

M

ike Leavitt stepped down as governor of Utah in November and walked right in to one of the most controversial jobs in Washington, D.C.

As the nation's 10th EPA administrator, Leavitt told *State News* he had no illusions about what was in store for him when he arrived in Washington.

Assailed by environmental groups for not doing enough to protect the environment, and questioned by some industries for doing too much, the post of EPA administrator has been a balancing act between competing interests since William Ruckelshaus was appointed the nation's first environmental chief by President Nixon in December 1970.

"That's not going to change," said Leavitt. "It's part of the construct and we have to navigate in that."

A popular three-term governor, Leavitt championed states' rights in his 11 years as Utah's chief executive. In 1996 he served as president of The Council of State Governments. He also served as chair of the National Governors Association, Western Governors Association, and the Republican Governors Association.

During an interview with *State Government News* in 1996, Leavitt said it is up to the states to restore confidence in government.

"People feel that government a long ways away from the people is not to be trusted and not accountable," he said.

Leavitt did not leave that philosophy behind in Salt Lake City. The environment, Leavitt said in February, fits the basic federal system because it is a multistate issue.

"We need national standards, with neighborhood solutions," he said.

It didn't take Leavitt long to put his philosophy into action.

Three-term
governor of Utah,
Mike Leavitt, ready
for challenges as EPA
administrator

By Jack Penchoff

Leavitt Ready for EPA



Sensitive to State Issues

"I was administrator for two weeks when I had to send a letter to 31 governors that they were not in compliance with ozone and fine particulate emission regulations," said Leavitt. "As a governor, I knew what that meant. It's like putting a sign around a community that says, 'Don't invest here.'"

Many of the 506 counties cited by the EPA for noncompliance, said Leavitt, had unhealthy air because they lay downwind from coal-burning power plants in other counties and in some cases other states.

Leavitt also knew that the states would need help meeting the air quality rules they were violating.

"It's unfair to give states regulations without the proper tools to solve problems," he said. "They can take all of the cars off the roads and close all the factories and still not be in compliance with interstate quality rules."

The solution Leavitt proposed was a set of rules that put the problem-solving in the hands of the states and the utility companies that own most of the nation's coal-burning power plants.

"The key is to reward results, not programs," Leavitt said.

Using the cap-and-trade model that was successful in reducing acid rain in the Northeast, the EPA is proposing to set the standards, but leave it up to the states and power plants to determine how the standards will be met.

"If the states and plants are successful, they will meet the requirements. If they exceed requirements, they will be rewarded with clean air credits. Those who don't meet the requirements will have to buy clean air credits," said Leavitt.

In December, the new administrator introduced two proposals designed to reduce air-polluting emissions from power plants, using the cap-and-trade model.

One proposal targets a reduction in sulfur dioxide emissions by 70 percent and nitrogen oxides by 65 percent.

The other, more controversial proposal, known as the Utility Mercury Reductions Rule, calls for a 70 percent reduction of mercury emissions following full implementation by 2018.

The proposed rules, said Leavitt, provide power plants incentives to comply with requirements.

"And they provide states more control and flexibility in developing their own plans to meet national standards," he said.

The mercury reduction proposal has drawn the most fire from environmental groups who contend that the emissions requirements are not as stringent as a finding by the Clinton administration EPA in 2000.

The electric utility industry, however, counters that there is no pollution control equipment specifically designed to reduce mercury emissions. According to the Edison Electric Institute, a trade association of electric utilities, 40 percent of the mercury emissions from power plants are reduced by the same equipment that reduces sulfur dioxide and nitrogen oxides.

Collaboration Important

The cap-and-trade model satisfies Leavitt's underlying principle that collaboration is important in environmental protection.

In a speech to EPA employees in December, Leavitt said improvement in the environment will never be accomplished "under the slow, expensive and conflict-intense processes of the past."

He also believes in "markets before mandates." It's the impoverished countries in the world where there's the greatest lack of environmental protection.

"Environmental improvements stimulate the economy," said Leavitt. But, he adds, those improvements have to balance good intentions with the ability to pay for them.



s governor, these complex dilemmas and the nature of the task are not new to me,"

— Mike Leavitt, EPA Administrator



"Collaboration does not eliminate litigation," he told EPA employees, "but it can minimize it."

One piece of litigation that hasn't been eliminated is a challenge to changes in the New Source Review permitting program that regulates installation of pollution control technology in power plants and other industrial facilities.

A coalition of 14 states, the District of Columbia and six local California pollution control boards won a delay in enforcing those changes in December when the U.S. Court of Appeals for the District of Columbia agreed that the proposed rules could cause irreparable harm to the environment if an injunction wasn't granted.

