

PROGRAM DESCRIPTION

Department of Natural Resources

HB Section(s): 6.225, 6.255

DEQ - Air Pollution Control Program

Program is found in the following core budget(s): Air Pollution Control Program

1a. What strategic priority does this program address?

The Air Pollution Control Program helps Missouri citizens thrive by managing natural resources to promote a healthy environment and economy by:

- Promoting environmental responsibility and resource stewardship.
- Enhancing services, information, and communication to improve customer experience.
- Modernizing infrastructure, strengthening workforce, and supporting economic development.
- Improving internal processes to better serve our customers.

1b. What does this program do?

The Air Pollution Control Program maintains and improves the quality of Missouri's air. The program operates according to the Missouri Air Conservation Law and federal Clean Air Act:

- Issues permits and provides assistance so activities are conducted in compliance with laws and regulations
- Collects ambient air monitoring and emission information as an indicator of ambient air quality in Missouri
- Develops rules and state plans detailing what measures will achieve the air quality standards in any area
- Manages the Gateway Vehicle Emission Inspection Program (GVIP) which affects approximately 700,000 vehicles in the St. Louis area
- Provides financial assistance to entities through grants or contracts to carry out activities aimed at reducing air pollution
 - Implements the Volkswagen Mitigation Trust by administering funds to eligible individuals, companies, governments, and other entities to reduce air pollution from mobile sources

The following table shows financial data for the budget units included in this form.

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
	Actual	Actual	Actual	Current	Gov Rec
Air Pollution Control Operations (78865C)	4,352,257	4,051,907	4,109,982	5,314,289	5,244,289
Air Grants & Contracts PSD (79230C)	366,455	6,180,906	1,688,844	15,100,000	14,600,000
Total	4,718,712	10,232,813	5,798,826	20,414,289	19,844,289

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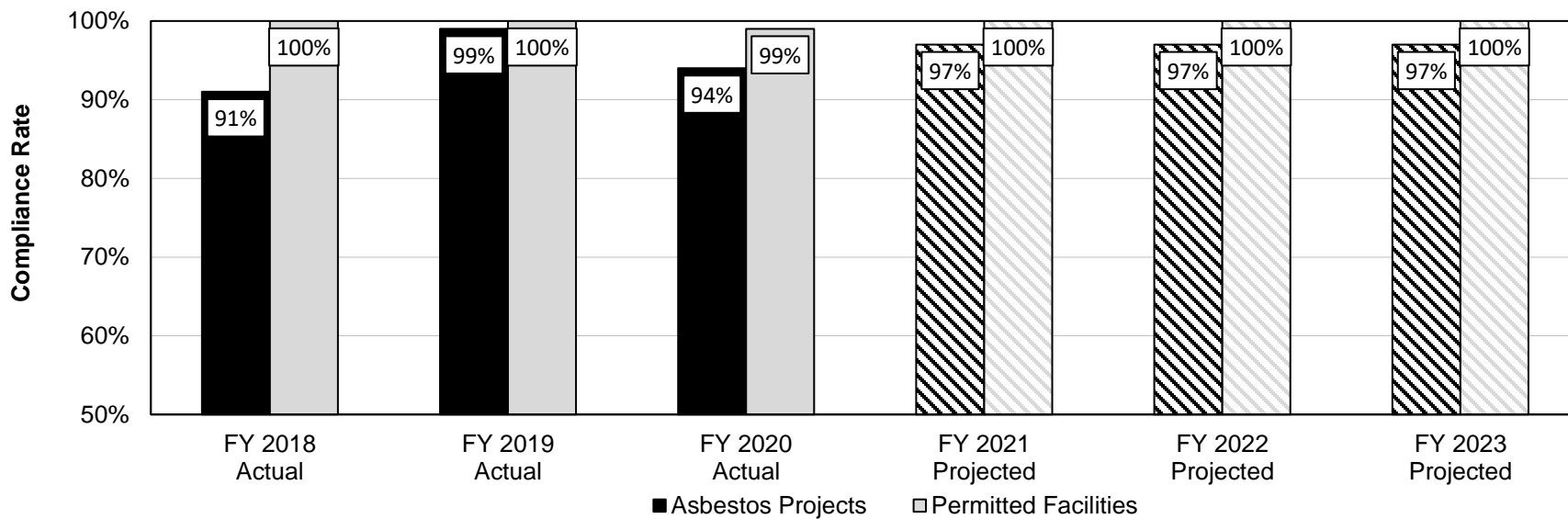
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2a. Provide an activity measure(s) for the program.

