

# Issue Brief for Congress

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## Clean Air Act Issues in the 108<sup>th</sup> Congress

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# **CONTENTS**

SUMMARY

MOST RECENT DEVELOPMENTS

BACKGROUND AND ANALYSIS

Issues in the 108<sup>th</sup> Congress

New Source Review (NSR)

Clear Skies / Multi-Pollutant Legislation

MTBE

Conformity of Transportation Plans and SIPs

Deadlines for Achieving the Ozone Air Quality Standard

LEGISLATION

CONGRESSIONAL HEARINGS, REPORTS, AND DOCUMENTS

FOR ADDITIONAL READING

## Clean Air Act Issues in the 108<sup>th</sup> Congress

### SUMMARY

Amendments dealing with air quality issues were among the amendments to the omnibus FY2003 appropriation bill (H.J.Res. 2) considered by the Senate the week of January 20. The Senate narrowly rejected an amendment to delay implementation of changes to the Clean Air Act's New Source Review regulations until the National Academy of Sciences (NAS) could complete a study of the changes' impacts. The Senate did approve a separate amendment directing NAS to conduct such a study, but not delaying implementation of the standards. The President signed the bill, with the latter amendment, February 20 (P.L. 108-7).

Clean air issues were discussed at length in the 107<sup>th</sup> Congress, but legislation was not enacted, leaving the same issues for possible consideration in the 108<sup>th</sup>. With new leadership in the Senate, the prospects for such legislation and its content are likely to change. The Senate committee of jurisdiction (Environment and Public Works) is expected to focus first on consideration of highway and transit funding (the authorization for which, known as TEA-21, expires at the end of FY 2003). Thus, although there is some interest in considering broad changes to the Clean Air Act, the more immediate prospect is for targeted proposals, some of which might be attached to reauthorization of TEA-21 or other legislation.

The most prominent air quality issue in recent months has been the controversy over EPA's proposed changes to the New Source Review (NSR) requirements, which impose emission controls on modifications of power plants and other major facilities. On January 22, the Senate narrowly defeated an amendment that would have delayed implementation

of changes to the requirements pending a study by the National Academy of Sciences.

In addition to changing NSR, the Administration has asked Congress to modify Clean Air Act requirements for power plants by enacting "Clear Skies" or "multi-pollutant" legislation. In the 107<sup>th</sup> Congress, the Senate Environment and Public Works Committee narrowly approved multi-pollutant legislation (S. 556) June 27, 2002; but the Administration and much of the electric power industry opposed the bill, and it did not reach the Senate floor. "Clear Skies" legislation was reintroduced in the 108<sup>th</sup> Congress, February 27.

Another holdover issue from previous Congresses concerns regulation of the gasoline additive MTBE. MTBE is used to meet Clean Air Act requirements that gasoline sold in the nation's worst ozone nonattainment areas contain at least 2% oxygen, to improve combustion. The additive has been implicated in numerous incidents of ground water contamination, however, and 17 states have taken steps to ban or regulate its use. The most significant of these bans (in California and New York) take effect at the end of 2003, leading many to suggest that Congress revisit the issue before then to modify the oxygenate requirement and set more uniform national requirements regarding MTBE and its potential replacements (principally ethanol).

Other clean air issues that might be considered in the 108<sup>th</sup> Congress are the conformity of metropolitan area transportation plans with the Clean Air Act, and whether to modify the Act's requirements for areas that have not met deadlines for attainment of the ozone air quality standard.



## **MOST RECENT DEVELOPMENTS**

Bills to regulate emissions of multiple pollutants from electric power plants, including the Administration's Clear Skies bill and several competing bills, have been introduced in both the House and Senate. While hearings may be scheduled in the coming months, early action on the bills is not anticipated.

On January 22, the Senate narrowly defeated an amendment to the FY2003 Omnibus Appropriations bill (H.J.Res. 2) that would have delayed implementation of changes to the Clean Air Act's New Source Review requirements pending completion of a study by the National Academy of Sciences. Environmental Protection Agency (EPA) recommendations regarding the NSR program were released November 22, 2002, and appeared in the Federal Register December 31. The new NSR rules (some proposed and others promulgated by EPA) will make it easier for companies to modify their facilities without installing new pollution controls.

