



## JOB CREATION AND AIR QUALITY REGULATIONS

Job creation and reduced pollution will be the result of two forthcoming federal air quality rules, according to a February 2011 report by Ceres and the University of Massachusetts Political Economy Research Institute (PERI). The two rules are the Clean Air Transport Rule and the Utility Boiler MACT Rule. The report says that these two rules will

- Require “a wide array of skilled construction and professional jobs” that does not now exist.
- Create 1.5 million jobs nationally over a five-year period, or 300,000 jobs per year.
- Focus job creation in states with fossil-fuel dependent energy production (e.g., coal), including many Midwestern states.
- Reduce air pollution.
- Make the US more competitive in the low-carbon world economy.
- Lead to cleaner surface waters.

Each of these positive impacts will be noticeable in Iowa.

### Clean Air Transport Rule

The Clean Air Transport Rule holds upwind states responsible for fine particulate matter and ozone/smog in eastern downwind states. Iowa is included in the proposed rule for its contributions to fine particle pollution to the east. The EPA included Iowa because of emissions mainly in eastern counties.



*In the map at the left, states in blue would be covered under the Transport Rule for fine particle emissions, while yellow states would need to scale back the pollutants that cause ozone. States in green would be required to make reductions that affect both fine particles and ozone. [Source: US EPA 2010]*

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## **Utility Boiler MACT Rule**

This is the National Emissions Standards for Hazardous Air Pollutants (NESHAP) from energy utility boilers, nicknamed the “utility MACT” or “utility boiler MACT” rule. “MACT” stands for Maximum Achievable Control Technology.” This rule will reduce emissions of heavy metals, dioxins, volatile organic compounds, and other known and suspected toxins.

## **How might Iowa benefit?**

1. New job creation for facility construction, control technology add-ons, and better waste disposal: engineers, electricians, plumbers, construction professionals. The report estimates almost 20,000 jobs created for capital improvements projects in the state.
2. Ongoing management and operation of new and updated cleaner facilities. The report estimates a slight decrease for Iowa, from 475 to 386, in operations and management jobs.
3. Attraction of pollution-control manufacturing and cleaner facilities. The report estimates an increase of 17 megawatts of energy under the rules, in part replacing older, dirtier facilities in Iowa. Indirectly this might encourage the development of renewable energy production.

The kinds of jobs created may also help offset declines in hourly wages and salaries.<sup>a</sup>

## **Economic benefits of the Clean Air Act**

Since the Clean Air Act was first implemented in 1970, and especially since it was amended in 1990, there has been a gain of between \$4 to \$8 in economic benefit for every \$1 spent on compliance, according to US Office of Management and Budget data cited in the report.<sup>b</sup> This contradicts the common view that environmental regulations are always a societal burden.

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<sup>a</sup> This is based on employment data from Iowa Workforce Development (<http://www.iowaworkforce.org/trends/index.html>), available at the time of writing.

<sup>b</sup> For a more detailed analysis, the Small Business Majority and The Main Street Alliance assembled a report, “Past, Present, and Future: The Clean Air Act’s Economic Benefits” (October 2010). It is available at [http://www.smallbusinessmajority.org/pdf/Benefits\\_of\\_CAA\\_100410.pdf](http://www.smallbusinessmajority.org/pdf/Benefits_of_CAA_100410.pdf).

***Information in this Iowa Environmental Council fact sheet is current as of February 2011. The Council’s web site is [www.iaenvironment.org](http://www.iaenvironment.org). The address is 512 E. Locust St., Des Moines, IA, 50309. You can call the Council at 515-244-1194.***