Supporting the EPA changes, however, are 11 other states that

favor the increased flexibility they would have in enforcing the Clean Air Act with the regulation changes.

A final court ruling on the conflict is not expected until 2005.

Meanwhile, Leavitt vows to enforce the old rule pending a final outcome in the case. In January, the federal government sued an eastern Kentucky power cooperative for expanding two of its plants in violation of the older rules that the EPA is trying to change.

Contentious Confirmation

Leavitt became the center of controversy at EPA before he even assumed his new duties. During contentious Senate confirmation hearings, lawmakers critical of the Bush administration's environmental policies used the nomination process to voice their unhappiness.

Sen. Hillary Rodham Clinton of New York was particularly vocal about EPA reports released after the September 11 attacks on New York City. Her complaints led to an agreement in which the EPA promised more indoor air quality testing in Lower Manhattan and a review of the clean-up by government and nongovernment experts.

Other holds on Leavitt's nomination were placed, and then removed, by Sens. Frank R. Lautenberg of New Jersey and Barbara Boxer of California and three candidates for the Democratic presidential nomination: Sens. John Kerry of Massachusetts, John Edwards of North Carolina and Joseph Lieberman of Connecticut.

Leavitt also had to withstand verbal barbs during the process.

"You've got a lot of guts taking this job because you're in a big hole to start with," said Sen. Harry Reid, a Nevada Democrat.

But his supporters were equally demonstrative.

"President Bush and Mike Leavitt will lead us into a new era of environmental protection," Sen. James Inhofe of Oklahoma said during Capitol Hill hearings.

In the end, Leavitt was confirmed by the full Senate 88-8.

Environmental Policy Pervasive

Leavitt said he is sensitive to why environmental policy is a lightning rod for debate.

"It deals in issues very personal to people: their relationship to the earth reflects their values and aspirations. It touches so many aspects of society," he said.

It's that wide-ranging reach of environmental policy that attracted Leavitt to the job when President Bush asked him to take it.

"A unique quality of the EPA is that it regulates the other federal departments. It impacts not just state, local and private agencies, but all our colleagues at the federal level. Environmental policy is a pervasive part of our world," he said. "Energy policy is really environmental policy. Transportation, in a large measure, is environmental policy. Economic, social and international policies – environment questions are wrapped all through those. I'm in a lab where I see it played out every day."

Dealing with the broad span of policy issues at the state level, Leavitt believes, will help him address the challenges of his new post. "As governor, these complex dilemmas and the nature of the task are not new to me."

Nor is the nature of the federal bureaucracy a concern, despite a warning from Sen. Max Baucus of Montana, who during the confirmation hearings told Leavitt, "There's somewhat longer knives out here in Washington than in the capital city of your home state."

But the new EPA administrator is undaunted by the nation's capital.

"I checked and during my 11 years as governor, I averaged 16 trips a year to Washington, averaging two days a trip," he said. "This is a fascinating place to serve but I'm not unaware of the complexities, nor am I oblivious to the difficulties."

— Jack Penchoff is senior editor of *State News* magazine.

U.S. EPA Administrators

- Michael O. Leavitt Nov. 6, 2003 – present
- Marianne L. Horinko (acting) July 12, 2003 – Nov. 5, 2003
- Linda J. Fisher (acting) June 28, 2003 – July 11, 2003
- Christine Todd Whitman Jan. 31, 2001 – June 27, 2003
- W. Michael McCabe (acting) Jan. 20, 2001 – Jan. 30, 2001
- Carol M. Browner Jan. 22, 1993 – Jan. 19, 2001
- William K. Reilly Feb. 6, 1989 – Jan. 20, 1993
- John Moore (acting) Jan. 21, 1989 – Feb. 5, 1989
- Lee M. Thomas Feb. 8, 1985 – Jan. 20, 1989
- Lee M. Thomas (acting) Jan. 4, 1985 – Feb. 7, 1985
- William D. Ruckelshaus May 5, 1983 – Jan. 4, 1985
- Lee Verstandig (acting) March 10, 1983 – May 17, 1983
- Anne M. Gorsuch [Burford] May 20, 1981 – March 9, 1983
- Walter Barber, Jr. (acting) Jan. 26, 1981 – May 19, 1981
- Steve Jellinek (acting) Jan. 21, 1981 – Jan. 25, 1981
- Douglas M. Costle March 7, 1977 – Jan. 20, 1981
- John Quarles, Jr. (acting) Jan. 21, 1977 – March 6, 1977
- Russell E. Train Sept. 13, 1973 – Jan. 20, 1977
- Robert Fri (acting) April 30, 1973 – Sept. 12, 1973
- William D. Ruckelshaus Dec. 4, 1970 – April 30, 1973