The 107<sup>th</sup> Congress did not pass major legislation amending the Clean Air Act. Of the bills that might have amended the Act, H.R. 4, the comprehensive energy bill, came closest to passage; however, it died in conference at the end of the Congress. The Senate version of the bill would have banned use of the gasoline additive MTBE, eliminated the requirement to use MTBE or other oxygenates in reformulated gasoline, authorized additional funding for cleanup of ground water contaminated by the substance, and required that motor vehicle fuel contain ethanol or other renewable fuels. The House bill contained only the ground water cleanup provisions, not the ban on MTBE nor the provisions requiring the use of ethanol.

## **BACKGROUND AND ANALYSIS**

Despite steady improvements in air quality in many of the United States' most polluted cities, the goal of clean air continues to elude the nation: 107 areas with a combined population of 97.8 million were classified as "nonattainment" for one or more of the National Ambient Air Quality Standards (NAAQS) as of December 2002. Two pollutants account for the vast majority of nonattainment areas: ozone – 36 areas with 85.5 million people – and particulate matter (PM) – 61 areas with 24.9 million people. Thirty-nine areas with 18.4 million people have failed to achieve standards for carbon monoxide, sulfur dioxide, or lead.

The standards for these pollutants are health-based: the statute requires that EPA set them at levels necessary to protect the public health with an adequate margin of safety, based on a review of the scientific literature. From time to time (every 5 years according to the statute, but less frequently in reality), the Agency reviews the latest scientific studies and either reaffirms or modifies the standards. The most recent changes (a strengthening of the ozone and PM standards) were promulgated in 1997. Due to legal challenges and other delays, the new standards have not yet been implemented. When they are implemented (now expected in 2004), they are likely to double the number of areas in nonattainment.

National Ambient Air Quality Standards drive many of the Clean Air Act's programs. The need to attain them sets in motion State Implementation Plans that establish detailed requirements for sources of air pollution, including: the imposition of Reasonably Available Control Technologies on stationary sources of pollution; the requirement that new sources of pollution in nonattainment areas "offset" their emissions by reductions in pollution from other sources; the operation of inspection and maintenance programs for auto emission controls; the requirement to use cleaner burning reformulated gasoline as a means of reducing emissions; and the necessity of demonstrating that new highway and transit projects "conform" to the State Implementation Plan for the area in which they will be constructed.

Other provisions of the Act are separate from the State Implementation Plans, and are for the most part national in scope. These include emission standards for cars, trucks, and other mobile sources of pollution; standards for new major sources of pollution; emission standards for sources of hazardous air pollutants; standards for prevention of significant deterioration in areas where air quality is better than the NAAQS; acid rain and regional haze programs; and stratospheric ozone provisions.

## Issues in the 108<sup>th</sup> Congress

Several of the clean air issues facing the 108<sup>th</sup> Congress are holdovers that were discussed at length, but not resolved, in the 107<sup>th</sup>. Changes to the Act's reformulated gasoline program, for example, including a ban on use of the gasoline additive MTBE, reached a conference committee as part of the comprehensive energy bill (H.R. 4); and legislation was reported on the regulation of emissions from electric power plants (S. 556). Ultimately, neither bill was enacted, leaving these issues for possible consideration in the 108<sup>th</sup>. (For information on bills introduced and considered in the 107<sup>th</sup> Congress, see IB10065, *Clean Air Act Issues in the 107<sup>th</sup> Congress*.)

When, and in what form, these issues might be resurrected is less certain. In the Senate, the committee of jurisdiction for air issues (Environment and Public Works) is expected to focus first on consideration of highway and transit funding (the authorization for which, known as TEA-21, expires at the end of FY2003). As a result, although some in the new leadership have expressed an interest in considering broad changes to the Clean Air Act, the more immediate prospect could be for targeted proposals that might be attached to reauthorization of TEA-21 or other legislation. In addition, with new leadership in the Senate, the specifics of bills dealing with any of the holdover issues may change.

