

## **MDEQ RESPONSE TO COMMENTS**

The Mississippi Department of Environmental Quality (MDEQ) provided a 38-day public comments period for the proposed SFY2026 Title V program fee. As required by Miss. Code Ann. §49-17-30, a public hearing was held. The initial public notice started on January 29, 2025, and ended on March 5, 2025, the same day as the public hearing held virtually via Zoom.

During the public hearing, two (2) individuals made comments, which were followed up with written comments. Both were on behalf of the Cherokee Concerned Citizens Group. The summarized concerns regarding the proposed SFY2026 Title V program fee and MDEQ's response are below.

**Concern 1:** The proposed fee reduction to \$27/ton is inadequate to support the work of the Title V program when the Title V work is already overwhelming the agency especially the Environmental Permits Division and a cut in funding will exacerbate the backlog of permits.

**Response 1:** MDEQ understands the concern that a fee reduction could potentially exacerbate the backlog of Title V permits. However, the fee reduction was determined by the Title V Advisory Council (i.e., the "Council") following its independent study of the financial needs of the Title V program (as required in Miss. Code Ann. §49-17-16). The Council performs this study annually by reviewing the Title V program's ending fund balance for the previous State fiscal year in addition to estimating the ending fund balance for the current and next fiscal year based on the current budget and expected expenses. Due to several factors including (but not limited to) employee turnover, a continued difficulty in hiring new staff, and reductions in MDEQ's maximum staffing level as enacted through the agency's State appropriation funding, MDEQ's Title V-related actual expenses have decreased over the last few years resulting in a fund balance greater than 33% of the projected annual cost of administering the program. As such, Miss. Code Ann. §49-17-14(7) and (8) requires assessment rates to be adjusted to reduce the future projected balance.

**Concern 2:** The proposed \$27/ton is presumptively inadequate based on EPA's presumptive minimum fee rate for Title V permits and mentioned the 2022 EPA Inspector General report's findings that Mississippi had unsustainable or potentially unsustainable Title V fees for the 2018-2020 period.

**Response 2:** In 2018, MDEQ began the process of revising Miss. Code Ann. §49-17-30 to change the Title V program's fee system, which only consisted of a "dollar per ton of pollutant" rate. Following the revision to the referenced Mississippi Code in 2020, the Council assembled a work group to evaluate fee system options. It was determined that a fee system comprised of an "emissions component" and a "permit complexity" component would allow MDEQ to meet the

Federal requirement to adequately fund the Title V program as well as the State requirement to be equitably funded. The new fee system which was approved by the Mississippi Commission of Environmental Quality as well as EPA and became effective September 1, 2023. With the addition of the “permit complexity” fee component, the “dollar per ton of pollutant” rate was decreased to accommodate the supplemental revenue stream and to satisfy Miss. Code Ann. §49-17-14(7) and (8).

**Concern 3:** Cuts to the federal funding require MDEQ to fully fund its own Title V program.

**Response 3:** While MDEQ and the Air Division do receive Federal funding to implement several programs (e.g., asbestos and lead-based paint abatement; PM<sub>2.5</sub> ambient air monitoring), MDEQ’s Title V program was created in accordance with Miss. Code Ann. § 49-17-30 to be self-sufficient in that the monies received from facilities subject to the Title V permit requirements fully fund the program. Therefore, any potential cuts to Federal funding received by MDEQ and/or the Air Division will not affect the current administration of our Title V program.