

## **History of State Subvention for Air Quality Programs**

When the State Legislature established local air districts in 1972, fee authority was provided to support industry related programs. In addition, \$4.6 million was authorized in state subvention to fund mandated programs that were not directly related to industry such as compliance assistance to small business, response to citizen complaints, air toxics, pollution prevention, and coordination with state and local agencies.

Funding was gradually increased to \$7.6 million in 1982.

In 2000 it would take a 300% increase from the 1972 funding level (a \$7.6 million increase to \$15.1 million) just to return the value of subvention funds to the same level provided in 1972. This discrepancy is even more drastic in 2007. Districts have continued to raise industry fees during the same period to support industry related programs, but District Boards of Directors have understandably been reluctant to approve funding of programs not related to industrial pollution from industry fees. Many state programs are not attributable to stationary sources and fee authority cannot be used to cover these, often mandated, program costs. Subvention funding is needed to support the following district programs: Compliance assistance, especially to small business; toxics (other than stationary source); complaint response, especially to public nuisance complaints; pollution prevention initiatives with local communities; key air quality tracking programs necessary to prove compliance with state and federal mandates, especially air monitoring and emission inventories.

CAPCOA and other interested parties were successful in gaining legislative support in 1999 for an increase to \$15.1 million. Although the increase received widespread support from both industry and environmental groups, and bipartisan support in the budget process, the governor vetoed the increased funding citing air district authority to raise fees on the regulated industry. Subvention was increased in the 2000-2001 legislative year to \$15 million but was decreased two years later to \$10 million due to the state funding crisis. In following years CAPCOA was successful in getting legislation through both houses to increase funding back to the \$15 million level, but this increase was vetoed by the Governor due to concerns raised by the Highway Petrol, since they are funded from the same source as subvention.