



Written Testimony of Clint Woods
Commissioner, Indiana Department of Environmental Management
U.S. Committee on Energy and Commerce, Subcommittee on Environment
Hearing on “From Gridlock to Growth: Permitting Reform Under the Clean Air Act”
September 16, 2025

Chairman Palmer, Ranking Member Tonko, Vice Chairman Crenshaw, and members of the Subcommittee, my name is Clint Woods and I greatly appreciate the opportunity to testify before you on this important topic and on behalf of the nearly 800 tremendous public servants at the Indiana Department of Environmental Management (IDEM). I have the privilege of serving as the Commissioner for IDEM, an agency responsible for implementing federal and state environmental laws and regulations for air, land, and water quality. This includes primary responsibility for implementation of the federal Clean Air Act for the State, including nearly all monitoring, planning, permitting, compliance, and enforcement for air quality on behalf of Hoosiers.

The Clean Air Act is built on a model of cooperative federalism between the U.S. Environmental Protection Agency (U.S. EPA) and state/local/tribal environmental agencies, with the U.S. Congress recognizing in amendments to the underlying Act between the mid-1950s and 1990 “that air pollution prevention... and air pollution control at its source is the primary responsibility of States and local governments” (42 U.S.C. §7401(a)). Indiana has a well-established track record of success in improving air quality as well as efficiently managing critical air permits for new, modified, and existing facilities in our state. These state permits are

essential to the comprehensive management of air quality, and they serve to protect the environment, enable growth for key and emerging industries, stand up to legal scrutiny, and provide consistency and confidence for our customers in the private sector as well as the communities in which they operate. For example, 100 percent of key air permits, including for construction and operation, in Indiana are issued by IDEM (and none by U.S. EPA).¹ Similarly, over 99 percent of important Clean Air Act compliance and enforcement activities, including inspections, compliance evaluations, and stack tests in Indiana are overseen by IDEM as compared to U.S. EPA.² In short, one of the most effective approaches for Clean Air Act permitting reform and shifting from gridlock to growth is for the federal government to get out of the way of these state activities.

Consistent with direction from Governor Braun for state agency permitting transparency and accountability as well as the streamlining of unnecessary environmental red tape,³ IDEM beats state permitting deadlines by roughly 50 percent, issuing air, water, and land permits in a few short months compared to the years it can take in other areas of the country.⁴ According to U.S. EPA data and the most recent review conducted during the Biden administration, Indiana's air permitting program, despite having more major industrial sources than nearly any other state in the country, has the lowest permit renewal backlog among industrial states as well as a robust public and well-supported process for developing, reviewing, and issuing permits under the

¹ Background on types of air permits, including timeframes and fees, issued by IDEM is available at: <https://www.in.gov/idem/airpermit/resources/timeframes-and-fees/>.

² EPA data on state enforcement and compliance history available at: <https://echo.epa.gov/facilities/facility-search/results>.

³ <https://www.in.gov/gov/files/EO-25-40.pdf>; <https://www.in.gov/gov/files/EO-25-38.pdf>; <https://www.in.gov/gov/files/EO-25-49.pdf>; <https://www.in.gov/gov/files/EO-25-37.pdf>.

⁴ https://www.in.gov/idem/files/idem_eo_25-38_20250701_report.pdf; <https://www.in.gov/idem/about/agency-efficiency-metrics/>.

Clean Air Act.⁵ IDEM, operating in conjunction with our partners at U.S. EPA and consistent with the Clean Air Act and Title 13 of our Indiana Code, plays a critical role in ensuring that Indiana strikes the balance between environmental protection and economic prosperity and is a beacon for future investment in the manufacturing, artificial intelligence, energy, transportation, agriculture, and life sciences sectors. In part due to this environment, Indiana ranks as the top state in the country for manufacturing per capita as well as the manufacturing share of GDP, near the top in economic outlook, and analysis by the Indiana Chamber Foundation forecasts \$87 billion in additional economic value for Hoosiers from artificial intelligence investments by 2038.⁶ As my friend and colleague, Jim Huston, Chairman of the Indiana Utility Regulatory Commission, testified to the Subcommittee on Energy, Climate, and Grid Security last February, heavy-handed federal environmental regulations and associated permitting challenges have disproportionately threatened Indiana's ability to compete through reliable energy at affordable prices.⁷

