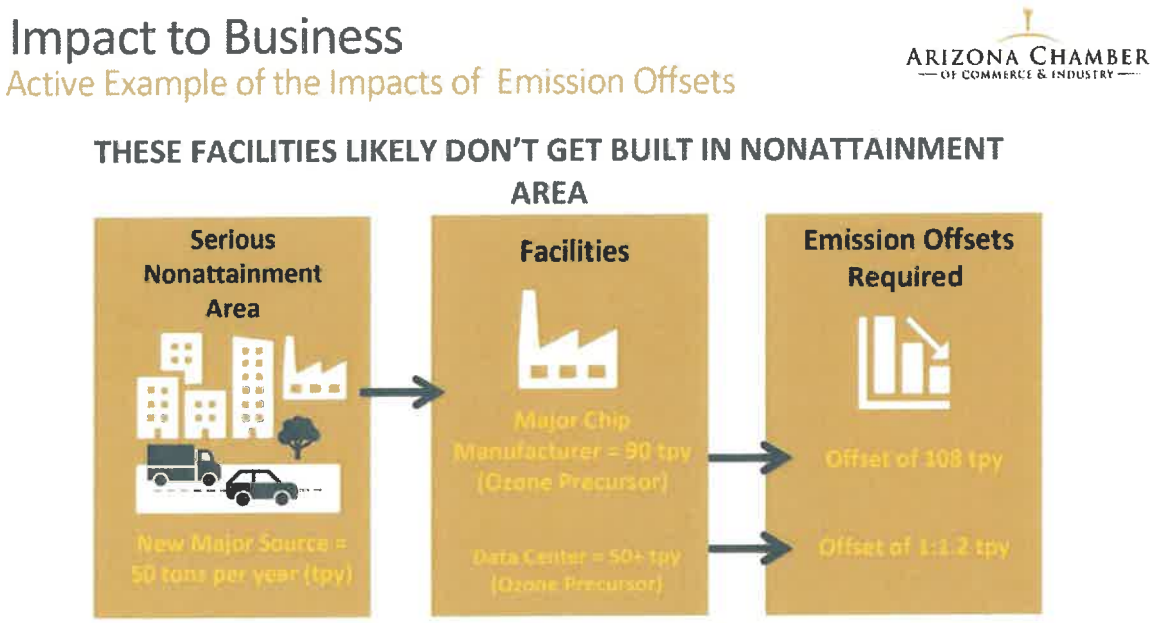
- New facilities, including advanced manufacturing plants, will be required to offset emissions at a ratio of 1.2 to 1—despite the fact that our region has no offsets available.
- Expansion of existing facilities will become much more difficult due to the lack of availability of offsets and the increased threshold.

This directly threatens Arizona's ability to attract and retain the very industries that are critical to national and energy security, including semiconductor manufacturing, battery production, and electric vehicle development.

Arizona is home to companies like Intel, TSMC, Lucid Motors, Nikola, and LG Energy Solution. These are the industries helping us to outcompete China and that are building the solutions to our climate and energy challenges. Yet, under current policy, they risk being punished for a problem outside their control.

Availability of Emission-Reduction Credits

Unlike states that have a rich industrial history, such as California or Texas, Arizona has *zero available emission-reduction credits, also known as offsets,* on which to rely. This means that when new facilities are proposed or existing facilities want to expand, there are no credits they can purchase or trade to meet offset requirements. Additionally, due to the existing regulations, most businesses within the nonattainment area have implemented nearly every feasible control already, meaning there are few offset stones that have been left unturned. The result is a regulatory dead end—companies are penalized for growth, and the state is blocked from attracting the very industries that can help us innovate cleaner technologies and reduce emissions in the long run.



Recent Positive Steps

We appreciate the leadership of EPA Administrator Lee Zeldin and his agency in revisiting flawed policies. Just months into the new administration, senior EPA officials visited Arizona—including Administrator Zeldin and Region 9 officials.

Administrator Zeldin's visit marked a rare, early engagement and underscored the Arizona Chamber's credibility in shaping national policy. Alongside Sen. Mark Kelly, we convened a roundtable with manufacturers, business leaders, and a group of bipartisan policymakers to press the case for reform. Our message was clear: Arizona should not be penalized for pollution beyond our control, and regulations and permitting policies must reflect scientific and geographic realities.

