



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
LEGISLATIVE COMMITTEE MEETING

COMMITTEE MEMBERS

TOM BATES – CHAIRPERSON
DAN DUNNIGAN
SCOTT HAGGERTY
CAROL KLATT
MARK ROSS

BRAD WAGENKNECHT–VICE CHAIRPERSON
SUSAN GARNER
JENNIFER HOSTERMAN
NATE MILEY

THURSDAY
NOVEMBER 12, 2009
9:30 A.M.

4TH FLOOR CONFERENCE ROOM
939 ELLIS STREET
SAN FRANCISCO, CA 94109

AGENDA

1. **CALL TO ORDER - ROLL CALL**

2. **PUBLIC COMMENT PERIOD**

(Public Comment on Non-Agenda Items Pursuant to Government Code § 54954.3) Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at District headquarters, 939 Ellis Street, San Francisco, CA, at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Committee's subject matter jurisdiction. Speakers will be limited to five (5) minutes each.

3. **APPROVAL OF MINUTES OF APRIL 15, 2009**

4. **SUMMARY OF 2009 LEGISLATIVE YEAR**

T. Addison/5109

taddison@baaqmd.gov

The Committee will receive a briefing on the 2009 legislative year, including bills on which the District took a position in support or opposition.

5. **POTENTIAL LEGISLATIVE PROPOSALS FOR 2010**

T. Addison/5109

taddison@baaqmd.gov

The Committee will discuss legislative priorities and proposals for the upcoming year.

6. **COMMITTEE MEMBERS' COMMENTS**

Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may; ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)

7. **TIME AND PLACE OF NEXT MEETING –At the call of the Chair**

8. **ADJOURNMENT**

**CONTACT EXECUTIVE OFFICE - 939 ELLIS STREET
SAN FRANCISCO, CA 94109**

**(415) 749-5130
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov**

- To submit written comments on an agenda item in advance of the meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities (notification to the Executive Office should be given at least three working days prior to the date of the meeting so that arrangements can be made accordingly).
- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all members of the body to which this Agenda relates shall be made available at the District's offices at 939 Ellis Street, San Francisco, CA 94941, at the time such writing is made available to all, or a majority of all members of that body. Such writing may also be posted on the District's website (www.baaqmd.gov) at that time.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
939 ELLIS STREET, SAN FRANCISCO, CALIFORNIA 94109
(415) 771-6000

EXECUTIVE OFFICE:
MONTHLY CALENDAR OF DISTRICT MEETINGS

NOVEMBER 2009

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Joint Policy Committee <i>(Meets 3rd Friday Every Other Month)</i>	Friday	6	10:00 a.m.	MTC Auditorium 101 8 th Street Oakland, CA 94607
Advisory Council Regular Meeting	Tuesday	10	9:00 a.m.	Board Room
Board of Directors Legislative Committee <i>(Meets 2nd Thursday each Month)</i>	Thursday	12	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Climate Protection Committee <i>(Meets 2nd Thursday each Month)</i> - CANCELLED	Thursday	12	Following Board Legislative Cme. Mtg.	4th Floor Conf. Room
Board of Directors Public Outreach Committee <i>(Meets 1st Thursday each Month)</i>	Friday	13	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Stationary Source Committee <i>(Meets 3rd Monday Quarterly)</i>	Monday	16	9:30 a.m.	Board Room
Board of Directors Personnel Committee <i>(At the Call of the Chair)</i>	Wednesday	18	9:00 a.m.	4th Floor Conf. Room
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	18	9:45 a.m.	Board Room
Executive Committee Meeting <i>(Meets at the Call of the Chair)</i>	Thursday	19	9:30 a.m.	4 th Floor Conf. Room
Joint Policy Committee <i>(Meets 3rd Friday Every Other Month)</i> - RESCHEDULED TO FRIDAY, NOVEMBER 6, 2009	Friday	20	10:00 a.m.	MTC Auditorium 101 8 th Street Oakland, CA 94607
Board of Directors Personnel Committee <i>(At the Call of the Chair)</i>	Monday	23	9:30 a.m.	4th Floor Conf. Room
Board of Directors Budget & Finance Committee <i>(At the Call of the Chair)</i> - CANCELLED & RESCHEDULED TO MONDAY, NOVEMBER 2, 2009	Wednesday	25	1:30 p.m.	4th Floor Conf. Room
Board of Directors Mobile Source Committee <i>(Meets 4th Thursday each Month)</i> CANCELLED	Thursday	26	9:30 a.m.	4 th Floor Conf. Room

