FY 2026 Federal Grant Funding for State and Local Clean Air Agencies: National Association of Clean Air Agencies Recommendations

Walter Wright, Jr.
wwright@mwlaw.com
(501) 688.8839

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The National Association of Clean Air Agencies ("NACAA") issued a document titled:

Recommendations for FY 2026 Federal Grant Funding for State and Local Clean Air Agencies ("Recommendations").

The NACAA describes itself as the:

…national, non-partisan, non-profit association of 156 state and local air pollution control agencies in 40 states, including 117 local jurisdictions, the District of Columbia, and 5 territories.

The Recommendations initially note that the Clean Air Act places significant responsibility on the state and local clean air agencies for activities such as:

- Monitoring.
- Issuing permits.
- Planning.
- Developing emission reduction strategies.
- Enforcing requirements.
- Educating the public.
- Training staff.

As a result, the organization argues that such agencies require more funding as opposed to less and therefore request that Congress avoid cuts to the federal grants that support these programs.

Further, NACAA contends that despite the small amount appropriated for federal grants to its member agencies that the return on investment, when taking into account the benefits of protecting public health and the environment, are significant.

Recommendations collected from NACAA's state and local agency members related to federal funding in Fiscal Year 2026 include:

- 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 (PM2.5) 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.

Testimony submitted to the United States House of Representatives Appropriations Committee, Subcommittee on Interior, Environment and Related Agencies further notes:

- The Clean Air Act Has Been Very Successful.
- Air Pollution Remains a Serious Public Health Problem.
- Significant Challenges Remain for State and Local Air Quality Agencies.
- Air Agencies Need Significant Resources to Succeed and Help Grow the Economy.
- Simply Increasing Permit Fees Will Not Solve the Problem.

NACAA further contends that reduction in federal funding could:

- Slow permitting processes, potentially delaying economic development.
- Force closure of federally required air monitoring sites, leaving many communities without air quality data.
- Force agencies to reduce staff by 25% or more, with some ceasing operations entirely.
- Reduce or eliminate successful emission reduction programs.
- Potentially reverse air quality gains made over the past decades.

A copy of the Recommendations can be found here.

A copy of NACAA's testimony can be found here.