The EPA took action immediately, specifically:

- Rescinding outdated and unnecessarily stringent Section 179B guidance that hindered Arizona's ability to demonstrate compliance;
- Signaling a willingness to pause or reconsider nonattainment classifications that would have penalized Arizona unfairly; and
- Recognizing that air quality policy must distinguish between controllable and uncontrollable sources.

These reforms are important progress toward a regulatory framework that both protects public health and supports economic growth.

Recommendations for Congressional Action

Congress has a critical role to play in ensuring that Clean Air Act implementation reflects fairness, science, and practicality. We urge the committee to consider the following priorities:

1. **Protect competitiveness and don't regulate beyond natural background levels.** The EPA should avoid ratcheting down ambient air quality standards when the application of local controls will not improve air quality meaningfully or cause all nonattainment areas to achieve compliance. This will reduce uncertainty for states and employers that have made significant improvements already.

   For Arizona, the Clean Air Act is now cutting into bone; there is a critical failure to account for what happens with implementation once an NAAQS is set below natural background levels for a region or regions. We need creative solutions that support the law's original goal of delivering clean air for the American people while recognizing that things have changed—for the better—since the 1970s.

2. **Codify reforms to Section 179B for the international transport of air pollution.** States should not be penalized for pollution they cannot control. Federal law must provide a clear, consistent process for excluding international and uncontrollable sources when making attainment determinations.

   We appreciate the committee's discussion draft that would amend Section 179B to recognize states' efforts to attain an NAAQS despite the presence of natural or manmade emissions that emanate into the state from outside the United States. This policy change would reflect the realities on the ground and would not penalize states like Arizona, which, despite rigorous efforts to control and reduce emissions generated in the state, would still be in nonattainment due to international transport of emissions.

3. **Incentivize upwind controls.** The number of offsets in some existing nonattainment areas are at or near zero, unnecessarily stifling economic development. Federal law should be amended to allow the generation and use of offsets from upwind international, interstate and intrastate sources that impact the existing nonattainment area, without regard to the upwind source's nonattainment status.

4. **Modernize permitting.** Federal and state permitting should be streamlined for projects that are national priorities—such as semiconductor fabs, energy infrastructure, and clean technology manufacturing. Additional accelerated pathways should be made available when projects can demonstrate that net emissions are reduced.

   Congress should pursue commonsense permitting reforms that allow manufacturers to proceed with their investments and get shovels in the ground on critical projects. For example. Rep. H. Morgan Griffith's legislation, H.R. 161, would clarify the definitions around construction as it relates to Section 111(a) permits to allow for activities at a facility to proceed if they do not result in emissions increases. This is in line with the recent action taken by the Trump administration's EPA, which issued new guidance last week that will fast-track construction of essential power generation, data centers, and manufacturing facilities.

   We also appreciate the committee's attention to manufacturing sectors that are critical to our national security. The Air Permitting Improvements to Protect National Security Act would provide an additional avenue for manufacturers to pursue streamlined permitting based on their impact to the national security interests of the United States.

5. **Encourage innovation and collaboration.** Regulatory policy should incentivize investment in cleaner technologies and regional partnerships, not create barriers that stall growth or shift investment overseas.

6. **Enhance the Clean Air Act's Cooperative Federalism.** States expend a tremendous number of resources to develop the State Implementation Plans. In many cases, due to circumstances beyond a state's control, these plans languish for years while awaiting a decision from the EPA. Due to the time lapse, states are often required to redo their analysis and requirements or face the imposition of a Federal Implementation Plan. Federal law should mandate that all complete State Implementation Plans be approved as a matter of law if the EPA administrator fails to take action within 12 months of a completeness determination. This will create certainty for the continued development of existing facilities and provide states with greater self-governance under the Clean Air Act.

Conclusion

Arizona's experience demonstrates that strong economic growth and improved air quality can go hand in hand. But success depends on policies that are fair, predictable, and grounded in science. Penalizing states for factors beyond their control discourages investment, undermines competitiveness, and does little to improve public health.

Our request is straightforward: give us the flexibility and tools we need to continue reducing emissions, while ensuring that economic growth—especially in industries vital to America's clean energy and technological leadership—is not sanctioned out of existence.

We look forward to working with Congress, the EPA, and stakeholders nationwide to ensure that America's regulatory framework both safeguards our environment and strengthens our position in the global economy.