DECEMBER 2009

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	2	9:45 a.m.	Board Room
Board of Directors Public Outreach Committee <i>(Meets 1st Thursday each Month)</i>	Thursday	3	9:30 a.m.	4 th Floor Conf. Room
Board of Directors Climate Protection Committee <i>(Meets 2nd Thursday each Month)</i>	Thursday	10	9:30 a.m.	4th Floor Conf. Room
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	16	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee – <i>(Meets 4th Thursday of each Month)</i>	Thursday	24	9:30 a.m.	4 th Floor Conf. Room

JANUARY 2010

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	6	9:45 a.m.	Board Room
Board of Directors Public Outreach Committee <i>(Meets 1st Thursday each Month)</i>	Thursday	7	9:30 a.m.	4 th Floor Conf. Room
Advisory Council Regular Meeting	Wednesday	13	9:00 a.m.	Board Room
Board of Directors Climate Protection Committee <i>(Meets 2nd Thursday each Month)</i>	Thursday	14	9:30 a.m.	4th Floor Conf. Room
Joint Policy Committee <i>(Meets 3rd Friday Every Other Month)</i>	Friday	15	10:00 a.m.	MTC Auditorium 101 8 th Street Oakland, CA 94607
Board of Directors Regular Meeting <i>(Meets 1st & 3rd Wednesday of each Month)</i>	Wednesday	20	9:45 a.m.	Board Room
Board of Directors Mobile Source Committee <i>(Meets 4th Thursday each Month)</i>	Thursday	28	9:30 a.m.	4 th Floor Conf. Room

HL – 11/4/09 (4:15 p.m.)
P/Library/Forms/Calendar/Calendar/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Bates and Members
of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 2, 2009

Re: Legislative Committee Draft Meeting Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Legislative Committee meeting of April 15, 2009.

DISCUSSION

Attached for your review and approval are the draft minutes of the April 15, 2009 Legislative Committee meeting.

Respectfully submitted,



Jack P. Broadbent
Executive Officer/APCO

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109
(415) 749-5000

DRAFT MINUTES

Summary of Board of Directors
Legislative Committee Meeting
Wednesday, April 15, 2009
Immediately Following the Board of Directors Meeting

- Call to Order:** Chairperson Tom Bates called the meeting to order at 11:39 a.m.
- Roll Call: Chairperson Tom Bates, Vice Chairperson Brad Wagenknecht, Scott Haggerty, Jennifer Hosterman, Carol Klatt, Mark Ross and Michael Shimansky.
- Absent: Dan Dunnigan and Susan Garner
- Public Comments:** There were no public comments.
- Approval of Minutes:** Director Shimansky moved to approve March 23, 2009 minutes; seconded by Director Haggerty; carried unanimously without objection.

Report on Poll on Board Size and Composition – *Senior Advanced Projects Advisor Tom Addison*

Mr. Addison reported that staff received a total of nine (9) responses on the most recent poll of four options on Board Size and Composition. He noted that as a result of the poll, Option B was voted most popular, with all other options receiving 0 to 2 votes.

- Option A: No change to the language governing the size of the Board. Under this option, the Board will grow relatively quickly to 24 members.
- Option B: (This was labeled as Option 3 in the previous poll). Under this option, the populations at which counties add additional representatives would be changed. A second representative would be added at 350,000 (rather than 300,000). A third representative would be added at 800,000 (rather than 750,000). A fourth representative would be added at 1,200,000 (rather than 1,000,000). However, existing representatives from counties that have already exceeded the current population triggers would not be removed, but counties would not add representatives until the new triggers are reached. This would keep the Board at its current size of 22 members for perhaps another decade.

