

## Air board cuts farm loophole, but issue's not over

By Mark Grossi, The Fresno Bee, December 20, 2002

A 1970s loophole that allows on-field farming to escape air regulation has been removed from a key San Joaquin Valley air rule, but nothing has changed yet.

Under pressure from the federal government, Valley air board members Thursday removed the historic exemption from a rule governing new pollution sources. But, for the moment, the loophole continues in the Valley and elsewhere in California because it is a state law.

The air board needed to remove any reference to the exemption or face sanctions in February from federal officials who say agriculture should not be excluded from air regulation.

The sanctions would have started with higher fees on new or expanding businesses. By late August, \$2.2 billion in federal road money would have been withheld from the Valley.

"We need to make sure our rule is silent [on the farm exemption]," said Sayed Sadredin, director of permit services for the San Joaquin Valley Air Pollution Control District. "But we would still follow state law, which pre-empts us."

The move Thursday took the district out of an inevitable confrontation between the state and the federal government over the loophole, which the California Legislature granted in 1976.

The U.S. Environmental Protection Agency says the federal Clean Air Act does not allow the farm exemption. After being sued by environmental groups this year, EPA announced many large farms would have to enter a permit program next year to track pollution.

The Valley air district was caught in the furor because it had been revising the rule over new pollution sources since 2001. Among other changes, EPA officials told Valley air officials the exemption had to go.

"We cannot propose approval of a rule that differs from the Clean Air Act," said Kerry Drake, an EPA official from the San Francisco regional office.

Several Valley board members were not eager to remove the loophole. Board member Jack Sieglock, a San Joaquin County supervisor, said it didn't seem right.

"Certainly an acre of crops is cleaner than an acre of houses," Sieglock said.

Air district data shows farming contributes more than half of the particle pollution in the Valley, which is among the three most polluted places in America. Valley farmers contribute 25% of smog-forming reactive organic gases and 19% of the nitrogen oxides, another ingredient of smog, according to district figures. By summer 2005, more smog-making gases will come from dairy and other livestock operations than cars, district projections show.

One farm lobbyist, Manuel Cunha of the Nisei Farmers League, supported removal of the loophole from the district rule, but he opposed the enforcement of an air permit program on farmers. "Are we supposed to put catalytic converters on cows?" he asked, as several board members chuckled.

Under the EPA order this year, farmers whose operations create more than 25 tons of pollution annually will have to begin applying for a federal permit program in spring.

The EPA told the state that the loophole must be repealed by September 2003 or California will face federal sanctions statewide. The Legislature may consider the issue in its next session, said Mark Boese, deputy air pollution control officer.

On another front, the exemption will come before the 9th U.S. Circuit Court of Appeals in April. The California Farm Bureau Federation filed a lawsuit against EPA, saying the agency did not have enough scientific evidence. The reporter can be reached at [mgrossi@fresnobee.com](mailto:mgrossi@fresnobee.com) or 441-6316.

## Valley road, rail projects threatened

By JIM MILLER, MODESTO BEE CAPITOL BUREAU, December 19, 2002

SACRAMENTO -- The first bad news came two weeks ago, when Gov. Davis proposed cutting transportation funding by \$1.8 billion because of the state's budget crisis.

Then late last week, analysts for the California Transportation Commission predicted that revenue for the state's five-year transportation-improvement program would be

\$4 billion below estimates, in part because of lower gas-tax receipts.

The one-two punch threatens tens of millions of dollars for projects in the Northern San Joaquin Valley, officials said.

From overhauling aging Highway 132 and widening traffic-choked Interstate 205, to improving train tracks through the San Joaquin Valley and paying people to install low-emission diesel engines, dozens of programs are vulnerable. Projects could be delayed or scrapped, officials said.

More hits could be in store. On Jan. 10, Davis will release his 2003-04 spending proposal. He will propose additional cuts to help close a budget gap that he estimated Wednesday at \$34.8 billion through June 2004.

"This is a scenario of historic proportions because of the extent of the shortfall and the economic problems," said Diane Nguyen-Grindall, senior transportation planner for the San Joaquin Council of Governments. "This has never happened before."

Gary Dickson, director of the Stanislaus Council of Governments, said, "Now the goal, quite frankly, is to hang on to what we have."

Local and state transportation officials are scheduled to convene in Sacramento a week after Davis releases his budget. In the meantime, the California Transportation Commission has frozen new requests for money.

The State Transportation Improvement Program allocates, on average, about \$10 billion over five years.

"We've been told we'll see some delays," said Jesse Brown, executive director of the Merced Association of Governments.

Among the Merced County projects included in the state program are improving Highway 99 between Merced and Madera and building the proposed Castle Highway between Merced and Atwater.

In Stanislaus County, Dickson said the drop in revenue could threaten the Oakdale Bypass, expanding Kiernan Avenue to four lanes between Highway 99 and Highway 108, widening Highway 132 west of Modesto, and building a new interchange at Whitmore Avenue and Highway 99.

"Those are the projects we're going to be watching," Dickson said, noting that workers are scheduled to begin building the Oakdale project early next year. "(The projects) are fully programmed, and the money's there. But anything's possible."

Dickson and others said a key ally in the coming months will be Kirk Lindsey of Modesto, the transportation panel's incoming chairman.

Lindsey, president of a Riverbank trucking company, was unavailable for comment.

#### Other funding at risk

Any decrease in the State Transportation Improvement Program would be on top of cuts Davis proposed Dec. 6 as part of a \$10.2 billion reduction package affecting this year and 2003-04.

Davis' plan, if approved by the Legislature, will gut funding for projects in the separate Traffic Congestion Relief Program, such as \$25 million to widen I-205 from four to six lanes between Interstate 5 and Tracy.

There also is \$15 million to improve tracks and signals along the valley's San Joaquin intercity rail line and \$14 million to improve Highway 132.

Not all of the vulnerable money is slated for road or rail projects.

At the eight-county San Joaquin Valley Air Pollution Control District, officials discovered that a 2-year-old program to phase out high-polluting diesel irrigation pumps and other engines is part of the traffic congestion fund.

David Crow, the district's air pollution control officer, said the program has removed more than 5,000 tons of pollutants so far. But it stands to lose \$12.5 million of its \$25 million allocation.

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