2 Addendums:

- AZ GOP Letter to POTUS
- Governor Letter to POTUS

April 23, 2024

The Honorable Joseph Biden
President of the United States of America
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear President Biden,

In the spirit of cooperative federalism, which has been the foundation of the successful implementation of the Federal Clean Air Act[1] (CAA) and the resulting decades of improved air quality, we would like to ask for increased flexibility and raise awareness of the significant challenges facing our states as we continue working to meet current CAA requirements and improve air quality in our states. We would like to raise a collective concern about the attainment of the 8-hour ozone National Ambient Air Quality Standard (NAAQS) in the face of substantial regionally specific challenges. We are also alarmed about the possible sanctioning of states that struggle to attain the standard and the counterproductive effect of transportation sanctions while better solutions exist within the targeted transportation communities.

Western states face significant regionally-specific challenges in meeting the 8-hour ozone NAAQS given elevated natural background ozone levels,[2,3] significant biogenic contributions,[4] the influence of internationally transported pollution,[5] some of the fastest growing populations in the nation,[6] and the increasing influence of wildfires.[7] Compounding the difficulty presented by these challenges, a significant amount of ozone-forming pollution comes from mobile sources that fall under federal regulatory jurisdiction leaving states with limited authority to reduce emissions from this sector. Additionally, as many Western states have previously implemented an array of pollution reduction policies to address air quality, there are exceedingly few remaining policies left for states to adopt. This challenge is exacerbated by the current overly strict interpretation of the CAA by the Environmental Protection Agency (EPA), which limits a state's ability to incorporate control measures into a State Implementation Plan. For example, EPA's lack of clear direction on implementing new requirements for contingency measures

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[1] 42 U.S. Code § 7401

[2] Jaffe et al., 2018. Scientific Assessment of background ozone over the U.S.: Implications for air quality management. Elem Sci Anth, DOI: https://doi.org/10.1525/elementa.309

[3] Moore and Uhl, 2018. Western Ozone NAAQS Implementation Issues: Addressing Background and Transport. EM - Air & Waste Management Association, September 2018.

[4] Description and preliminary evaluation of BELD 6 and BEIS 4. Office of Research and Development. Jesse O. Bash and Jeff Vukovich.

[5] Langford, A.O. et al. (2017). Entrainment of stratospheric air and Asian pollution by the convective boundary layer in the southwestern U.S.; J. Geophysics. Res. Atmos., 122, 1312-1337, doi:10.1002/2016JD025987

[6] U.S. Census Bureau (2022).

[7] Buchholz, R.R., Park, M., Worden, H.M. et al. New seasonal pattern of pollution emerges from changing North American wildfires. Nature Communications 13, 2043 (2022). https://doi.org/10.1038/s41467-022-29623-8

requires states to undertake unnecessary paperwork exercises and delay the implementation of potentially viable control measures. Despite ongoing work by Western states to improve air quality, including through accelerating the adoption of low and non-emitting vehicle technology[8], improvements in the use of small off-road engines[9], and the implementation of innovative programs to control emissions from stationary sources[10], these regional challenges leave Western states with a narrow set of tools and a difficult path to meeting the requirements of the CAA and attaining the NAAQS. To illustrate the scope of this challenge, in some areas of the Western U.S., local anthropogenic emissions account for as little as 20% of the total ozone that contributes to nonattainment, of which more than half is attributable to federally regulated mobile sources. The remaining 80% of ozone contributing to nonattainment is attributable to natural, interstate, or international sources. All of these challenges lead to states having little to no reasonable pathway to attaining current standards, let alone potentially more stringent future standards.

Western states face additional challenges in achieving attainment, given increased wildfire activity in the region in recent years. While states have adopted forest management and fire mitigation programs to control wildfire activity within their jurisdictions, these programs cannot control, and do not lessen, the impact of wildfire smoke transported from other states and countries. Under the current EPA interpretation of the Exceptional Events rule, however, states have severely limited options to exclude wildfire impacts from their attainment determinations. This leaves states in a position where they are forced to account for the uncontrollable impact of wildfire smoke when determining attainment without a viable pathway for obtaining regulatory relief from increasingly stringent requirements triggered by the CAA.

Given these challenges, multiple western U.S. states are now finding it difficult or even impossible to implement plans that meet the requirements of the CAA and contain reasonable pathways to attainment. As a result, states are facing the threat of sanctions to federal highway funds under Section 179(b) of the CAA.[11] Examples include the interpretation of contingency measure requirements,[12] reporting requirements,[13] unreasonable deadlines,[14] and the failure to implement emission reduction policies when reasonable policies are not available.[15]As the transportation sector is key to reducing emissions, and given the limitations on states' authority to regulate mobile sources and interstate commerce, proper transportation planning is one of the few effective tools at the disposal of the state to reduce emissions from this sector.