State-led implementation of the Clean Air Act continues to be a monumental success story, but the public is often misled or not provided critical context including that the U.S. has among the lowest concentrations of important pollutants in the world and air quality progress in states like Indiana has accelerated in recent decades.⁸ For example, nearly the entire State of

⁵ https://www.epa.gov/system/files/documents/2022-01/idem_fy2022_nsr-and-title-v-program-evaluation-report.pdf (“EPA found that IDEM’s air permit program strengths include robust online public access to various types of supporting permit records and detailed technical support documents that clearly identify any changes to the current permit and that provide justification for IDEM’s decisions. In addition, IDEM’s permit development and issuance process is well-supported by permit drafting tools and resources, internal review procedures, and training for permit writers. We also acknowledge IDEM’s achievement in maintaining a very low Title V permit renewal backlog of 1% – significantly lower than Region 5’s backlog goal of less than 10%.”)

⁶ https://www.indianachamber.com/wp-content/uploads/2025/01/Seizing_Economic_Power_AI.pdf;
https://www.nist.gov/system/files/documents/2025/01/08/01082025%20IN%20Fact%20Sheet_FINAL-v2.pdf;
<https://www.axios.com/local/indianapolis/2025/05/09/midwest-data-center-boom-indiana>;
<https://www.richstatespoorstates.org/states/IN/>.

⁷ https://d1dth6e84htgma.cloudfront.net/02_14_24_ENG_Testimony_Huston_fd6abf7e6b.pdf.

⁸ Additional background materials from U.S. EPA, IDEM, and the Association of Air Pollution Control Agencies: <https://gispub.epa.gov/air/trendsreport/2024/#home>; <https://www.epa.gov/air-trends>;

Indiana meets all National Ambient Air Quality Standards (NAAQS), which are established to protect public health with an adequate margin of safety.⁹ For the few Indiana townships (limited to portions of three of our 92 counties) that have been designated nonattainment under the 2015 8-hour ozone NAAQS and the 2010 1-hour sulfur dioxide NAAQS,¹⁰ we anticipate announced U.S. EPA changes and action on forthcoming IDEM demonstrations will resolve these issues and ensure that all Hoosiers are breathing clean air consistent with these stringent ambient standards.¹¹ Since 2002, aggregate emissions of criteria air pollutants, including ozone, particulate matter, lead, and other key pollutants, fell in Indiana by more than 65 percent.¹² Since 1990, Indiana has reduced sulfur dioxide emissions from the electricity sector from 1,499,176 tons per year to less than 25,000 tons per year, a reduction of more than 98 percent and the largest reduction of any state in the country.¹³ Sulfur dioxide concentrations in Southwest Indiana have dropped by nearly 80 percent since 2013 (99th percentile of 1-hour daily maximum concentrations).¹⁴ This success is also not limited to traditional pollutants regulated by the NAAQS program. Since 2007, Indiana has reduced energy-related carbon dioxide emissions by

<https://www.in.gov/idem/airmonitoring/air-quality-data/air-quality-trends/>; https://cleanairact.org/wp-content/uploads/2025/05/AAPCA_2025_StATS_Report_FINAL_for-distribution.pdf.

⁹ <https://www.in.gov/idem/sips/nonattainment-status-of-counties/>.

¹⁰ https://www.in.gov/idem/sips/files/nonattainment_areas_map.pdf.