Compliance Rate of Inspected Facilities



Asbestos Projects: The base compliance rate goal for regulated asbestos projects is 97%; the stretch goal is 100%

Permitted Facilities: The base compliance rate goal for permitted facilities is 99%; the stretch goal is 100%.

The lower Asbestos Compliance Rate in FY 2020 vs FY 2019 is largely due to fewer inspections conducted in FY 2020, with more violations documented during those inspections.

The Department commits to U.S. EPA to conduct a minimum of 600 annual inspections of permitted sources and asbestos projects. In FY 2020, the Department inspected 81 (of 217) regulated asbestos abatement projects and 741 (of 2,048) permitted facilities, for a total of 822 inspections.

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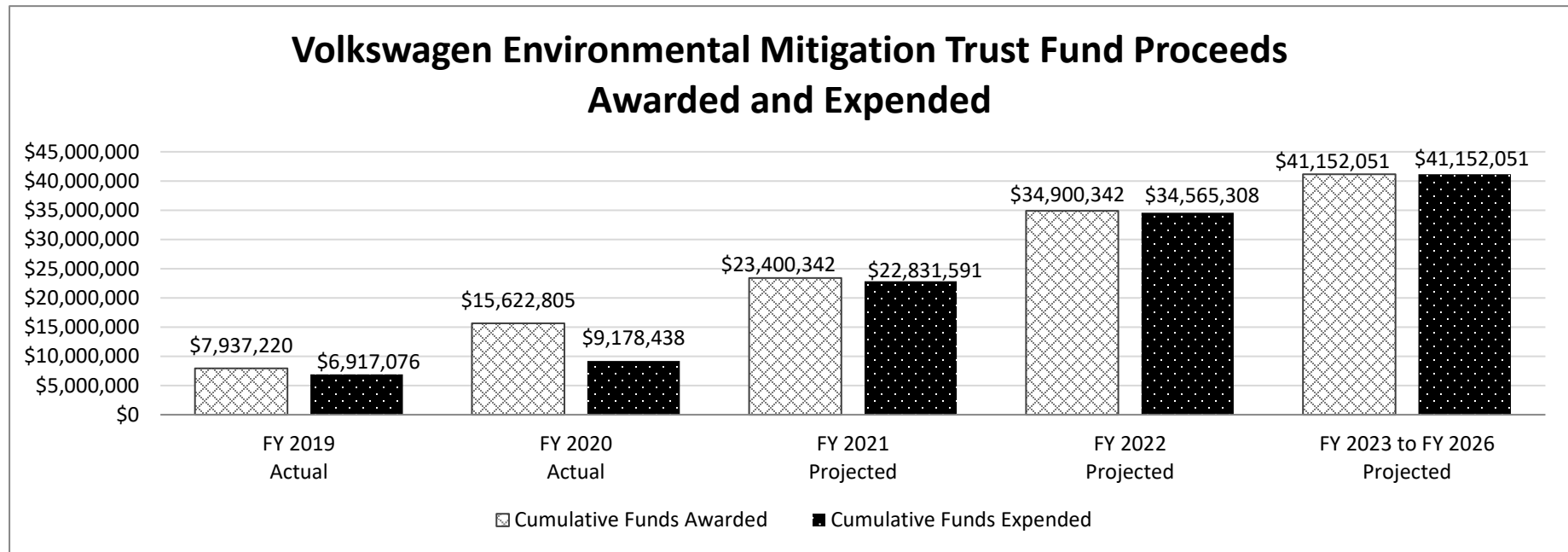
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2a. Provide an activity measure(s) for the program (continued).