Sanctioning federal highway funds and effectively shutting down regionally significant transportation projects would hamstring states' ability to implement effective planning, which is counterproductive to the shared goal of improving air quality. This is especially true in areas experiencing rapid population

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[8] For example see 5 Code of Colorado Regulations (CCR) 1001-24

[9] For example see 5 Code of Colorado Regulations (CCR) 1001-33

[10] For example see 5 CCR 1001-5, 1001-9, 1001-30, 1001-31

[11] 40 CFR § 52.31

[12] 88 FR 54975

[13] 88 FR 68532

[14] 88 FR 71757

[15] Utah State Implementation Plan Section IX Part D.11

growth, like the West, where active and thoughtful transportation planning is critical to mitigate emissions from mobile sources. Further, given the current funding available through the Inflation Reduction Act and the Infrastructure Investment and Jobs Act, and the stated goals of these programs, denying states access to federal highway funds and impacting regionally significant projects would only starve viable projects that could substantially reduce transportation emissions. Finally, the timing of potential sanctions is particularly counterproductive given the recent action by the EPA to reduce pollutants from light and medium-duty vehicles,[16] as well as heavy-duty vehicles,[17] beginning in model years 2027 and 2028, respectively, and recent actions taken by several Western states to accelerate the adoption of low and non-emitting vehicle technologies[18]. The anticipated emission reductions from these rules should be given adequate time to be realized.

In light of these substantial challenges and the counterproductive consequences of imposing sanctions against states that struggle to find a reasonable pathway to attainment, we would like to offer the following potential solutions and opportunities to engage with Western states:

- Initiate collaborative efforts between the EPA and Western states to identify how the Exceptional Events framework can more appropriately be implemented given increased wildfire activity, and provide more consideration for the emissions benefits of wildfire mitigation strategies in reducing air pollution in the West and nationally;
- Implement common-sense reforms to the Renewable Fuels Standard[19] for ozone nonattainment areas to address the increased ozone formation resulting from the Reid Vapor Pressure waiver for ethanol blended gasoline or boosting or subsidizing EV sales;
- Work with states on approving novel, "outside of the box" solutions for reducing emissions that EPA has been unwilling to consider as SIP-eligible policies in the past, especially in difficult-to-regulate sectors like mobile sources;
- Work with states to establish streamlined processes, provide technical assistance, and conduct regular reviews to ensure timely approval of projects with air quality benefits are neither denied nor delayed;
- Revisit the definition of "regionally significant" as it applies to transit projects to avoid imposing sanctions on activities that could serve as a solution to local air quality challenges;
- Work with states to identify a pathway to approve strong technical CAA 179B submissions for non-international border nonattainment areas that demonstrate that an area would have attained the ozone NAAQS but for emissions emanating from outside of the U.S.[20] To date, EPA has limited the ability for States to seek relief under these provisions to border states.[21] This limitation is not contemplated by the CAA, and expanding the applicability to non-border states will provide the intended relief from nonattainment provisions to all states impacted by contributions from international emissions;

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[16] 88 FR 29184

[17] 88 FR 25926

[18] 5 CCR 1001-24

[19] Public Law 109-58 & Public Law 110-140

[20] 42 U.S.C. § 7509a(a)(2)

[21] Guidance on the Preparation of Clean Air Act Section 179B Demonstrations for NAAs Affected by International Transport of Emissions (Dec. 2020) (179B Demonstrations Guidance).

- As allowed by CAA 179(b)(1)(B), provide states and the transportation planning community facing federal highway sanctions a carveout for transportation projects that can demonstrate an emission reduction to avoid starving a viable emission reduction strategy of necessary funding when it is needed the most.

We emphasize our continued commitment to improving air quality through cooperative federalism and state-delegated programs as envisioned by Congress in the CAA. The strength of a delegated program is that it allows each individual state to implement a program uniquely tailored to that state's challenges. Yet, implicit in the delegation is that a reasonable and viable pathway to compliance exists. We look forward to working together to identify and implement solutions to give states the needed tools for success while avoiding unnecessary and counterproductive sanctions that would upend the transportation needs of, and delay improvements to air quality in, some of the fastest-growing areas of the nation.