¹¹ These actions include: revisitation of the 2024 final particulate matter NAAQS (<https://www.reginfo.gov/public/do/eAgendaViewRule?pubId=202504&RIN=2060-AW64>); EPA action on IDEM exceptional events demonstrations (<https://www.in.gov/idem/airmonitoring/exceptional-events/>; <https://www.in.gov/idem/sips/air-quality-designations/particulate-matter-pm-25-air-quality-designations/>); EPA implementation of the U.S. Court of Appeals for the Seventh Circuit's September 5 order staying EPA's December 2024 reclassification/"bump up" of areas around Chicago, including Northwest Indiana, to "serious" nonattainment and re-assessing whether the procedural and substantive defects of this midnight rule applies to prior reclassifications (<https://www.wpr.org/wp-content/uploads/2025/09/granted-order.pdf>); swiftly acting upon demonstrations developed by IDEM pursuant to Indiana Senate Enrolled Act 103 (<https://legiscan.com/IN/text/SB0103/id/3217701/Indiana-2025-SB0103-Enrolled.pdf>); and final EPA action that the Indiana State Implementation Plan provide for attainment of the 2010 sulfur dioxide NAAQS for Huntington township (<https://www.govinfo.gov/content/pkg/FR-2025-06-18/pdf/2025-11268.pdf>).

¹² EPA data available at: <https://www.epa.gov/air-emissions-inventories/air-pollutant-emissions-trends-data>.

¹³ EPA data available at: <https://www.epa.gov/power-sector/progress-report-emissions-reductions#so2>.

¹⁴ https://www.in.gov/idem/airmonitoring/files/monitoring_summary_so2_2024.pdf.

more than 30 percent since 2007, far more than states like California.¹⁵ Since 2001, total air emissions in Indiana reported to U.S. EPA's Toxics Release Inventory in Indiana also dropped by more than 65 percent or more than 50 million tons of emissions per year.¹⁶ After years of delay, U.S. EPA has also taken action on IDEM's most recent regional haze plan, in recognition of achieving progress toward addressing all visibility impairment of Class I areas.¹⁷

The legislation being considered at this hearing would help to address four fundamental issues in implementation of the Clean Air Act and complement announced reforms from the current U.S. EPA Office of Air and Radiation (but could be coupled with additional “low-hanging fruit” for EPA interpretive, rulemaking, guidance, and administrative changes that could dramatically improve Clean Air Act permitting and prevent unnecessary delays and red tape).

First, serious congressional action to revisit and modernize the Clean Air Act is sorely needed and overdue. While many parts of the Clean Air Act, through state-led implementation, have served our country, the environment, and public health remarkably well, the reality is that the last substantive update of the Act took place 35 years ago and many provisions have fallen into disrepair and obsolescence. As with the debates over U.S. EPA's organization over the last several administrations, where the underpinning reality is that there is no legislative organic act and our federal counterparts operate under an agency reorganization plan issued by President Nixon in July of 1970, bipartisan legislative efforts to update key provisions are an important reflection of the will of the American people through their elected officials and should correspond to our current economic, technical, scientific, and environmental realities. For example, many of our tools for measuring, modeling, and forecasting air quality have advanced

¹⁵ Energy Information Administration data available at: <https://www.eia.gov/environment/emissions/state/>.

¹⁶ EPA data available at: https://enviro.epa.gov/triexplorer/tri_release.trends.

¹⁷ <https://www.in.gov/idem/sips/regional-haze/>; <https://www.govinfo.gov/content/pkg/FR-2025-06-18/pdf/2025-11259.pdf>.

in leaps and bounds since the 1990s and demand the need for modern provisions to ensure that states like Indiana are not unnecessarily penalized for air pollution far outside of our state or control grows each year.

Second, all too often in the past, U.S. EPA has run roughshod over state sovereignty in managing implementation of the Clean Air Act in their states. There are diminishing returns from second-guessing state plans, permits, and demonstrations, especially when such oversight is not timely or is not directly grounded in the provisions of the Act.