Activity is measured by VW Trust funds awarded and expended during the fiscal year. FY 2019 was the first year of appropriation. FY 2019 through FY 2022 includes \$1 million of funds appropriated to the Department of Corrections. By FY 2026, the entire \$41,152,051 of the trust will be expended. Awarded projects are typically only paid upon completion of all program requirements, unless circumstances exist that require advanced payment. Therefore, payment for awarded projects may not occur in the same fiscal year as the award is approved.

In FY 2020 the COVID pandemic slowed down project submittals and therefore disbursements. At the applicants' request, the deadline for the spring 2020 application period was extended from March 31 to May 31. In FY 2020, the Department awarded approximately \$7.6 million in projects, but was not able to disperse all of these funds by fiscal year end. These applications will be processed and distributed in FY 2021.

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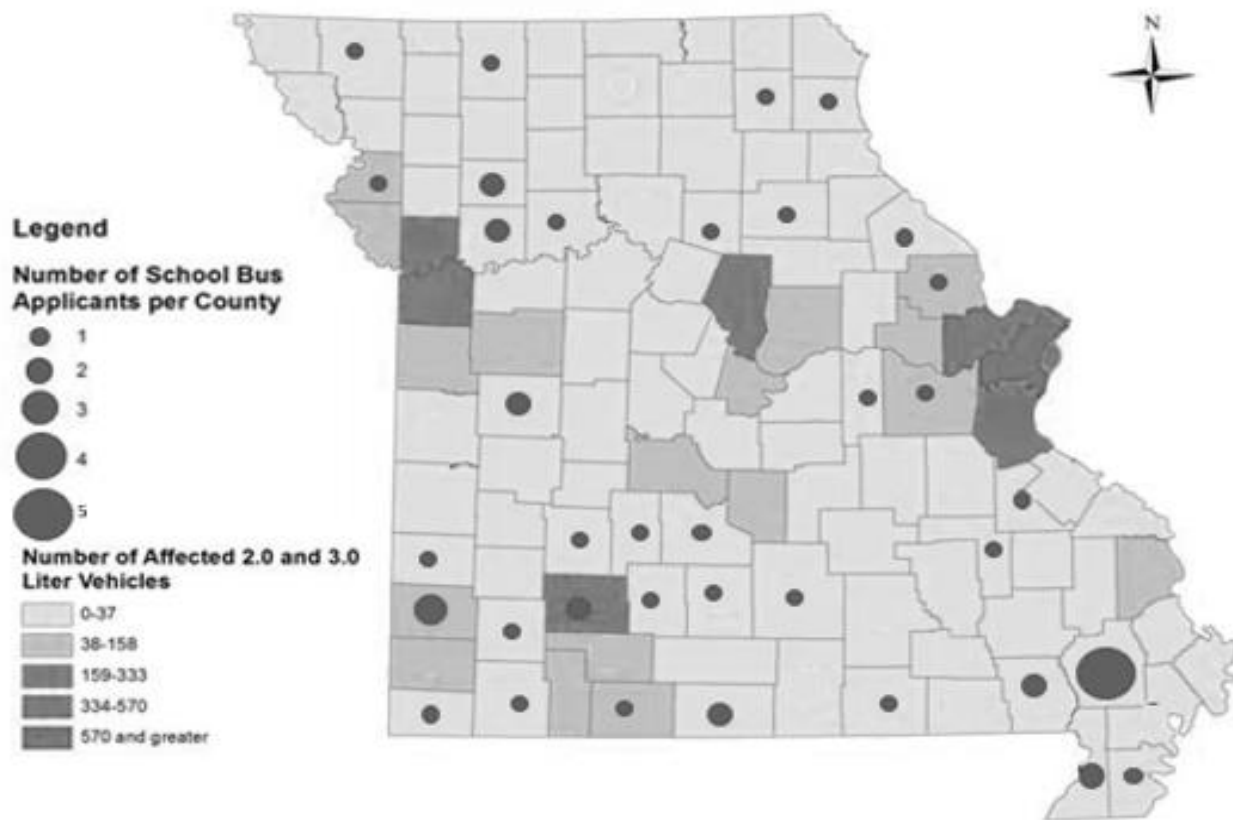
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2b. Provide a measure(s) of the program's quality (continued).