Sincerely,

Governor Katie Hobbs
State of Arizona

Governor Spencer Cox
State of Utah

Governor Jared Polis
State of Colorado

Governor Mark Gordon
State of Wyoming

Congress of the United States
Washington, DC 20515

President Donald J. Trump
The White House
1600 Pennsylvania Ave NW
Washington, D.C. 20500

February 12, 2025

Dear President Trump,

The Biden Administration's misguided and broken environmental policies are on the precipice of doing unnecessary and altogether avoidable damage to Arizona's economy, which is both growing and critical to national security. As such, we respectfully request that you direct the United States Environmental Protection Agency's ("EPA's") Administrator to designate the Phoenix ozone nonattainment area as an area affected by the international transport of emissions of both ozone and its precursor pollutants thereby maintaining its status as a moderate nonattainment area for ozone.

The Clean Air Act requires EPA to set nationally applicable health-based air quality standards to ensure protection of public health and the environment. When an area's efforts fall short of achieving compliance with the standard, EPA is required to redesignate the area's air quality to worse classifications. The underlying presumption is that controlling local emissions of air pollution will result in local air quality improvements. It is evident that this presumption is now failing within and around Phoenix, Arizona.

Modeling performed by the Maricopa Association of Governments demonstrates that more than 80 percent of the emissions assigned to Arizona are not produced or controllable by Arizona residents. This mirrors EPA's own results.[1] The remaining controllable emissions are associated with industry and other activities that are already subject to more than 93 control measures. Since 2004, these measures have successfully reduced emissions of the pollutants that cause ozone by almost 50%.[2] Despite these improvements, ozone concentrations are increasing.[3] Yet, when presented with this evidence, the Biden Administration's EPA explained that they did not have faith in the science and would only follow standard protocols.

Under EPA's typical process, the nonattainment status will be lowered and more stringent local air pollution controls deployed. These additional controls, however, will not improve air quality. They will only serve to halt economic and industrial development in and around one of the fastest growing and important economies in the United States.[4] In fact, eliminating all of the emissions associated with local industry (approximately 1.5 parts per billion) and vehicles (approximately 7 parts per billion) will not reduce concentrations of ozone enough for the area to comply with EPA's standard.[5]

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[1] https://azmag.gov/Portals/0/Committee-Meetings/2023/MC/MC-2023-11-08-Agenda-Presentations-Combined.pdf#page=54
[2] https://azmag.gov/Portals/0/Environmental/Air-Quality/Ozone/MAG-Ozone-Challenges-Response-October-2023.pdf
[3] https://azmag.gov/Portals/0/Committee-Meetings/2023/MC/MC-2023-11-08-Agenda-Presentations-Combined.pdf#page=53
[4] https://www.americancityandcounty.com/economy-finance/gallery-annual-index-ranks-america-s-top-performing-cities-most-are-in-the-west
[5] Letter from Maricopa Association of Governments to the Honorable Michael Regan, June 28, 2023 (*See,* https://azmag.gov/Portals/0/Committee-Meetings/2023/AQTAC/AQTAC_2023-08-24_Agenda-Packet.pdf#page=19)

The economic development that is now occurring in Phoenix is critical to national security and industries that will help reduce ozone pollution across the country. Such industries include semiconductor manufacturing (Arizona now leads the nation[6]), national defense contractors, artificial intelligence, computing centers, health care, and auto manufacturing, just to name a few.[7] Redesignation to serious nonattainment will force this critical growth to stop due to the increased demand for, and the complete lack of, available emission reduction credits.

Clean Air Act Section 179B allows EPA's Administrator to stop the reclassification of an area's air quality if he is satisfied that the state would have complied except for the influence of emissions emanating outside of the United States. The analyses already completed by the Maricopa Association of Governments and the EPA is compelling as more than 80 percent of the emissions assigned to Arizona can be attributed to international transport and natural sources.

Choking the life out of a growing economy critical to national security, especially when it will not meaningfully improve the air quality in the area, is contrary to common sense and should not be allowed when Congress has provided an executive agency with sufficient legal authority to stop it.

Sincerely,

Andy Biggs
Member of Congress

Eli Crane
Member of Congress

David Schweikert
Member of Congress

Paul A. Gosar D.D.S.
Member of Congress

Abraham J. Hamadeh
Member of Congress

Juan Ciscomani
Member of Congress

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[6] https://www.azcommerce.com/news-events/news/2024/7/arizona-home-of-america-s-semiconductor-resurgence/

[7] https://phoenixrelocationguide.com/top-major-employers-and-businesses/