Third, U.S. EPA has failed to incorporate, consider, and address the role of significant air pollution contributions, including the growing role of background, natural/biogenic, international, exceptional, fire-related, geographically distinct (including at land-water interface and higher elevations) and mobile sources, in decisions on setting standards (including for NAAQS under Section 108 and 109 of the Clean Air Act), designating, redesignating and reclassifying areas for nonattainment, or in acting upon state demonstrations to provide regulatory relief. The challenges of characterizing and addressing significant natural, biogenic, international, or fire-related emissions extends not only to the NAAQS program but also for U.S. EPA regulatory schemes for hazardous air pollutants, regional haze, mobile sources, greenhouse gases, and others. State environmental agencies have repeatedly outlined how U.S. EPA handling of Clean Air Act provisions to address these contributions on the back end of implementation – including demonstrations related to exceptional events (Section 319(b)), treatment of areas as rural transport areas (Section 182(h)(2)), satisfactory demonstrations that the state would have attained the NAAQS but for emissions emanating outside the U.S. (Section 179B), discretion in initial designations or redesignation of air quality control regions (Section 107) – is outdated,

burdensome, and have a low likelihood of success.¹⁸ This challenge is at the forefront for Northwest Indiana's two partial county ozone nonattainment areas, where local contributions subject to IDEM regulation are dwarfed by international, mobile, fire, natural/biogenic, or out-of-state emissions or unique local atmospheric conditions.

Fourth, U.S. EPA's approach to key Clean Air Act provisions to address new sources (including the expansion of EPA applicability for a wider range of activities for existing sources) relies on a two-tiered permitting system that discourages investment in new or modified facilities that emit less air pollution and creates perverse incentives for older, grandfathered facilities. Investment in new, modified, or reconstructed facilities are inevitably cleaner and more efficient than what they replace. Numerous U.S. EPA interpretations and enforcement priorities have deterred environmentally beneficial new projects as well as retrofits, maintenance, and repair projects that would improve operations and reduce emissions by most reasonable measures.

Notably, the most important steps that EPA can take to remove barriers to more widespread NAAQS attainment across the U.S. include: rescinding the scientifically and legally dubious 2024 annual fine particulate matter NAAQS; invigorating Clean Air Act provisions designed to prevent unnecessary penalties for state for air pollution contributions outside their control, including existing provisions related to exceptional events, international transport, rural transport areas, as well as a more commonsense interpretation of EPA's approach to designating, redesignating, and reclassifying areas dominated by air pollution contributions outside of their control; and adopting a more reasonable interpretation of Clean Air Act provisions that eliminate incentives for attainment, including anti-backsliding analysis often required under Section 110(l).

¹⁸ <https://cleanairact.org/wp-content/uploads/2019/05/Perspectives-on-Background-Ozone-Regulatory-Relief-June-2015.pdf>; <https://cleanairact.org/wp-content/uploads/2019/08/AAPCA-PrinciplesForAddressingInterstateandInternationalOzoneTransport-9-15-17.pdf>.

Nonattainment with the NAAQS can have a substantial impact on economic growth and the pace of permitting, with consequences ranging from burdensome Nonattainment New Source Review requirements accompanied by costly offset requirements, vehicle emissions testing, reformulated gasoline or related fuel requirements, transportation conformity requirements that can threaten highway and other transportation funding, often unreasonable additional emissions reductions through further rate of progress reductions, planning and rulemaking resources, and ratcheting up of painful penalties at higher classifications.

The bills being evaluated at this hearing would also be consistent with administrative and rulemaking actions announced by U.S. EPA as well as Executive Orders issued since January designed to provide additional clarity and reduce permitting gridlock.¹⁹ These important legislative changes would help alleviate key drivers of unnecessary Clean Air Act permitting delays which reduce economic growth and innovation:

- H.R. 161, New Source Review Permitting Improvement Act, would help to clarify U.S. EPA's permitting approach to "modification" of existing facilities and remove the current disincentive for environmentally beneficial projects.
- Fire Improvement and Reforming Exceptional Events Act (FIRE) Act would remove confusion that sometimes limits the applicability of regulatory relief for Clean Air Act provisions on "exceptional events" to encourage active forest management and prescribed burning, activities that reduce the risk of catastrophic wildfires and far greater contributions to air pollution. The Subcommittee may want to also consider other pollutants and events that