In the remainder of this Issue Brief, we look in more detail at five prominent air issues that might be of interest in the new Congress: New Source Review, multi-pollutant legislation, MTBE, transportation conformity, and deadlines for achieving the ozone air quality standard.

**New Source Review (NSR).** The most prominent air quality issue in recent months has been whether to modify the Clean Air Act's New Source Review requirements. EPA proposed and promulgated several changes to these rules on December 31, 2002, the net effect of which will be to allow modification of some existing major sources of air pollution without subjecting them to new emission standards.

The controversy over the NSR process stems from EPA's application of New Source Performance Standards to existing stationary sources of air pollution that have been modified. In Section 111, the Clean Air Act states that new sources (subject to NSR) include modifications of existing sources as well as plants that are totally new. Industry has generally avoided the NSR process, however, by claiming that changes to existing sources were "routine maintenance" rather than modifications. In the 1990s, EPA began reviewing records of electric utilities, petroleum refineries, and other industries to determine whether the changes were routine. As a result of these reviews, since late 1999, EPA and the Department of Justice have filed suit against 14 electric utilities, claiming that they made major modifications to 53 units in 14 states, extending their lives and increasing their electric generating capacity without undergoing required New Source Reviews and without installing best available pollution controls. With one exception, these suits were filed by the Clinton Administration.

Two of the 14 utilities charged with NSR violations (Tampa Electric and PSEG of New Jersey) have settled with EPA, agreeing to spend more than \$1.3 billion over the next decade on pollution controls or fuel switching in order to reduce emissions at their affected units. Two other utilities (Virginia Power and Cinergy) reached agreement in principle more than 2 years ago to spend more than \$1 billion each to resolve NSR violations, but final settlement negotiations have not been concluded. A fifth utility, the Tennessee Valley Authority, has announced plans to spend \$1.5 billion to reduce emissions at four of its plants, although not as part of a settlement agreement. Between July 25, 2000 and December 20, 2001, the Agency also reached agreement with nine petroleum refiners representing more than 30% of industry capacity. The refiners agreed to settle potential charges of NSR violations by paying fines and installing equipment to eliminate 153,000 tons of pollution.

Most of the utilities have not settled with EPA. They and other critics of the Agency's enforcement actions claim that EPA reinvented the rules. A strict interpretation of what constitutes routine maintenance, they contend, will prevent them from making changes that were previously allowed, without a commitment of time and money for permit reviews and the installation of expensive pollution control equipment. This provides disincentives for power producers, refineries, and others to expand output at existing facilities, they maintain.

NSR rules have been under review by the Administration since the May 2001 release of the President's energy plan. In the plan, EPA was charged with undertaking a review of NSR, with the EPA Administrator to report to the President regarding the impact of NSR regulations on investment in new utility and refinery generation capacity, energy efficiency, and environmental protection. The review was concluded in June 2002, and regulatory changes were promulgated and proposed December 31, 2002.

EPA promulgated four sets of changes to NSR. First, it will allow facilities to use Plantwide Applicability Limits, rather than emissions from the individual units being replaced, to determine whether emissions will increase from a plant modification (this is expected to make it easier to modify facilities without triggering NSR). Second, certain environmentally beneficial pollution control and prevention projects will be allowed to proceed without NSR permits, upon submission of a notice to the permitting authority. Third, plants that install state-of-the-art pollution controls (referred to as "clean units") will be allowed to modify their facilities during the ensuing 10 years without undergoing further review, provided they meet emission limits specified in their permit. And fourth, the

methodology used to calculate whether emissions will increase (triggering NSR) will be changed—for example, facilities other than power plants will be able to compare projected emissions after a modification to the highest emission levels reached during any 24-month period during the previous 10 years.

In addition to the four promulgated changes, the Agency also proposed new regulations defining what constitutes routine maintenance, which is exempt from review. The proposal would exempt from NSR modifications that cost less than threshold amounts.