Volkswagen FY 2020 School Bus Applications Awarded



Applications (circles) are only for school buses awarded in FY 2020 and represent districts that own their own buses.

Applicants align spatially with the planned goal of spreading new buses across the state, and their emission reductions will begin to offset emissions in counties with higher numbers of affected Volkswagen vehicles.

Since implementation of the trust, the department has approved 110 school bus replacement awards in 72 counties.

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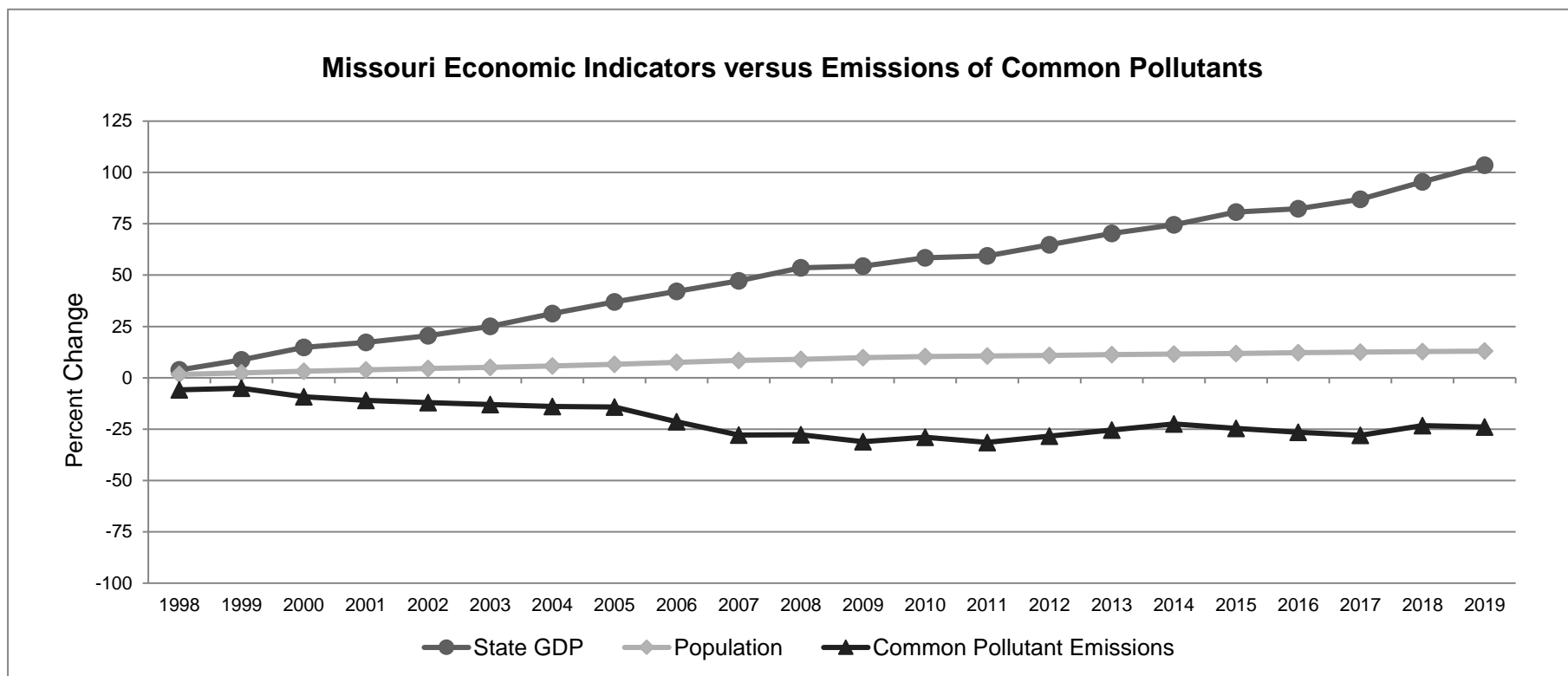
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2c. Provide a measure(s) of the program's impact.