Option C: (This proposal was suggested by Director Yeager). Each county would have one seat, and counties with a population over one million would have a second seat. San Francisco, Oakland, and San Jose would also each get an additional seat. This would yield a Board of 15 members, which would not increase in size for perhaps another decade.

Option D: (This proposal was suggested by Director Spring). Each county with a population under 750,000 would have one seat, selected by the Board of Supervisors. Counties over 750,000 would have a second seat, selected by the City Selection Committee. This would yield a Board of 13 members, which would increase to 14 members relatively quickly.

Committee Action: Director Haggerty moved to recommend Board of Directors’ approval of Option B; seconded by Director Ross; unanimously approved without objection.

Consideration of New Bills and Corresponding Agency Positions: *Senior Advanced Projects Advisor Tom Addison*

Mr. Addison presented bills of air quality significance and staff’s recommended positions, and he briefly discussed AB 1431 (Hill); a bill which requires the Port of Oakland to have an emissions reduction program that is as stringent as Southern California’s program. AB 1431 is scheduled to be heard by the Natural Resources Committee in Room 447 on April 27th at 1:30 p.m.

Committee Discussion/Comments:

Shimansky: Confirmed that the deadline of April 1, 2009 would remain in effect for AB 96. He voiced agreement with all staff recommendations, except for SB 295, which he supported.

Committee Action: Director Wagenknecht moved to recommend Board of Directors’ approval of staff’s recommended positions on bills; seconded by Director Klatt; which carried by the following vote: 4-0-2-1 (Shimansky voted no on SB 295; Dunnigan and Garner absent; Hosterman abstained).

BILL	AUTHOR	DESCRIPTION	POSITION
AB 96	Ruskin	Changes to gasoline underground storage tank grant program	SUPPORT
AB 1033	Nielsen	Imposes new requirements on state and local agencies adopting GHG regulations	OPPOSE
AB 1527	Lieu	Allows a single motor vehicle emission reduction project to be funded from multiple grant programs	SUPPORT

BILL	AUTHOR	DESCRIPTION	POSITION
SB 232	Benoit	Would allow an unlimited number of specialty constructed vehicles to be registered annually	OPPOSE
SB 295	Dutton	Would prevent AB 32 implementation until the unemployment rate is below 5.8% for 3 months	OPPOSE
SB 385	Wright	Exempts historic vehicles from smog check, and allows owners to self-certify that their vehicle is historic	OPPOSE
SB 425	Simitian	Creates a new employer-based trip reduction program	SUPPORT IF AMENDED
SB 518	Lowenthal	Reforms parking policy to reduce driving and associated emissions	SUPPORT
SB 811	DeSaulnier	Requires specialty constructed vehicles from out-of-state to meet emissions requirements for their year of manufacture	SUPPORT

Next Meeting: At the Call of the Chair

Adjournment: Meeting adjourned at 11:54 a.m.

Lisa Harper
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Bates and Members
of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 4, 2009

Re: Summary of 2009 Legislative Year

RECOMMENDED ACTION:

None (informational item)

DISCUSSION

The 2009 legislative year will not be remembered for significant air quality legislation. While a number of measures were introduced that would have harmed air quality programs, these were defeated, at least those that were outside of the budget process. On the other hand, very few bills with significant air quality benefits were signed into law. In 2009, California's financial problems outweighed all other issues in Sacramento. A direct result was that very few bills with any State costs became law, including measures that would reduce air pollution.

The following table shows the measures that the District took positions on, and what happened to those bills.