The proposed and promulgated changes have been characterized by the Administration as a streamlining or improvement of the program, and by environmental groups and a number of states as a significant weakening. On the day they were promulgated, nine Northeastern states filed suit to overturn the changes; thus, enforcement of NSR is likely to be blocked for the immediate future. In the meantime, the prospect of an NSR rollback, critics argue, has caused utilities to withdraw from settlement negotiations over the pending lawsuits, delaying emission reductions that could have been achieved in the near future. (For additional discussion of NSR issues, see CRS Report RL31757, *Clean Air: New Source Review Policies and Proposals*.)

On January 22, the Senate narrowly defeated an amendment offered by Senator Edwards (S.Amdt. 67 to H.J.Res. 2) that would have delayed implementation of changes to the NSR requirements for 6 months pending a study by the National Academy of Sciences. The Senate did approve a separate amendment offered by Senator Inhofe (S.Amdt. 86) directing NAS to conduct such a study, but not delaying implementation of the standards. The amendment was enacted as Section 356 of the Omnibus Appropriations bill (P.L. 108-7).

**Clear Skies / Multi-Pollutant Legislation.** In addition to the regulatory changes in NSR, the Administration has also asked Congress to modify Clean Air Act requirements for power plants by enacting “Clear Skies” or “multi-pollutant” legislation. A number of multi-pollutant bills have been introduced.

Depending on the bill’s author, such legislation comes in 3- or 4-pollutant versions. The 3-pollutant bills would set standards for sulfur dioxide, nitrogen oxides, and mercury. The 4-pollutant bills add carbon dioxide to the mix.

Such legislation, it is argued—whether in 3- or 4-pollutant form—would both reduce emissions and encourage investment in new plants by providing certainty regarding future regulatory requirements. In some proposed bills, it would replace numerous existing regulatory programs, including NSR, New Source Performance Standards, Prevention of Significant Deterioration, Lowest Achievable Emission Rate standards, Best Available Retrofit Technology, and regulations under development to control mercury emissions from electric utilities.

The number of these current and prospective regulations on power plant emissions has suggested to many in industry, environmental groups, Congress, and the Administration that the time is ripe for such comprehensive legislation. The key questions are how stringent the controls will be, and whether carbon dioxide (CO<sub>2</sub>) will be among the emissions subject to controls.

Regarding the stringency issue, several bills introduced early in the 107<sup>th</sup> Congress (and some now being reintroduced in the 108<sup>th</sup>) would require reduction of NO<sub>x</sub> emissions to 1.5 or 1.6 million tons per year (a nearly 80% reduction from 1998 levels) and reduction of sulfur dioxide emissions to 2.23 - 4.45 million tons per year (a reduction of roughly 65% - 80% versus 1998). Regarding mercury, the bills would have either required EPA to determine the level of reductions, or required about a 90% reduction from current levels of emissions (from 48 to 4.5 or 5 tons annually). In general, these reductions would have taken place by 2005 or 2008, depending on the bill. Three of the bills would also have set caps on CO<sub>2</sub> emissions, at the level emitted in 1990. (For additional information and a detailed comparison of the legislative proposals, see CRS Report RL31326, *Air Quality: Multi-Pollutant Legislation*.)

The Administration's "Clear Skies" bill (H.R. 999 / S. 485) envisions less stringent standards than those in the other bills, phased in over a longer period of time. For NO<sub>x</sub>, the Administration would reduce emissions to 1.7 million tons per year by 2018, with an intermediate limit of 2.1 million tons in 2008. For sulfur dioxide, the limit would be 3.0 million tons annually in 2018, with an intermediate limit of 4.5 million tons in 2008. For mercury, the limit would be 26 tons per year in 2010, declining to 15 tons in 2018. "Clear Skies" and most of the other bills envision a system like that used in the acid rain program, where national or regional caps on emissions are implemented through a system of tradeable allowances.

The Administration opposes controls on CO<sub>2</sub>, viewing them as a step towards implementing the Kyoto Protocol to the United Nations Framework Convention on Climate Change, which it opposes. The absence of CO<sub>2</sub> from the mix leads to different strategies for achieving compliance, preserving more of a market for coal, and lessening the degree to which power producers might switch to natural gas or renewable fuels as a compliance strategy.