Base/Stretch Goal: Missouri's emissions continue to trend downward as economic investment and development increases.

Common Pollutants include: Ozone, Fine Particulate, Sulfur Dioxide, Nitrogen Dioxides, and Volatile Organic Compounds

This chart reflects the most recent available data.

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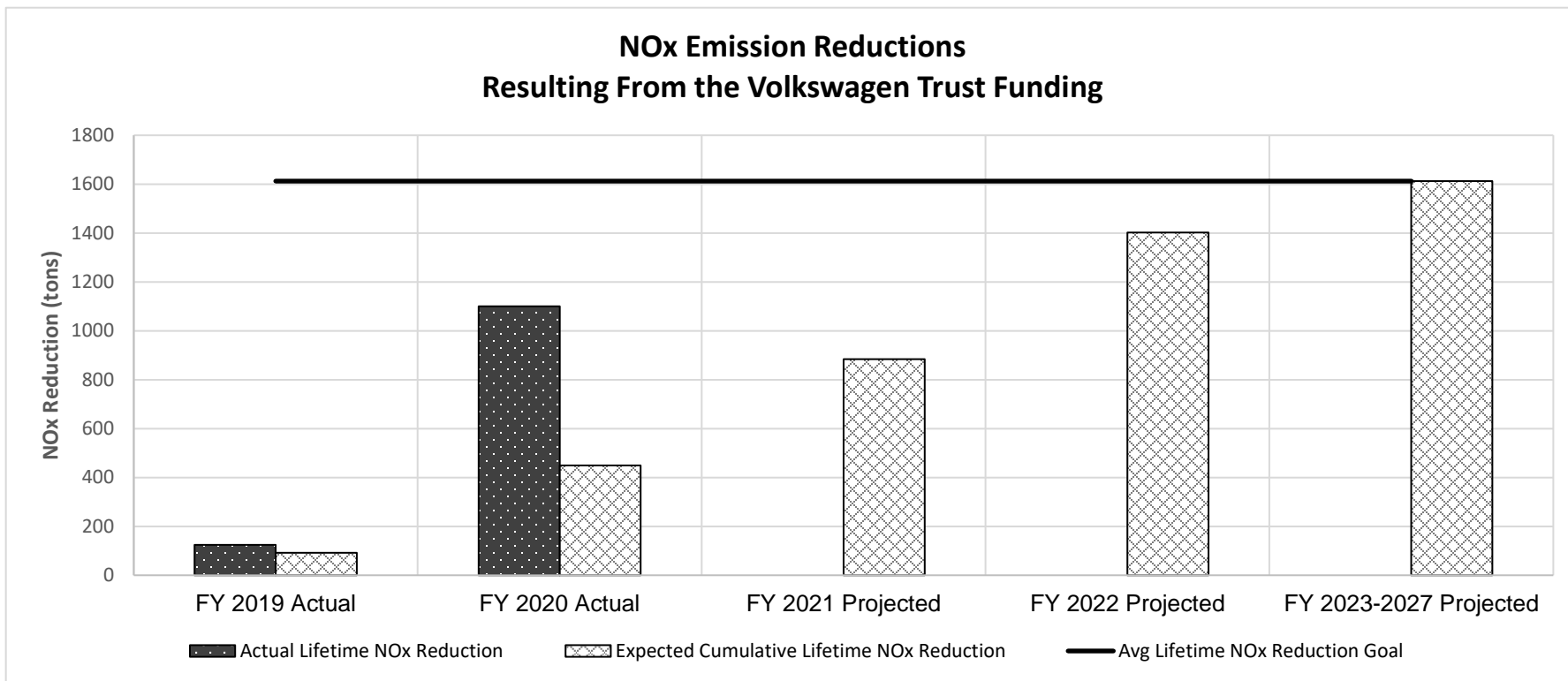
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2c. Provide a measure(s) of the program's impact (continued).



Emission reductions are estimated assuming average emission reductions based on the amount of funding allocated to the eight different award categories under the current plan. FY 2020 actual emission reductions are the result of the projects selected and completed.

