

November 8, 2022

Janet McCabe  
Deputy Administrator  
U.S. Environmental Protection Agency  
1200 Pennsylvania Avenue, N.W.  
Washington, DC 20460

Dear Ms. McCabe:

On behalf of the National Association of Clean Air Agencies (NACAA), we wish to provide you with recommendations related to the U.S. Environmental Protection Agency's (EPA's) FY 2024 budget, expected to be announced in February or March 2023. NACAA is a national, non-partisan, non-profit association of air pollution control agencies in 40 states, including 117 local air agencies, the District of Columbia and five territories. The air quality professionals in NACAA's member agencies have vast experience dedicated to improving air quality in the United States. These comments are based upon that experience. The views expressed in this document do not represent the positions of every state and local air pollution control agency in the country.

While Congress has not yet adopted legislation to fund the federal government for FY 2023, we know the Administration is hard at work developing a proposed budget for FY 2024. We would like to take this opportunity to provide you with NACAA's recommendations for the FY 2024 budget, specifically related to federal grants to state and local air quality agencies.

As you know, 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. Increasingly, 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 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.

Based upon a NACAA survey of state and local air agencies regarding the resources that will be needed to meet their current and expected obligations, the association developed a set of recommendations related to federal funding for state and local clean air agencies in FY 2024. NACAA recommends that EPA include the following provisions in the Administration's proposed FY 2024 budget and that Congress incorporate them into appropriations legislation:

- Provide \$500 million in federal grants to state and local air agencies under Sections 103 and 105 of the Clean Air Act to carry out current programs and new challenges expected in the near future. This is an increase of approximately \$269 million over the amount appropriated in FY 2022 (\$231 million) and \$178 million more than the Administration requested for FY 2023 (\$322 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.

On August 16, 2022, President Biden signed the Inflation Reduction Act (IRA),<sup>1</sup> into law. This measure includes essential and very welcome funding to address climate change, environmental justice and other critical issues. However, the IRA funds are not a substitute for the increases NACAA is suggesting here. Our recommendations 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 undertake existing and ongoing responsibilities. Furthermore, our recommended increases to state and local air grants would be a permanent addition, unlike the IRA funding, which is for a fixed number of years. Finally, the successful implementation of the IRA will likely increase the responsibilities typically borne by state and local air agencies' core programs, but for which the measure did not allocate specific additional funding.

We urge EPA to consider these recommendations as the agency develops proposed funding levels for FY 2024. Thank you for your consideration and we look forward to discussing these issues with you further. Please do not hesitate to contact Mary Sullivan Douglas ([mdouglas@4cleanair.org](mailto:mdouglas@4cleanair.org)) or Miles Keogh ([mkeogh@4cleanair.org](mailto:mkeogh@4cleanair.org)) of NACAA, or either of us, if you need additional information.

Sincerely,



Tracy Babbidge  
Connecticut  
NACAA Co-President



Mark Buford  
Mount Vernon, Washington  
NACAA Co-President

cc: Joseph Goffman, Principal Deputy Assistant Administrator, Office of Air and Radiation  
Faisal Amin, Chief Financial Officer, Office of the Chief Financial Officer

<sup>1</sup> <https://www.congress.gov/bill/117th-congress/house-bill/5376>