<i>Bill</i>	<i>Brief Description</i>	<i>BAAQMD Position</i>	<i>Outcome</i>
AB 28 Jeffries	Prohibits air districts from restricting use of public agency natural gas engines to pump water	Oppose	Failed to move past 1 st policy committee
AB 96 Ruskin	Changes to gasoline underground storage tank grant program	Support	Chaptered
AB 118 Logue	Repeals California Global Warming Solutions Act of 2006 (AB 32)	Oppose	Failed to move past 1 st policy committee
AB 318 Emmerson	Smog check amnesty cleanup	Support	Chaptered
AB 859 Jones	Annual smog inspection of older vehicles	Support	Failed to pass Assembly Approps.
AB 892 Furutani	Allows simpler reallocation of Prop 1B Goods Movement air quality projects	Support	Chaptered

AB 1033 Nielson	Imposes new requirements on state and local agencies adopting GHG regulations	Oppose	Failed to move past 1 st policy committee
AB 1135 Skinner	VMT data collection at time of registration	Support	Failed to pass Assembly Approps.
AB 1431 Hill	Requires Port of Oakland to have an emissions reduction program of comparable stringency to those in southern California	Support (Sponsor)	Failed to move past 1 st policy committee
AB 1527 Lieu	Allows a single motor vehicle emission reduction project to be funded from multiple grant programs	Support	Vetoed
SB 232 Benoit	Would allow an unlimited number of specialty constructed vehicles to be registered annually	Oppose	Failed to move past 1 st policy committee
SB 295 Dutton	Would prevent AB 32 implementation until the unemployment rate is below 5.8% for 3 months	Oppose	Failed to move past 1 st policy committee
SB 385 Wright	Exempts historic vehicles from smog check, and allows owners to self-certify that their vehicle is historic	Oppose	Failed to move past 1 st policy committee
SB 406 DeSaulnier	Allows increase of \$1 or \$2 in vehicle registration fees to implement SB 375	Support	Vetoed
SB 425 Simitian	Creates a new employer-based trip reduction program	Support if amended	Failed to pass Senate Approps.
SB 435 Pavley	Adds post-2000 motorcycles to smog check program	Support	Failed to move past 2 nd house policy committee
SB 518 Lowenthal	Reforms parking policy to reduce driving and associated emissions	Support	Failed to pass Senate Floor
SB 554 Hollingsworth	Prohibits air districts from restricting the installation or use of wood-burning equipment	Oppose	Failed to move past 1 st policy committee
SB 632 Lowenthal	Requires container ports to assess and report their infrastructure and air quality needs	Support	Assembly Floor inactive file
SB 728 Lowenthal	Allows cities, counties, and air districts to enforce existing parking cash-out law	Support	Chaptered
SB 811 DeSaulnier	Requires specialty constructed vehicles from out-of-state to meet emissions requirements for their year of manufacture	Support	Vetoed

None of the seven bills the District opposed moved past their first policy committee, let alone became law. Many of these measures cited the current poor economic climate as a rationale to relax air quality requirements.

While the poor economy did not result in bad bills becoming law, it had a profound effect at blocking many of the 14 bills the District supported. Only four of these measures were signed into law, although an additional three passed out of the Legislature only to be vetoed by the Governor. The bill the District sponsored (Assemblymember Jerry Hill's AB 1431) to cut emissions from the Port of Oakland was strongly opposed by the Port and their allies, particularly business interests. While supported by environmental and community organizations, the measure failed to advance past the Assembly Transportation Committee.

Looking forward to 2010, many of the bills listed above are technically still alive, and are called 'two-year bills'. Such bills have to clear their house of origin by the end of January if they are to remain alive. Most will not be activated by their authors, but votes may be held on some.