Four hearings on multi-pollutant legislation were held by the Senate Environment and Public Works Committee in the 107<sup>th</sup> Congress, and the Committee narrowly approved Senator Jeffords' 4-pollutant bill, with amendments, June 27, 2002 (S. 556, S.Rept. 107-347). Opposed by the Administration and by the electric utility and coal industries, the bill died without reaching the Senate floor. Senator Jeffords has reintroduced this bill in the 108<sup>th</sup> Congress as S. 366.

In addition to the Jeffords bill and the other bills discussed above, Senator Carper introduced legislation late in the 107<sup>th</sup> Congress that was described as an effort to reach middle ground. The Carper bill would have regulated CO<sub>2</sub> as well as the other three pollutants, but its deadlines and the required reductions in emissions fell somewhere between the Jeffords bill and the Administration's Clear Skies proposal. (The Carper bill is also discussed in CRS Report RL31326. For additional information on regulation of electric utility emissions, see CRS Report RS20553, *Air Quality and Electricity: Initiatives to Increase Pollution Controls*.)

**MTBE.** Another holdover issue from previous Congresses concerns regulation of the gasoline additive MTBE (methyl tertiary butyl ether). MTBE is used to meet Clean Air Act requirements that reformulated gasoline (RFG), sold in the nation's worst ozone nonattainment areas, contain at least 2% oxygen, to improve combustion. Under the RFG program, areas with "severe" or "extreme" ozone pollution (82 counties with a combined



population of 55 million) must use reformulated gas; areas with less severe ozone pollution may opt into the program as well, and many have. In all, portions of 17 states and the District of Columbia use RFG, and about 30% of the gasoline sold in the United States is RFG.

The law requires that RFG contain at least 2% oxygen by weight. Refiners can meet this requirement by adding a number of ethers or alcohols, any of which contains oxygen and other elements. By far the most commonly used oxygenate is MTBE. In 1999, 87% of RFG contained MTBE, a number since reduced to about 70%. MTBE has also been used since the late 1970s in non-reformulated gasoline, as an octane enhancer, at lower concentrations. As a result, gasoline with MTBE has been used virtually everywhere in the United States, whether or not an area has been subject to RFG requirements.

MTBE leaks, generally from underground gasoline storage tanks, have been implicated in numerous incidents of ground water contamination. The substance creates taste and odor problems in water at very low concentrations, and some animal studies indicate it may pose a potential cancer risk to humans. For these reasons, 17 states have taken steps to ban or regulate its use. The most significant of the bans (in California and New York) take effect at the end of 2003, leading many to suggest that Congress revisit the issue before then to modify the oxygenate requirement and set more uniform national requirements regarding MTBE and its potential replacements (principally ethanol).

Support for eliminating the oxygen requirement on a nationwide basis is widespread among environmental groups, the petroleum industry, and states. In general, these groups have concluded that gasoline can meet the same low emission performance standards as RFG without the use of oxygenates. But a potential obstacle to enacting legislation to remove the oxygen requirement lies among agricultural interests. About 7% of the nation's corn crop is used to produce the competing oxygenate, ethanol. If MTBE use is reduced or phased out, but the oxygen requirement remains in effect, ethanol use would soar, increasing demand for corn. (In fact, ethanol use is already growing as MTBE begins to be phased out.) Conversely, if the oxygen requirement is waived by EPA or legislation, not only would MTBE use decline, but so, likely, would demand for ethanol. Thus, Members of Congress and Governors from corn-growing states have taken a keen interest in MTBE legislation. Unless their interests are addressed, they could pose a potent obstacle to its passage.

In the 107<sup>th</sup> Congress, Senate-passed legislation (the Senate version of the comprehensive energy bill, H.R. 4) would have banned the use of MTBE in gasoline within 4 years, eliminated the 2% oxygen requirement, preserved and in some cases enhanced the emission reductions achieved by reformulated gasoline, provided additional authority to EPA to regulate fuel additives, and required a tripling of the use of ethanol or other renewable fuels in motor vehicles by 2012. The bill also authorized funding to clean up MTBE leaks from tanks, to oversee and enforce tank leak prevention and detection regulations, and for grants to assist conversion of merchant MTBE production facilities to production of cleaner fuel additives. The conferees on H.R. 4 did not reach agreement before the 107<sup>th</sup> Congress adjourned.