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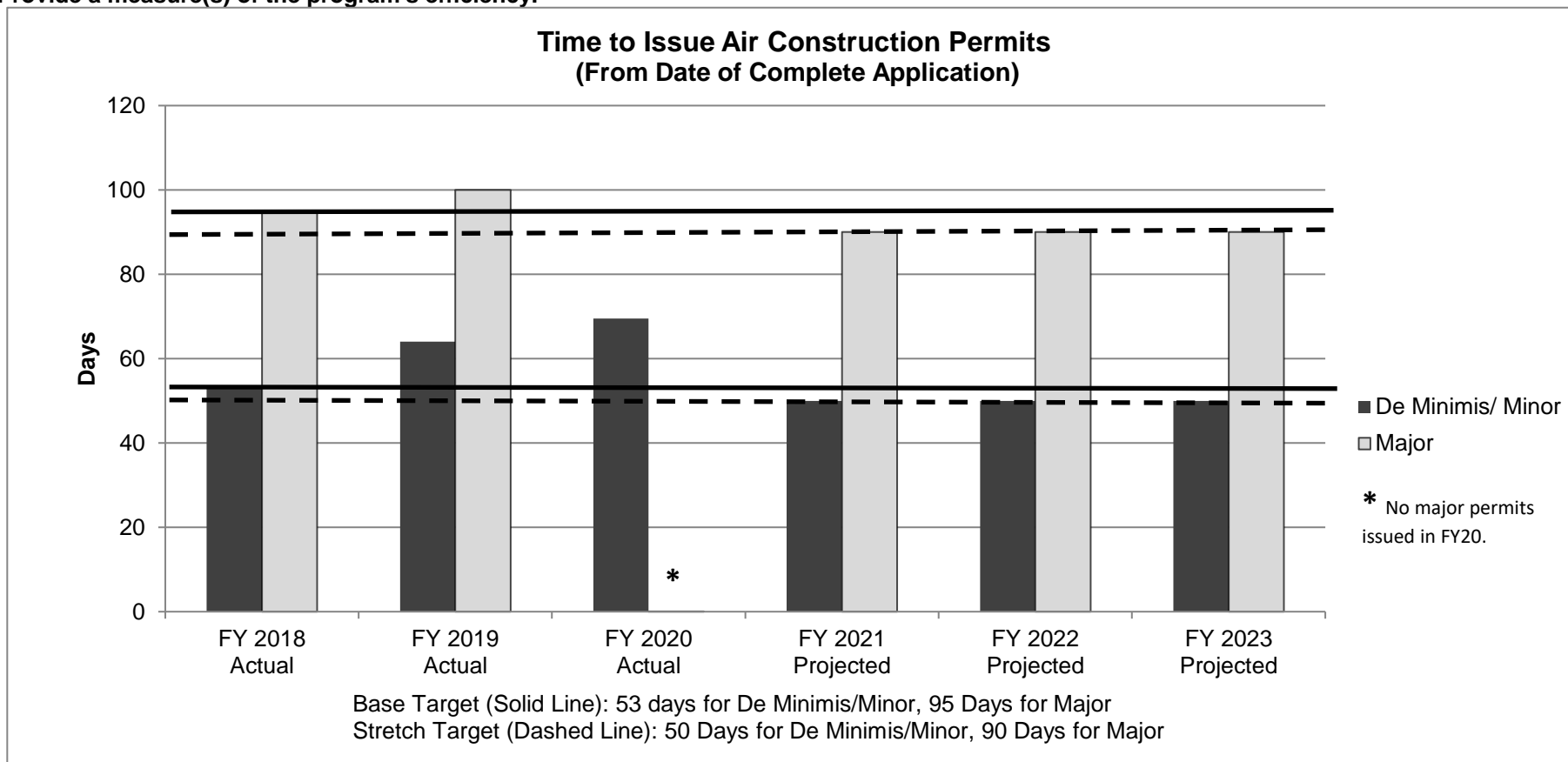
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2d. Provide a measure(s) of the program's efficiency.



Regulatory and statutory requirements are to issue permits in 90 days for De Minimis/Minor or 184 days for Major permit types.