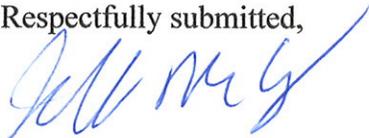
Also of significant this year were the 2009-2010 Fiscal Year budget package and revisions adopted by the Legislature and passed by the Governor. As has been widely reported, the final budget contained major cuts to a variety of State programs, particularly those receiving General Fund revenues. In general, though, the Air Resources Board and air quality programs (which are funded largely through special funds) were virtually untouched, aside from indirect impacts to employees, such as mandatory staff furloughs. However, the budget passed in July stipulates that the State will borrow 8% of property tax receipts from the District (along with cities, counties, and other special districts), amounting to roughly \$1.6 million. Staff expects the impacts of this borrowing will be mitigated by the securitization process we have begun in conjunction with California Communities. The other impact of the budget on air quality was contained in trailer bills passed as part of the budget agreement. Specifically, AB 8 X2 (Nestande) effectively delayed implementation of ARB's off-road diesel regulations, citing the poor economic climate as the rationale for the delay. Additionally, SB 3 X2 (Florez) was a boon for agricultural grant projects, allowing Moyer funds to pay for compliance, and artificially increasing the cost-effectiveness score for agricultural grant applications.

A list of all the bills of potential air quality significance that the District tracked, and their outcomes, is attached to this memorandum.

BUDGET CONSIDERATION/FINANCIAL IMPACT

No direct impact.

Respectfully submitted,



A. Jack P. Broadbent
Executive Officer/APCO

Prepared by: Thomas Addison

Reviewed by: Jean R. Roggenkamp

BAAQMD BILL DISCUSSION LIST

November 2009

BILL NO.	AUTHOR	SUBJECT	POSITION	STATUS
AB 19	Ruskin	Carbon Labeling Act of 2009; voluntary carbon footprint of consumer products		Sen. Approps.
AB 21	Krekorian	Increases Renewable Portfolio Standard to 33% by 2020		Vetoed
AB 28	Jeffries	Prohibits air districts from restricting use of public agency natural gas engines to pump water	Oppose	Asm. Nat. Resources
AB 96	Ruskin	Changes to gasoline underground storage tank grant program	Support	Chapters
AB 118	Logue	Repeals California Global Warming Solutions Act of 2006	Oppose	Asm Nat. Resources
AB 137	Jeffries	Tightens Brown Act requirements for advisory committees		Asm. Loc. Govt.
AB 222	Adams	States intent to advance biofuels and green power production		Sen. Env. Quality
AB 231	Huffman	Climate Protection Trust Fund		Sen. Env. Quality
AB 318	Emmerson	Smog check amnesty cleanup (fixing last year's bill)	Support	Chapters
AB 376	Nava	Voluntary greenhouse gas emissions offsets		Asm. Approps.
AB 397	Jeffries	Makes SCAQMD Board members elected positions		Asm. Loc. Govt.
AB 414	Galgiani	Extends Moyer eligibility to heavy-duty fleet trade down program		Asm. Trans.
AB 433	Ammiano	Requires new residential construction near roads with high PM levels to have ventilation system to reduce PM exposures for residents		Asm. Approps.
AB 453	Garrick	Gasoline vapor recovery spot bill		Asm. Approps.
AB 478	Chesbro	Requires ARB to consult with Integrated Waste Board in development of AB 32 rules		Asm. Approps.
AB 499	Hill	CEQA		Senate Floor

AB 658	Hayashi	Doubles potential grant amount to dry cleaners moving to cleaner technologies		Asm. Env. Safety
AB 670	Berryhill	Allows veterans to use HOV lanes		Asm. Trans.
AB 696	Hagman	Allows CEQA project applicant to resolve disputes with lead agency via an arbitrator		Asm. Nat. Resources
AB 782	Jeffries	Significant changes to 2008's SB 375 to make the law more business-friendly		Asm. Local Govt.
AB 821	Brownley	Clean and Healthy Schools Act		Asm. Approps.
AB 823	Hill	Specifies that vehicle repair assistance only go to low-income motorists		Vetoed
AB 835	Monning	Addresses VOC emissions from pesticides		Asm. Agriculture
AB 859	Jones	Annual smog inspection of older vehicles	Support	Asm. Approps.
AB 881	Huffman	Authorizes Sonoma Transportation Authority to coordinate GHG emission reductions from local and community agencies there		Chaptered
AB 892	Furutani	Allows Prop 1B Goods Movement Emission Reduction Program funds to be reallocated when a project is no longer feasible	Support	Chaptered
AB 922	Miller	Exempts California-made biofuel from diesel fuel tax		Asm. Rev. & Tax
AB 956	Skinner	States intent to require ARB to adopt regulations on pavement coating to reduce urban heat island effect		Asm. Trans.
AB 1016	Villines	Abolishes California Energy Commission and creates new Department of Energy		Asm. Utilities & Commerce
AB 1033	Nielsen	New requirements on state and local agencies adopting GHG regulations	Oppose	Asm Nat. Resources
AB 1043	Fong	States legislative intent to encourage biofuel use in California		
AB 1085	Mendoza	Requires ARB to make publicly available all supporting information for a regulation before the comment period for the regulation		Chaptered
AB 1097	Eng	Requires state fleet to achieve 35 mpg		Asm. Business & Professions