As the deadlines for state phaseout of MTBE move closer, investment decisions involving hundreds of millions of dollars hang on the regulatory framework of the post-MTBE gasoline market. Thus, pressure for congressional action on this issue is likely to

remain high. Whether this pressure will produce enacted legislation is less clear. (For additional discussion of the MTBE issue, see CRS Report 98-290, *MTBE in Gasoline: Clean Air and Drinking Water Issues*. For information on ethanol, see CRS Report RL30369, *Fuel Ethanol: Background and Public Policy Issues*.)

**Conformity of Transportation Plans and SIPs.** A fourth clean air issue that might be considered in the 108<sup>th</sup> Congress is the conformity of metropolitan area transportation plans with the Clean Air Act. Under the Act, areas that have not attained any of the six National Ambient Air Quality Standards must develop State Implementation Plans (SIPs) demonstrating how they will reach attainment. As of December 2002, 107 areas with a combined population of 97.8 million people were subject to the SIP requirements. Section 176 of the Clean Air Act prohibits federal agencies from funding projects in these areas unless they “conform” to the SIPs. Specifically, projects must not “cause or contribute to any new violation of any standard,” “increase the frequency or severity of any existing violation,” or “delay timely attainment of any standard.” Because new highways generally lead to an increase in vehicle miles traveled and related emissions, both the statute and regulations require that an area’s Transportation Improvement Program (TIP), which identifies major highway and transit projects an area will undertake, obtain a new demonstration of conformity no less frequently than every 3 years. Highway and transit projects cannot receive federal funds unless they are part of a conforming TIP.

The impact of conformity requirements is expected to grow in the next several years for several reasons. The growth of emissions from SUVs and other light trucks and greater than expected increases in vehicle miles traveled have both made it more difficult to demonstrate conformity; recent court decisions have tightened the conformity rules; and the scheduled implementation of more stringent air quality standards in 2004 will mean that additional areas are subject to conformity. Thus, numerous metropolitan areas will face a cutoff of highway and transit funds unless they impose sharp reductions in vehicle and industrial emissions.

Of particular concern to these areas may be the fact that the Clean Air Act provides no authority for waivers or grace periods once conformity lapses. During such a lapse, only a limited set of exempt projects (mostly safety-related or replacement and repair of existing transit facilities) can be funded: the rules do not even allow funding of new projects that might reduce emissions, such as new transit lines. These limitations are among the issues that may be raised by those seeking to amend the conformity provisions. Modifying conformity would be controversial, however, since it provides one of the most effective tools for ensuring that transportation and air quality planning are coordinated.

In the 108<sup>th</sup> Congress, H.R. 673 would repeal the existing conformity regulations and require EPA to promulgate revised criteria and procedures for conformity within one year of enactment.

**Deadlines for Achieving the Ozone Air Quality Standard.** A fifth issue that was discussed as a possible amendment to the Omnibus Appropriations bill in early January, but has been shelved for the time being, concerns the deadlines for achievement of the ozone air quality standard. Under the 1990 Clean Air Act Amendments, ozone nonattainment areas were classified in one of five categories (Marginal, Moderate, Serious, Severe, or Extreme) depending on the concentration of ozone recorded by air quality monitoring equipment in the

3 years preceding passage of the 1990 amendments. Areas with higher concentrations of the pollutant were required to implement more stringent controls on emissions; they were also given more time to reach attainment. Failure to reach attainment by the specified deadline was to result in reclassification of an area to the next highest category and the imposition of more stringent controls. Areas classified as Serious, for example, were required to reach attainment by 1999. If they did not do so, the law requires that they be reclassified as Severe, with a new deadline of 2005, and more stringent emission controls, including the imposition of controls on smaller sources of air pollution. (A more complete explanation of the categories, deadlines, and requirements is contained in CRS Report RL30853, *Clean Air Act: A Summary of the Act and Its Major Requirements.*)

For a variety of reasons, EPA has generally not reclassified areas when they failed to reach attainment by the statutory deadlines. The Agency's website currently lists 21 Marginal areas, 9 Moderate areas, and 14 Serious areas, most of which should be categorized as Severe had the Agency adhered to the statutory requirements. In many cases, the Agency granted additional time to reach attainment on the grounds that a major cause of an area's continued nonattainment was pollution generated outside the area and transported into it by prevailing winds. The Agency has been sued over its failure to reclassify three areas (Washington, D.C., St. Louis, and Beaumont-Port Arthur, Texas) and has lost all three suits. As a result, numerous areas are expected to be subject to reclassification, with more stringent pollution control requirements, in the near future.