FY 2019 and FY 2020 numbers were impacted by a high number of vacant permit writer positions. In FY 2020, no Major Construction permits were issued.

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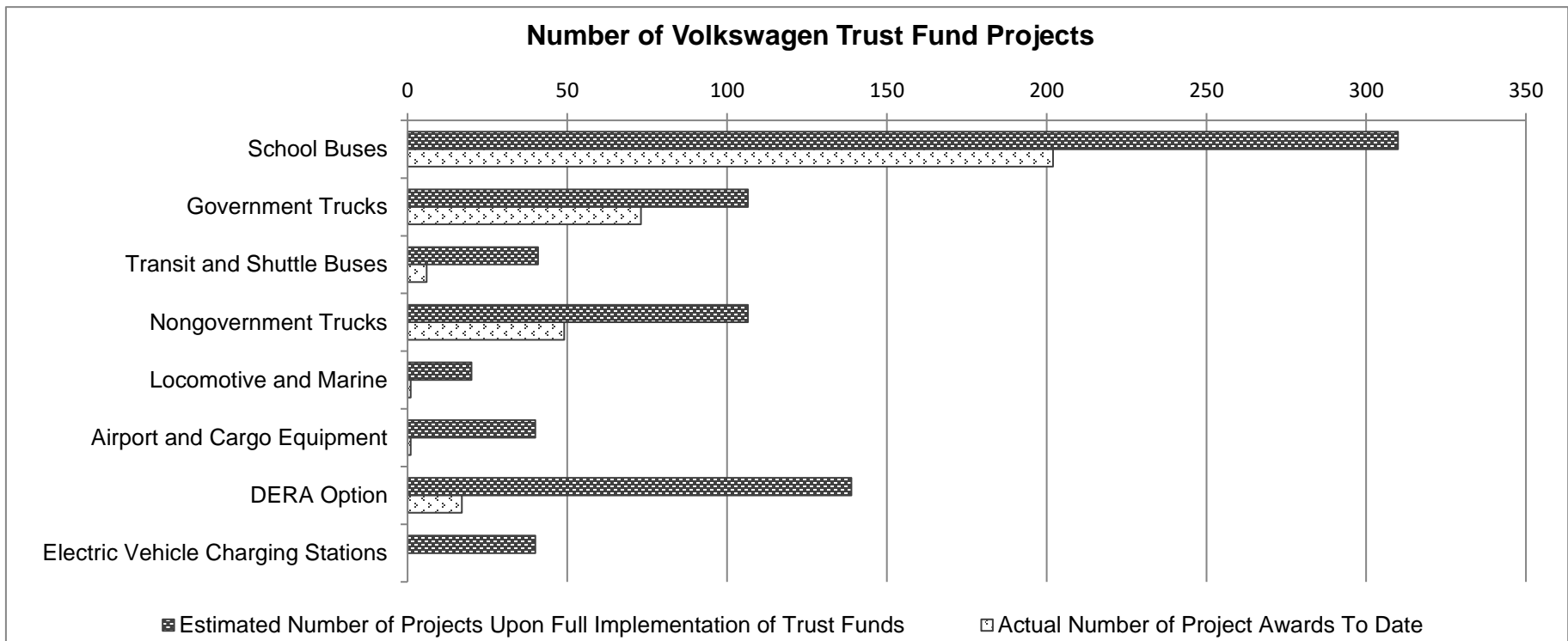
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2d. Provide a measure(s) of the program's efficiency (continued).



Expected number of projects are based on funding in the eight award categories in Missouri's Beneficiary Mitigation Plan.