AB 1107	Blakeslee	scientific peer review of CalEPA regulations		Asm. Env. Safety
AB 1135	Skinner	VMT data collection at time of registration	Support MTC: Support in concept	Asm. Approps.
AB 1186	Blumenfield	Requires non-residential building lessors to separately list parking costs in the lease agreement		Vetoed
AB 1212	Ruskin	Authorizes ARB to implement a feebate program on new vehicle sales to cut greenhouse gas emissions		Asm. Trans.
AB 1292	B.Lowenthal	Affects GMERP funding distribution		Asm. Trans.
AB 1305	V.M. Perez	Imposes a mitigation fee on electricity generated in Mexico and imported into the state		Asm. Utilities
AB 1313	Adams	States legislative intent to have the Legislature regulate offset allocation in the South Coast		
AB 1318	V.M. Perez	Changes CEQA for emission reduction credits from SCAQMD bank for certain powerplant		Chaptered
AB 1350	Blakeslee	Establishes California Sustainable Biofuels Program		Sen. Utilities
AB 1373	Skinner	Requires plan to phase out use of high global warming potential refrigerants by 2020		Sen. Rules
AB 1404	De Leon & V.M. Perez	Limits compliance offsets to only 10% of GHG reductions required by AB 32		Vetoed
AB 1405	De Leon	Establishes Community Benefits Fund to mitigate climate change impacts in the most impacted and economically disadvantaged communities, and directs 30% of total revenues to this Fund		Senate Floor
AB 1431	Hill	Requires Port of Oakland to have emission reduction program of comparable stringency to those in southern CA	Sponsor	Asm. Trans.
AB 1452	Skinner	States legislative intent to require ARB to adopt procurement standards for cement to reduce greenhouse gas and particulate emissions from its production and transport		Asm. Approps.
AB 1496	Skinner	States intent to require CalEPA to have Supplemental Environmental Projects do mitigation near the scene of the environmental violation		Asm. Approps.

AB 1500	Lieu	Extends hybrid vehicle use of HOV lanes from 2011 to 2016		Senate Floor.
AB 1502	Eng	Extends hybrid vehicle use of HOV lanes from 2011 to 2017		Asm. Trans.
AB 1507	Block	Revises environmental grant program for metal plating facilities		Sen. Env. Quality
AB 1527	Lieu	Allows a single motor vehicle emission reduction project to be funded from multiple grant programs	Support	Vetoed
AB 1536	Blakeslee	Distributed generation spot bill		Senate Utilities
ACR 14	Niello	Calls on ARB to expand its economic analysis of AB 32 actions, and for the Governor to adjust deadlines		Asm. Nat. Resources
ABX3 30	Garrick	Delays Phase II EVR by one year		
SB 31	Pavley	Specifies uses for fees collected by ARB on greenhouse gas emission sources		Sen. Floor
SB 83 (initially SB 205)	Hancock	Allows vehicle registration fee of up to \$10 to be placed on ballot by countywide transportation planning agencies for uses such as congestion management and air quality improvement		Chaptered
SB 104	Oropeza	Adds nitrogen trifluoride as a greenhouse gas, and establishes process for adding other compounds		Chaptered
SB 124	Oropeza	Codifies regulations limiting idling of schoolbuses		Chaptered
SB 128	Padilla	Creates the California Climate Change Institute		Sen. Approps.
SB 225	Florez	Allows districts to create emission reduction credits from projects funded with public and private funds	Oppose	Sen. Env. Quality
SB 232	Benoit	Would allow an unlimited number of specialty constructed vehicles to be registered annually	Oppose	Sen. Trans. & Housing
SB 295	Dutton	Would prevent AB 32 implementation until the unemployment rate is below 5.8% for 3 months		Sen. Env. Quality
SB 351	Huff	HOV lane spot bill		Sen. Rules
SB 382	Florez	Prohibits San Joaquin Valley agricultural burning on days when residential burning is banned		Vetoed
SB 385	Wright	Exempts historic vehicles from smog check, and allows owners to self-certify that their vehicle is historic	Oppose	Sen. Trans. & Housing

