

ENVIRONMENTAL PROTECTION AGENCY

[FRL-6117-8]

Air Pollution Control; Proposed Actions on Clean Air Act Grants to the Santa Barbara Air Pollution Control District**AGENCY:** Environmental Protection Agency (EPA).**ACTION:** Proposed determination with request for comments and notice of opportunity for public hearing.

SUMMARY: The U.S. EPA has made a proposed determination under section 105(c) of the Clean Air Act (CAA) that a reduction in expenditures of non-Federal funds for the Santa Barbara County Air Pollution Control District (SBAPCD, or "District") in Santa Barbara, California is the result of a non-selective reduction in expenditures. This determination, when final, will permit the SBAPCD to keep the financial assistance awarded to it by EPA for FY-98 under section 105(c) of the CAA.

DATES: Comments and/or requests for a public hearing must be received by EPA at the address stated below by July 30, 1998.

ADDRESSES: All comments and/or requests for a public hearing should be mailed to: Sara Bartholomew, Grants and Program Integration Office (AIR-8), Air Division, U.S. EPA Region 9, 75 Hawthorne Street, San Francisco, California 94105-3901; FAX (415) 744-1076.

FOR FURTHER INFORMATION CONTACT: Sara Bartholomew, Grants and Program Integration Office (AIR-8), Air Division, U.S. EPA Region 9, 75 Hawthorne Street, San Francisco, California 94105-3901 at (415) 744-1250.

SUPPLEMENTARY INFORMATION: Under the authority of section 105 of the CAA, EPA provides financial assistance (grants) to the SBAPCD to aid in the operation of its air pollution control programs. In FY-97 EPA awarded the SBAPCD \$328,732, which represented approximately 8% of the District's budget. In FY-98, EPA awarded the SBAPCD \$307,000, which represented approximately 7.6% of the District's budget.

Section 105(c)(1) of the CAA, 42 U.S.C. 7405(c)(1), provides that "[n]o agency shall receive any grant under this section during any fiscal year when its expenditures of non-Federal funds for recurrent expenditures for air pollution control programs will be less than its expenditures were for such programs during the preceding fiscal

year. In order for [EPA] to award grants under this section in a timely manner each fiscal year, [EPA] shall compare an agency's prospective expenditure level to that of its second preceding year." EPA may still award financial assistance to an agency not meeting this requirement, however, if EPA, "after notice and opportunity for public hearing, determines that a reduction in expenditures is attributable to a non-selective reduction in the expenditures in the programs of all Executive branch agencies of the applicable unit of Government." CAA section 105(c)(2).

These statutory requirements are repeated in EPA's implementing regulations at 40 CFR 35.210(a).

In its FY-98 § 105 application, which EPA reviewed in the fall of 1997, the SBAPCD projected expenditures of non-Federal funds for recurrent expenditures (or its maintenance of effort (MOE)) of \$3,678,150. This MOE at the time of the grant award was sufficient to meet the requirements of the CAA because it was higher than the projected FY97 MOE of \$3,570,793. Based on this information, EPA awarded SBAPCD its FY98 grant in December, 1997. In January of 1998, SBAPCD submitted an actual FY97 MOE of \$3,701,408. This resulted in the projected FY98 MOE level of \$3,678,150 not being sufficient to meet the MOE requirements of the CAA because it is lower than the actual FY-97 MOE, with a shortfall of \$23,258 between the MOE for FY-97 and FY98. In order for the District to be eligible to keep its FY98 grant and to receive the additional EPA funding which has become available to SBAPCD for FY98, EPA must make a determination under Section 105(c)(2).

The SBAPCD is a single-purpose agency whose primary source of funding is permit fee revenue. Fees associated with permits issued by the SBAPCD go directly to the district to fund its operations. It is the "unit of Government" for Section 105(c)(2) purposes. The SBAPCD submitted documentation to EPA which shows that since FY97 air permit fee revenues decreased because of declining economic conditions which caused the business community to curtail operations, resulting in fewer permits issued and fees collected. As a result, the SBAPCD's overall budget and its MOE decreased. The SBAPCD also submitted documentation to EPA which shows that the District lost 12.25 staff positions since FY97. These reductions in fees and staff have been non-selective in that all programs within SBAPCD have been impacted.

In summary, the SBAPCD's MOE reductions resulted from budget cuts stemming from a loss of fee revenues

due to circumstances beyond the District's control. EPA proposes to determine that the SBAPCD's lower FY-98 MOE level meets the § 105(c)(2) criteria as resulting from a non-selective reduction of expenditures. Pursuant to 40 CFR 35.210, this determination will allow the SBAPCD to keep the funds received from EPA for FY-98.

This notice constitutes a request for public comment and an opportunity for public hearing as required by the Clean Air Act. All written comments received by July 30, 1998 on this proposal will be considered. EPA will conduct a public hearing on this proposal only if a written request for such is received by EPA at the address above by July 30, 1998.

If no written request for a hearing is received, EPA will proceed to the final determination. While notice of the final determination will not be published in the **Federal Register**, copies of the determination can be obtained by sending a written request to Sara Bartholomew at the above address.

Dated: June 17, 1998.

David P. Howekamp,

Director, Air Division, Region 9.

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ENVIRONMENTAL PROTECTION AGENCY

[FRL-6117-9]

Clean Air Act Advisory Committee; Mobile Sources Technical Review Subcommittee Notification of Public Advisory Subcommittee Open Meeting**AGENCY:** Environmental Protection Agency (EPA).**ACTION:** Notice.

SUMMARY: Pursuant to the Federal Advisory Committee Act, Pub. L. 92-463, notification is hereby given that the Mobile Sources Technical Review Subcommittee of the Clean Air Act Advisory Committee will meet on July 15, 1998 from 9:30 a.m. to 4:00 p.m. Eastern Standard Time (pre-registration at 8:30 a.m.) at the U.S. EPA National Vehicle and Fuel Emissions Laboratory Office Building located at 2000 Traverwood Drive, Ann Arbor, MI 48105, Ph. 734/214-4200 (adjacent to the Lab Building located at 2565 Plymouth Road, Ann Arbor, MI 48105). This is an open meeting and seating will be on a first-come basis. During this meeting, the subcommittee will hear progress reports from its workgroups and be briefed on and discuss other current issues in the mobile source