In early January, reports surfaced that Texas environmental officials had written House Members asking for an amendment that would allow EPA to grant nonattainment areas additional time to achieve the ozone standard. No amendment was introduced, however, and the issue appears to have been set aside for now.

## **LEGISLATION**

(For legislation introduced in the 107<sup>th</sup> Congress, see CRS Issue Brief IB10065, *Clean Air Act Issues in the 107<sup>th</sup> Congress.*)

### **H.R. 185 (Serrano)**

Amends the Internal Revenue Code of 1986 to provide a business credit relating to the use of clean-fuel vehicles by businesses within areas designated as nonattainment areas under the Clean Air Act. Introduced January 7, 2003; referred to Committee on Ways and Means

### **H.R. 203 (Sweeney)**

Reduces acid deposition under the Clean Air Act, and for other purposes. Introduced January 7, 2003; referred to Committee on Energy and Commerce.

### **H.R. 244 (Issa)**

Amends the Clean Air Act to permit the exclusive application of California State regulations regarding reformulated gas in federal RFG areas within the State. Introduced January 7, 2003; referred to Committee on Energy and Commerce.

**H.R. 427 (Sensenbrenner)**

Fuel Price Stability Act of 2003. Amends the Clean Air Act to allow the Governors of Illinois, Indiana, and Wisconsin to permit the sale of conventional gasoline in reformulated gasoline areas if the Governor finds that reduced availability of RFG has resulted in, or is likely to result in, a significant price increase in that area. Introduced January 28, 2003; referred to Committee on Energy and Commerce.

**H.R. 673 (K. Brady)**

Safe Highways and Roads Act of 2003. Repeals the existing transportation conformity regulations, replacing them with those in effect prior to a March 1999 court decision, and requires EPA to promulgate revised criteria and procedures for conformity within one year of enactment. Introduced February 11, 2003; referred to Committee on Energy and Commerce.

**H.R. 837 (C. Peterson)**

Fuels Security Act of 2003. Amends the Clean Air Act to ban MTBE from the U.S. fuel supply not later than 4 years after the date of enactment, to eliminate the oxygen content requirement for reformulated gasoline while maintaining reductions in emissions of toxic air pollutants, to increase production and use of renewable fuels such as ethanol to 5 billion gallons per year by 2012, to provide a “safe harbor” from liability resulting from the use of renewable fuels, to require federal agencies to purchase gasoline containing at least 10% ethanol and diesel fuel containing biodiesel provided they are available at a generally competitive price, to authorize \$400 million from the Leaking Underground Storage Tank Fund for remediation of MTBE contamination, and to authorize \$750 million in grants for conversion of merchant MTBE production facilities. Introduced February 13, 2003; referred to Committee on Energy and Commerce.

**H.R. 999 (Barton, by request)**

Clear Skies Act of 2003. The Administration’s multi-pollutant legislation for electric utility emissions of sulfur dioxide, nitrogen oxides, and mercury. Introduced February 27, 2003; referred to Committee on Energy and Commerce.

**H.R. 1020 (P. Ryan)**

Amends the Clean Air Act requirements relating to gasoline to prevent future supply shortages and price spikes in the gasoline market. Introduced February 27, 2003; referred to Committee on Energy and Commerce.

**S. 194 (Corzine)**

Amends the Clean Air Act to establish an inventory, registry, and information system of U.S. greenhouse gas emissions to inform the public and private sector and encourage voluntary reductions. Introduced January 7, 2003; referred to Committee on Environment and Public Works.