SB 391	Liu	Requires Caltrans to include greenhouse gas emission reductions in California Transportation Plan, and to consult with different entities, including air districts, in its development		Chaptered
SB 406	DeSaulnier	Changes Planning and Advisory Council composition, and allows MPO's and COG's to impose a \$2 per vehicle registration fee for development and implementation of a regional blueprint to reduce vehicle use	Support	Vetoed
SB 412	Kehoe	Changes and extends self-generation incentive program for non-solar distributed generation		Chaptered
SB 425	Simitian	Creates a new employer-based trip reduction program	Support	Sen. Approps.
SB 435	Pawley	Adds post-2000 motorcycles to smog check program	Support	Asm. Trans.
SB 468	Runner	Air pollution spot bill		
SB 476	Correa	Exempts from CEQA some environmental enhancement projects, and limits cumulative impact evaluation		Asm. Natural Res.
SB 507	Cox	Delays by one year Phase II enhanced vapor recovery for gas stations		Sen. Env. Quality
SB 518	Lowenthal	Reforms parking policy to reduce driving and associated emissions	Support	Sen. Floor
SB 535	Yee	Revises HOV access for hybrids and natural gas and electric vehicles		Asm. Floor
SB 554	Hollingsworth	Prohibits air districts from restricting the installation or use of wood-burning equipment	Oppose	Sen. Env. Quality
SB 560	Ashburn	Modifies last year's SB 375 in multiple ways, including generating credit for localities that site commercial wind, solar, or biomass projects in their jurisdiction		Sen. Env. Quality
SB 626	Kehoe	Assigns CEC to develop and implement policies to encourage plug-in hybrids		Chaptered
SB 632	Lowenthal	Requires container ports to assess and report their infrastructure and air quality needs	Support	Asm. Floor
SB 675	Steinberg	Clean Technology and Renewable Energy Job Training, Career Technical Education, and Dropout Prevention Act of 2009		Sen. Approps.

SB 721	Steinberg	Creates Climate Action Team to coordinate AB 32 actions and implementation		Sen. Approps.
SB 722	Steinberg	Establishes requirements on those selling voluntary greenhouse gas emission reduction credits		Asm. Floor
SB 728	Lowenthal	Imposes civil penalty for violation of parking cashout law, and allows air districts to impose additional penalties and compliance mechanisms	Support	Chaptered
SB 729	Walters	Greenhouse gas spot bill		Sen. Rules
SB 811	DeSaulnier	Requires specially constructed vehicles from out-of-state to meet emissions requirements for their year of manufacture	Support	Vetoed
SB 827	Wright	voids court decision on adequacy of SCAQMD CEQA documents on changes to their ERC rules, allowing essential public services to advance		Chaptered

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Bates and
Members of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 4, 2009

Re: Potential Legislative Proposals for 2010

RECOMMENDED ACTION

Discuss potential legislative proposals for the upcoming year.