¹⁹ <https://www.epa.gov/newsreleases/epa-launches-biggest-deregulatory-action-us-history>; <https://www.whitehouse.gov/presidential-actions/executive-orders/>; https://www.reginfo.gov/public/do/eAgendaMain?operation=OPERATION_GET_AGENCY_RULE_LIST¤tPub=true&agencyCode=&showStage=active&agencyCd=2000&csrf_token=8EC6FC449D28E945E7816A5B18E1BBD0CBEBFAD399AC2A6917EB507E4620DDF4E43B6F093C2BAA6D517C7F8E9DA058052A74.

may benefit from such clarity, as well as similar provisions should be incorporated into Section 110 state plan requirements that can often be a barrier.

- Reducing and Eliminating Duplicative Environmental Regulations Act (RED Tape) Act would eliminate delays and unnecessary red tape in EPA review and comment on other federal agency actions, including pursuant to the National Environmental Policy Act (NEPA).
- Foreign Emissions and Nonattainment Clarification for Economic Stability (FENCES) Act would significantly clarify Clean Air Act provisions to avoid unnecessary penalties in areas that would have attained NAAQS standards “but for” international contributions, with significant benefits for Indiana.
- Air Permitting Improvements to Protect National Security Act would create provisions similar to those in other federal environmental laws to enable Presidential national security waivers or alternative means of compliance for certain advanced manufacturing facilities.

As the Subcommittee takes on the considerable task of modernizing the Clean Air Act to improve permitting and air quality outcomes, we believe there are several other commonsense areas for reform that could enjoy widespread support (and, in some cases, include minor clarifications that could also be accomplished by U.S. EPA regulatory or other administrative actions):

- Authorization of appropriations for essential cooperative federalism grants for state air pollution research, monitoring, planning, and control under Sections 103 and 105 of the Clean Air Act. Congress has recognized “that Federal financial assistance and leadership is essential for the development of cooperative Federal, State, regional, and local programs to prevent and control air pollution” (42 U.S.C. §7401(a)). However, despite widespread

support, Congress and key authorizing committees have failed to reauthorize resources to be appropriated for these core categorical cooperative federalism grants, including for key state implementation activities for other federal environmental laws like the Clean Water Act, Resource Conservation and Recovery Act, and Safe Drinking Water Act, this century. As a result, this critical source has been subjected to the broken Congressional appropriations process, which has meant the stop-start and uncertainty of continuing resolutions and a reduction in real dollars over the several decades. This relatively minor investment for core Clean Air Act work, especially compared to recent EPA extramural and non-governmental funding under the Inflation Reduction Act,²⁰ has remained between \$220 and \$240 million dollars annually – for all Clean Air Act work across all 50 states – for more than 25 years.²¹ Reauthorization of appropriations for the next 4-6 fiscal years, even at this same historic level, would dramatically improve certainty and planning for state air agencies with an attendant contribution to improved permitting services for emerging industries.

- Removal of disincentives for air quality improvements and NAAQS attainment by clarifying that anti-backsliding analysis under Section 110(l) of the Act does not apply to state demonstrations regarding air pollution outside of their control.
- Narrowing the U.S. EPA review process, including objections and granting of third-party petitions, regarding state Title V permits under Section 505 of the Act. Congress should exclude review of limits derived from New Source Review (NSR), Prevention of Significant

²⁰ For example, U.S. EPA awarded \$27 billion – more than 100 times the resources provided to all 50 states per year for core Clean Air Act implementation work – to non-governmental organizations under the Inflation Reduction Act’s Greenhouse Gas Reduction Fund in late 2024: <https://www.epa.gov/newsreleases/epa-awards-27b-greenhouse-gas-reduction-fund-grants-accelerate-clean-energy-solutions>.

²¹ https://www.ecos.org/wp-content/uploads/2025/09/Resolution_14-3_Federal_Resources_for_State-Programs-09.2025.pdf; <https://www.ecos.org/wp-content/uploads/2025/08/Final-ECOS-2020-2023-Budget-Report.pdf>; <https://www.ecos.org/wp-content/uploads/2025/03/Package-2-Cat-Grant-charts-2025-final.pdf>.

