

National Association of Clean Air Agencies (NACAA)¹
Recommendations for FY 2026 Federal Grant Funding for State and Local Clean Air Agencies

The Clean Air Act (CAA) places the responsibility for implementing the federal air pollution control 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. State and local clean air agencies require more funding, not less, and Congress should avoid cuts to the federal grants that support their programs.

In terms of the overall national budget, the amount appropriated for federal grants to state and local air quality agencies² is relatively small. Yet the return on investment is among the highest, when the benefits of protecting public health and the environment are measured against the serious threats posed by air pollution.

Based upon input from state and local air agencies about the funding that will be needed to meet their current and expected obligations, NACAA has the following recommendations for EPA and Congress related to federal funding for state and local clean air agencies in Fiscal Year (FY) 2026:

- State and local air agencies need more funding, not less, and Congress should avoid cuts to the federal grants that support their programs.
- Congress should give state and local air agencies the full flexibility permitted by federal law to use federal grants for the highest priority needs in their area.
- Fine particulate matter (PM_{2.5}) monitoring funds should be retained under CAA Section 103 authority, so agencies are not required to provide matching funds to obtain the grants.
- Grant increases should be provided 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.

State and local clean air agencies across the country are charged with running essential air quality programs under the Clean Air Act that protect public health. While our country's air pollution control program has achieved significant gains, air pollution still causes tens of thousands of early deaths in America and poses negative health impacts to millions every year.¹ A 2023 NACAA survey of its members indicated that to meet the implementation needs of the Clean Air Act, state and local agencies would need an increase of approximately \$264 million over the amount appropriated by Congress in FY 2024 (\$236 million) – needs that federal funds are not currently meeting. We depend on the vision and leadership of our Congressional leaders to direct resources to assure that we have clean air for all.

¹ NACAA – www.4cleanair.org

² Federal grants to state and local air pollution control agencies are provided primarily under Sections 103 and 105 of the Clean Air Act (42 U.S.C. §§ 7402 & 7403). Section 105 requires a 40-percent match, while Section 103 does not require matching funds.