BACKGROUND

2010 is the second year of the current California legislative session. As was the case in 2009, California's unprecedented fiscal problems are expected to trump all other issues. Despite the unprecedented levels of cuts made last year, it appears that the deficit for the 2010-2011 Fiscal Year may be on the order of \$15 billion. Some of the fiscal maneuvers of 2009 cannot be replicated in 2010. For example, California's constitution prevents further borrowing of local property tax revenues until the current borrowing has been paid back. Staff believe that the fiscal crisis will have a pronounced effect on virtually all legislative activity in 2010, and there will be pressure to relax environmental requirements imposed by agencies such as the Air Resources Board and the District. Policy bills with State costs, even relatively low costs, appear unlikely to advance. Even bills without direct costs to the State, but with possible indirect State costs or costs to consumers or businesses, are likely to be affected.

DISCUSSION

Staff suggest that in 2010, the highest legislative priority for the District should be preventing efforts to weaken existing air quality regulations or programs, either through changes in policy or funding.

In addition to playing defense, the District may wish to consider co-sponsoring legislation to improve air quality. Staff will present several potential bill ideas for discussion at the Committee meeting. Here is a brief summary of possible measures.

One idea would be for the District to return to our successful earlier work aimed at improving the smog check program. It will have been four years since the District last sponsored a smog check bill (2006's AB 1870 on smoking vehicles). California's smog check program continues to get fewer emission reductions required in the State Implementation Plan, and in many ways has failed to modernize and adapt to changing vehicle technologies. Staff are recommending the District either co-sponsor or work on a bill that would reform smog check in a variety of ways, reducing its costs for most consumers and increasing its emission reductions. Specifically, staff recommend statutory changes that would allow the use of sophisticated onboard emissions monitoring software to determine whether a vehicle is in

compliance instead of the traditional tail-pipe testing. This software has been required in all vehicles since 1996, and is referred to as 'on-board diagnostics' (OBD). California is now one of only two states that does not use OBD for its emissions testing program. California's Inspection and Maintenance Review Committee (IMRC; appointed by the Governor to advise the Legislature on Smog Check) recommends this change in their initial 2008 draft report to the Legislature. More significantly, staff believe that the Air Resources Board is supportive of these changes to the program. Using OBD on newer vehicles (instead of tailpipe testing) has substantially reduced testing costs for motorists in other states. Current estimates are that California motorists would save \$324 million by 2016, and even more in later years.

Another significant shortcoming of the current program is that motorcycles, all-wheel drive vehicles, heavy sport-utility vehicles, and hybrids are all currently exempted. Most of these are exempted because they cannot operate on a dynamometer, and California's overly prescriptive smog check statute only allows dynamometer testing in most of the state. However, all could easily be tested with either a two-stage idle test (probe in tailpipe) or using OBD on the newer vehicles. Motorcycles in particular tend to have very high rates of tampering with their emissions control equipment. Conservative estimates by the Air Resources Board indicate that including motorcycles alone in Smog Check would yield emissions reductions of over five tons a day of primarily hydrocarbons. Including these vehicles in the program has long been a recommendation of the IMRC and others. A simple statutory change to allow non-dynamometer testing for vehicles for which this testing is not practical would dramatically increase the public health benefits of the program. Staff believe combining this with the program modernization (using OBD) should yield major statewide emission reduction benefits in a package that politically would be attractive to many legislators.

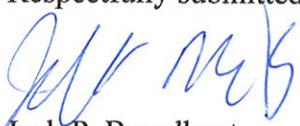
Another potential bill to consider would reform the penalty statutes that address civil and criminal air quality violations. The current penalty ceilings do not increase with inflation, and none of the penalties have been increased in roughly a decade. Thus, the deterrent effect of the maximum penalties has been eroded over time. Furthermore, legal staff have long felt that the penalty ceiling for strict liability violations and certain types of public nuisance violations is too low. Staff know that there is interest on the part of several environmental organizations in pursuing legislation that would directly affect air penalties. The last bill dealing with air penalties (2000's SB 1865, authored by Senator Perata) was co-sponsored by the District, so the District has a successful legislative record in this arena also.

Staff may present a few additional ideas, and the Committee may wish to suggest other ideas as well.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None

Respectfully submitted,


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Executive Officer/APCO

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