

**National Association of Clean Air Agencies (NACAA)<sup>1</sup>**  
**Recommendations for FY 2024 Federal Grant Funding for State and Local Clean Air Agencies**  
**Adopted – October 19, 2022**

The Clean Air Act (CAA) places the responsibility for implementing the federal air pollution program squarely on state and local clean air agencies. This is an enormous undertaking that calls for monitoring, issuing permits, planning, developing emission reduction strategies, enforcing requirements, educating the public, training staff and carrying out a host of other activities. More and more, these agencies are tasked with new and high-priority responsibilities to reduce air pollution, address environmental justice and tackle climate change. Unfortunately, this simply cannot be accomplished with current levels of funding.

In terms of the national budget, the amount appropriated for federal grants to state and local air quality agencies<sup>2</sup> is relatively small. Yet the return on investment is among the highest, when the benefits of protecting public health and the environment against the serious threats posed by air pollution and climate change are considered.

NACAA surveyed state and local air agencies about the funding that will be needed to meet their current and expected obligations. Based upon the responses, NACAA developed the following recommendations for EPA and Congress related to federal funding for state and local clean air agencies in FY 2024:

- Provide \$500 million in federal grants to state and local air agencies to carry out current programs and new challenges expected in the near future. This is an increase of approximately \$251 million over the amount for FY 2023 (\$249 million).
- Allow flexibility for state and local air agencies to use federal grants for the highest-priority needs in their areas.
- Retain fine particulate matter (PM<sub>2.5</sub>) monitoring funds under Section 103 authority, so agencies are not required to provide matching funds in order to obtain the grants.
- Provide grant increases under authorities of the CAA that do not require matching funds (e.g., Section 103) as much as possible. This will allow agencies that do not have sufficient matching funds to still obtain the grants.

Congress recently passed the Inflation Reduction Act (IRA),<sup>3</sup> which includes essential and very welcome funding for state and local air agencies to address climate change in particular. However, the IRA funds are not a substitute for the increases NACAA is recommending, which are intended to make up for the historical deficits in state and local grant funding and bring the appropriations to the level they should be for these agencies to carry out their ongoing responsibilities. Additionally, the increase to state and local air grants NACAA is recommending would be a permanent addition, unlike the IRA funding, which is for a set number of years.

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<sup>1</sup> NACAA – [www.4cleanair.org](http://www.4cleanair.org)

<sup>2</sup> Federal grants to state and local air pollution control agencies are provided primarily under Sections 103 and 105 of the Clean Air Act. Section 105 requires a 40-percent match, while Section 103 does not require matching funds.

<sup>3</sup> <https://www.congress.gov/bill/117th-congress/house-bill/5376/text>