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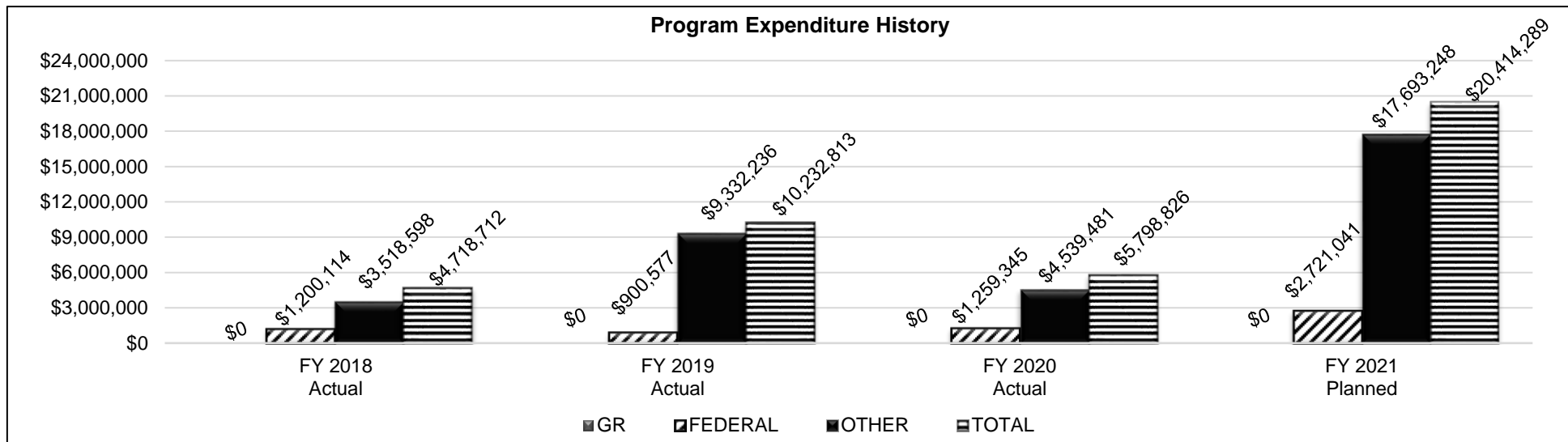
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3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



This budget does not contain General Revenue.

Financial data includes operating and pass-through appropriations. In many cases, pass-through appropriations have been provided to allow for encumbrance and payment of our commitments, which often span multiple fiscal years causing high unexpended balances. FY 2019 Actual Expenditures increased due to Volkswagen Environmental Trust Funding payments. FY 2021 Planned is shown at full appropriation.

Additional pass-through funding in FY 2021 from the Volkswagen Environmental Trust Fund has increased planned program expenditures.

4. What are the sources of the "Other" funds?

Missouri Air Emissions Reduction Fund (0267); Volkswagen Environmental Trust Fund (0268); Natural Resources Protection Fund-Damages Subaccount (0555); Natural Resources Protection Fund-Air Pollution Asbestos Fee Subaccount (0584); Natural Resources Protection Fund-Air Pollution Permit Fee Subaccount (0594)

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)	
Federal Clean Air Act, with amendments, 1990	40 CFR Part 51 Subpart S
Energy Policy Act of 2005	
RSMo 643.010 through 643.220	Prevention, abatement, and control of air pollution
RSMo 643.225 through 643.265	Asbestos abatement
RSMo 643.300 through 643.355	Air Quality Attainment Act
RSMo Chapter 643	Prevention, Abatement, and Control of Air Pollution
RSMo 643.050	Power and duties of commission - rules, procedure
United States v. Volkswagen AG, et al., No 16-cv-295 (N.D. Cal.).	
6. Are there federal matching requirements? If yes, please explain.	
The Performance Partnership Grant requires the state to provide a continuing level of state funding.	Approximately 60% Federal (EPA)/40% State Match
Clean Air Act Section 103 Grant	100% Federal (EPA)
National Air Toxic Trends Site Grant	100% Federal (EPA)
State Clean Diesel Grant	100% Federal (EPA)
7. Is this a federally mandated program? If yes, please explain.	
EPA has delegated to the Department authority to ensure compliance with the requirements of the federal Clean Air Act. Additionally, the 1990 federal Clean Air Act Amendments require states to monitor air quality for compliance with the federal, health-based standards (NAAQS). St. Louis currently is designated a "marginal" ozone nonattainment area. Pursuant to the federal Clean Air Act and regulations promulgated thereunder, a marginal ozone nonattainment area is required to have a vehicle emissions Inspection/Maintenance (I/M) program.	