

March 27, 2023

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The Honorable Kay Granger
Chairwoman
House Appropriations Committee
U.S. House of Representatives
Washington, DC 20515

The Honorable Rosa DeLauro
Ranking Member
House Appropriations Committee
U.S. House of Representatives
Washington, DC 20515

Dear Representatives Granger and DeLauro:

As Congress begins to consider appropriations legislation for FY 2024, the members of the National Association of Clean Air Agencies (NACAA)¹ would like to emphasize the critical need for increased recurring grant funding for state and local air pollution control agencies under Sections 103 and 105 of the Clean Air Act (CAA), which is contained in the State and Tribal Assistance Grant (STAG) program in the U.S. Environmental Protection Agency's (EPA's) budget.²

The CAA places the responsibility for implementing the federal air pollution program squarely on state and local clean air agencies. This is an enormous undertaking and it is critical that Congress provide federal support that is commensurate with the scope and complexity of the responsibilities these agencies face, including reducing air pollution, tackling climate change and addressing environmental justice. Year after year, EPA has updated requirements and regulations that have increased the amount of workload, necessary equipment and cost that is borne by state and local air agencies. Unfortunately, state and local air agencies have been underfunded for many years. Federal grants to these agencies (under Sections 103 and 105 of the CAA) were not much higher in FY 2023 than they were 20 years ago, representing a substantial decrease in purchasing power when factoring in inflation. Yet, during this time, air quality issues have become more and more complicated and costly.

In light of this funding deficit, for FY 2024 NACAA recommends that Congress 1) provide \$500 million in grants to state and local air agencies, which is an increase of \$251 million over FY 2023 and \$100 million more than the Administration's FY 2024 request of \$400 million; 2) provide flexibility to state and local air quality agencies to use federal grants to address the highest priority programs in their areas; 3) retain grants for monitoring fine particulate matter

¹ NACAA is a national, non-partisan, non-profit association of state and local air quality agencies in four states, including 117 local air agencies, the District of Columbia and five territories.

² See also NACAA's testimony provided to the House Appropriations Subcommittee on Interior, Environment, and Related Agencies on March 16, 2023, available here: <https://www.4cleanair.org/wp-content/uploads/House-Testimony-FY-2024-NACAA.pdf>

(PM_{2.5}) under the authority of Section 103 of the Clean Air Act, rather than shifting it to Section 105; and 4) provide grant increases under authorities of the CAA that do not require matching funds (e.g., Section 103) as much as possible to allow agencies that do not have sufficient matching funds to still obtain the additional grants.

Congress has recently adopted the Inflation Reduction Act (IRA) and the Infrastructure Investment and Jobs Act (IIJA), both of which include welcome funding for environmental projects. Unfortunately, those measures are not a substitute for the increases we are 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 the ongoing responsibilities that existed prior to the recent laws and will continue in the future. For example, many agencies need to hire new staff, which requires continuing resources beyond the limited-time IRA funding. Additionally, 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. With respect to the IIJA, most of those resources are directed to water and infrastructure projects. While those are worthwhile, they do not address the day-to-day work of state and local air quality agencies. These two significant pieces of legislation, though important to state and local agencies, are not the solutions to the funding shortfall. Traditional federal grants must be expanded to meet the significant resource requirements.

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 are considered. Therefore, we urge you to include our recommendations for increased funding for state and local clean air agencies in upcoming FY 2024 appropriations legislation.

Thank you very much for your continuing recognition of the importance of healthful air quality. If we can provide additional information, please do not hesitate to contact us or Mary Sullivan Douglas (mdouglas@4cleanair.org) or Miles Keogh (mkeogh@4cleanair.org) of NACAA.

Sincerely,



Michelle W. Owenby
Tennessee
NACAA Program Funding
Committee Co-Chair



Rollin Sachs
Johnson County, Kansas
NACAA Program Funding
Committee Co-Chair

cc: House Appropriations Committee Members