Deterioration (PSD), and PSD/NSR avoidance as they are outside the scope of this Section.

Third-party petition and EPA review timelines should be strengthened to ensure that these important state permits move forward and there are no disincentives for decision-making.

States should also be given tools for legal redress when EPA objects or grants a petition, and petitioners should need to exhaust state administrative remedies prior to seeking U.S. EPA intervention.

- Establishment of clear timelines for U.S. EPA review of state plans, permits, and demonstrations and presumptively approving those state actions if the agency does not act within those timeframes.
- Clarification regarding how U.S. EPA should incorporate information regarding background, natural, international, or fire-related contributions to local air quality in the process for designating, redesignating, or reclassifying areas in attainment or nonattainment with the NAAQS.
- Revisitation of procedural and scientific requirements in Section 307(d), including the court of review for state plans, designations, and permits, based on recent U.S. Supreme Court decisions including *EPA v. Calumet Shreveport* (2025).
- Clarification of numerous provisions of the Clean Air Act enabling potentially burdensome national rules and permitting challenges based on pollutant-, emissions-, or source category-based threshold findings, including related to whether these regulatory objects: “endanger public health or welfare”; “cause or (significantly) contribute” to such pollution; or are “reasonably anticipated” to contribute to such a finding. Given U.S. EPA’s recent focus on nontraditional pollutants, dramatic changes in certain source categories in recent decades, and the potentially expansive authority conferred to U.S. EPA under these provisions,

Congress should also consider whether the delegation of regulatory authority is clearly delineated and intelligible. These provisions include Section 108, Sections 111(b)(1)(A) and 111(f), Section 115, Section 119, Section 183, Section 202(a), Section 213, Section 231, Section 303, and Section 615.

- Congress should consider updating relevant Clean Air Act provisions related to standards for economic analysis, science, and cost-benefit analysis to ensure that EPA is providing rigorous, transparent support for national rulemaking, including often-excluded evaluation of tradeoffs for health and the environment as well as obscured costs for states as the primary implementers of these rules. Based on decades of reports to Congress by the Office of Management and Budget, U.S. EPA Clean Air Act rules represent the majority of costs and benefits per year for the entire federal regulatory enterprise.²² Relevant provisions include Sections 109(d), 307(d)(3), 312, 317, 321, and 507.
- Reiteration of U.S. EPA nondiscretionary duties for key provisions of the Clean Air Act that have often been ignored by the agency, including:
 - Section 109(d)(2)(C) (requiring that Clean Air Scientific Advisory Committee advice on “the relative contribution to air pollution concentrations of natural as well as anthropogenic activity” and “any adverse public health, welfare, social, economic, or energy effects which may result from various strategies for attainment and maintenance of such national ambient air quality standards” be incorporated into the standard-setting process).
 - Process for setting NAAQS as well as more swiftly developing tools for state implementation, consistent with Sections 108, 109, and 110 of the Act as well as U.S.

²² <https://bidenwhitehouse.archives.gov/omb/information-regulatory-affairs/reports/>.

EPA's May 2018 Back-to-Basics Process for Reviewing National Ambient Air Quality Standards memorandum.²³

- Detail of U.S. EPA personnel to state/local/tribal air agencies to improve permitting outcomes under Section 301.
- Continuous evaluation of employment effects of the Act under Section 321.
- Operation of a small business stationary source compliance assistance program at U.S. EPA under Section 507 (and potential streamlining of corresponding state requirements to maximize small business outreach).

This is a critical time for this hearing, as this Subcommittee, Congress, and U.S. EPA have a unique opportunity in the next year to dramatically change the direction of federal Clean Air Act policy in a manner that amplifies air quality progress while removing unnecessary red tape and impediments to efficient permitting. Thank you for the opportunity to provide our perspective, and IDEM stands ready to assist the Subcommittee as it considers these important legislative changes. I look forward to your questions.

²³ <https://www.epa.gov/sites/default/files/2018-05/documents/image2018-05-09-173219.pdf>.