have demonstrated that repeated exposure to ozone for many months can produce permanent structural damage in the lungs and accelerate the rate of lung function loss, as well as the lung aging period. Each year ground-level ozone is also responsible for several billion dollars worth of agricultural crop yield loss. It also causes noticeable foliar damage in many crops and species of trees. Studies also indicate that current ambient levels of ozone are responsible for damage to forests and ecosystems.

As part of efforts to reduce harmful levels of smog, today's action approves the recommendation of an organization of northeastern states that EPA require all the northeastern states to adopt the California car program to reduce significantly the pollution emitted by new cars and light-duty trucks. This requirement could be met either by state adoption of the California car program or by having a nationwide alternative car program in effect that would achieve emissions reductions at least equivalent to what the California car program would achieve. Motor vehicles are a significant cause of smog because of their emission of VOCs and NO_X . EPA has projected that, without the California car (or an equivalent) program in the northeastern states. highway vehicles will account for approximately 38% of NO_X and 22% of VOC anthropogenic (man-made) emissions in 2005. EPA currently estimates that VOC emissions should be reduced by approximately 95 tons per day and NO_X emissions by approximately 195 tons per day as a result of today's action.2

Since smog travels across county and state lines, it is essential for state governments and air pollution control agencies to cooperate to solve the problem. This is particularly true in the densely-populated northeast-for example, the smog that causes health problems in New York City is the result, in part, of cars driven in Pennsylvania, Maryland and elsewhere in the northeast. Through the Ozone Transport Commission (OTC), the northeastern states have made major strides in developing region-wide strategies for achieving healthy air quality. Today's action, a further step in implementing the OTC's region-wide approach, is necessary for the region to attain and maintain healthy air quality.

Although EPA believes that the northeastern states cannot achieve

healthy air quality unless their neighbors within the northeast adopt the California car program or a nationwide program is in effect, today's action gives the states much flexibility in filling this need. Today's action sets broad requirements that states must meet, but otherwise gives states as much flexibility as the Clean Air Act allows in structuring and implementing their motor vehicle programs. EPA will continue to work with the states to help develop and establish California car programs that work well regionally. Furthermore, EPA continues to support the efforts of parties who are working on a possible new nationwide approach to decreasing emissions from motor vehicles and believes such a nationwide program could be superior to regionwide adoption of the California car program. Such a nationwide program could relieve states of having to respond to today's SIP call. Finally, if an individual state achieves sufficient emission reductions from programs other than a new motor vehicle program (and other than the broadly practicable measures discussed later in this notice), that state will be allowed to do so instead of adopting the California car

B. LEV-Equivalent Program

Concurrently with processing the OTC recommendation, EPA has explored the possibility of a LEVequivalent program.3 As explained below, EPA believes the OTC LEV program will provide significant benefits and is necessary to help the northeast achieve air quality goals. Nonetheless, as EPA stated in the SNPRM and at numerous public meetings, EPA believes that a LEVequivalent program could provide far greater environmental and public health benefits to the OTR and the nation, and do so more efficiently than would the OTC LEV program. Under the Clean Air Act, however, such a program can only be achieved by agreement of the relevant parties—it cannot be imposed unilaterally by EPA or the states. In an effort to develop a LEV-equivalent program, EPA and the parties have been

involved in intensive and open discussions, particularly under the Clean Air Act Advisory Committee's Subcommittee on Mobile Source Emissions and Air Quality in the Northeast States that EPA established in August 1994.

EPA believes that a LEV-equivalent program would have significant advantages when compared to OTC LEV. First, a LEV-equivalent program would achieve the same or greater emission reductions for the OTR. Two factors are primarily responsible for the emissions equivalence. The LEV equivalent program would provide for earlier introduction of Transitional Low Emission Vehicles ("TLEVs") in the OTR than would be required under the OTC LEV petition. Also, 2001 and later model year vehicles that are originally purchased outside the OTR and then move into the OTR will be approximately 70% cleaner for in-use VOC and NO_x emissions than the incoming vehicles (*i.e.*, Tier I vehicles) under the OTC LEV program. Second, the LEV-equivalent program would provide significant environmental and public health benefits for the rest of the country. Third, by requiring vehicles to meet the same tailpipe standard in both California and the rest of the country, and by harmonizing the other California and federal emission standards, the program could streamline the process for certifying a vehicle for sale, reduce auto manufacturers' testing and design costs, and provide other efficiencies in the marketing of automobiles. Fourth, the parties could use their resources to make the program succeed rather than continuing the resource-intensive battle that has been waged over the past few years between the states and the auto industry over the OTC LEV program.

EPA urges the parties to continue their efforts to reach an agreed-upon program. The effective date of today's SIP call is February 15, 1995. By giving states a full year to submit their SIP revisions after the effective date, this action allows the parties, particularly the states, to focus on the voluntary agreement for the next 45 days without simultaneously starting whatever legislative and regulatory action is necessary to adopt OTC LEV in case a LEV-equivalent program does not materialize. When states do begin legislative efforts, EPA urges them to structure their authority so that an approved alternative program can be adopted and implemented nationwide.

The alternative program under discussion contemplates using federal rulemaking to establish the program. In light of the significant progress that has already been made in developing an

²These emissions estimates are based on the most accurate data currently available. The Agency continues to analyze emissions data and modeling assumptions.

³In this notice, a "LEV-equivalent program" is an alternative voluntary nationwide program that would achieve emission reductions from new motor vehicles in the OTR equivalent to or greater than would be achieved by the OTC LEV program and that would advance motor vehicle emission control technology. This definition is based on comments EPA received and discussions at meetings of the Clean Air Act Advisory Committee's Subcommittee on Mobile Source Emissions and Air Quality in the Northeast States that indicated that the alternative voluntary federal program that the interested parties are discussing would have an advanced technology component.