**S. 366 (Jeffords)**

Clean Power Act of 2003. Amends the Clean Air Act to reduce emissions of sulfur dioxide, nitrogen oxides, mercury, and carbon dioxide from electric powerplants. Introduced February 12, 2003; referred to Committee on Environment and Public Works.

**S. 385 (Daschle)**

Fuels Security Act of 2003. Amends the Clean Air Act to ban MTBE from the U.S. fuel supply not later than 4 years after the date of enactment, to eliminate the oxygen content requirement for reformulated gasoline while maintaining reductions in emissions of toxic air pollutants, to increase production and use of renewable fuels such as ethanol to 5 billion gallons per year by 2012, to provide a “safe harbor” from liability resulting from the use of renewable fuels, to require federal agencies to purchase gasoline containing at least 10% ethanol and diesel fuel containing biodiesel provided they are available at a generally competitive price, to authorize \$400 million from the Leaking Underground Storage Tank Fund for remediation of MTBE contamination, and to authorize \$750 million in grants for conversion of merchant MTBE production facilities. Introduced February 13, 2003; referred to Committee on Environment and Public Works.

**S. 484 (Leahy)**

Amends the Clean Air Act to establish requirements concerning the operation of fossil fuel-fired electric utility steam generating units, commercial and industrial boiler units, solid waste incineration units, medical waste incinerators, hazardous waste combustors, chlor-alkali plants, and Portland cement plants to reduce emissions of mercury to the environment. Introduced February 27, 2003; referred to Committee on Environment and Public Works.

**S. 485 (Inhofe, by request)**

Clear Skies Act of 2003. The Administration’s multi-pollutant legislation for electric utility emissions of sulfur dioxide, nitrogen oxides, and mercury. Introduced February 27, 2003; referred to Committee on Environment and Public Works.

**S.Amdt. 67 (Edwards)**

Requires a study by the National Academy of Sciences of the effects of the final rule relating to New Source Review promulgated December 31, 2002, to determine whether it would result in any increase in air pollution or any adverse effect on human health. Delays implementation of EPA’s changes to the NSR program for 6 months to allow completion of the study. Amendment was not agreed to, by a vote of 46 - 50. Record Vote Number 12.

**S.Amdt. 86 (Inhofe)**

Requires a study by the National Academy of Sciences of the effects of the final rule relating to New Source Review promulgated December 31, 2002, and requires an interim report to Congress no later than March 3, 2004. Amendment was agreed to, by a vote of 51-45. Record Vote Number 11. Enacted as Section 356 of H.J.Res. 2 (P.L. 108-7).

## **CONGRESSIONAL HEARINGS, REPORTS, AND DOCUMENTS**

For congressional hearings, reports, and documents during the 107<sup>th</sup> Congress, see CRS Issue Brief IB10065, *Clean Air Act Issues in the 107<sup>th</sup> Congress*.

**FOR ADDITIONAL READING**

CRS Report RL30432. *Air Quality and Electricity: Enforcing New Source Review*, by Larry B. Parker and John E. Blodgett.

CRS Report RS20553. *Air Quality and Electricity: Initiatives to Increase Pollution Controls*, by Larry B. Parker and John E. Blodgett.

CRS Report 98-236. *Air Quality: EPA's Ozone Transport Rule, OTAG, and Section 126 Petitions — A Hazy Situation?*, by Larry Parker and John Blodgett.

CRS Report RL31326. *Air Quality: Multi-Pollutant Legislation*, by Larry Parker and John Blodgett.

CRS Report RL31515. *Air Toxics: What Progress Has EPA Made in Regulating Hazardous Air Pollutants?* by Anne L. Hardenbergh.

CRS Report RL30853. *Clean Air Act: A Summary of the Act and Its Major Requirements*, by James E. McCarthy.

CRS Report RL31757. *Clean Air: New Source Review Policies and Proposals*, by Larry Parker.

CRS Report 97-458. *Clean Air Permitting: Status of Implementation*, by Claudia Copeland.

CRS Report RL30737. *Diesel Fuel and Engines: An Analysis of EPA's Proposed Regulations*, by Brent D. Yacobucci, James E. McCarthy, John W. Fischer, Alejandro E. Segarra, and Lawrence C. Kumins.

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