

Bay Area Air Quality Management District  
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**APPROVED MINUTES**

Summary of Board of Directors  
Legislative Committee Meeting  
Monday, March 29, 2010

**Call to Order:** Chairperson Susan Garner called the meeting to order at 10:00 a.m.

**Roll Call:** Chairperson Susan Garner, Vice Chairperson Carol Klatt, and Committee Members Tom Bates, Chris Daly, Scott Haggerty, Jennifer Hosterman, David Hudson, Ash Kalra and Nate Miley

**Absent:** None

**Also Present:** Directors Eric Mar, Mark Ross and Ken Yeager

**Public Comments:** There were no public comments.

**Approval of Minutes of November 12, 2009 and January 21, 2010:**

**Committee Action:** Director Haggerty made a motion to approve the Minutes of November 12, 2009 and January 21, 2010; Director Klatt seconded the motion; carried unanimously without objection.

**Consideration of New Bills**

Senior Advanced Projects Advisor, Tom Addison, gave the staff presentation, stating that since the Committee last met, the Legislature has included resolutions of over 1500 different measures and several bills deal with issues relevant to the Air District. The primary legislative goal for 2010 is to hold onto existing air quality programs. There are many bills this year that are specifically targeting diesel regulations, looking for delays or rollbacks, and targeting AB 32 and climate change programs.

Having heard the Committee's goal, he reviewed each of the bills and their corresponding staff recommended positions, as follows:

<b>BILL AND AUTHOR</b>	<b>SUBJECT</b>	<b>STAFF RECOMMEND- ATION</b>
AB 1672 Jeffries	Changes ARB Board from appointed to elected positions	Oppose

<b>BILL AND AUTHOR</b>	<b>SUBJECT</b>	<b>STAFF RECOMMENDATION</b>
AB 1692 B. Berryhill	Puts penalty revenues collected by ARB (and other state environmental agencies) into the General Fund, instead of directly into ARB programs	Oppose
AB 1740 Jeffries	Eliminates the 500 vehicle cap on kit cars, and ends environmental and financial requirements for amnesty program for fraudulently registered kit cars	Oppose
AB 1863 Gaines	Extends current reduction in testing requirements for hospital's diesel backup generators	Support
AB 1949 Logue	Requires extensive new reports on environmental regulations 5 years after adoption or modification	Oppose
AB 2289 Eng	Allows major changes to smog check testing procedures	Support and seek amendments
AB 2311 Mendoza	Requires triennial review of ARB greenhouse gas fuel regulations, and delay to avoid impacts on fuel prices, small businesses, the economy etc.	Oppose
AB 2469 B. Berryhill	Establishes new dispute resolution process for businesses seeking relief from ARB's AB 32 regs.	Oppose
AB 2565 Ammiano	Reduces CEQA paperwork for lead agencies by allowing increased internet use in CEQA process	Support
AB 2691 Hall	Prohibits AQMDs, cities, counties, or others from imposing GHG fees	Oppose
SB 942 Dutton	Requires repeal of regulations if analysis by State Auditor indicates costs outweigh benefits	Oppose
SB 960 Dutton	Requires ARB regulations to be analyzed by Office of Administrative Law for feasibility and costs	Oppose
SB 1114 Florez	Allows districts to create ERCs from marine and locomotive emission reduction projects that are partly public funded	Oppose

<b>BILL AND AUTHOR</b>	<b>SUBJECT</b>	<b>STAFF RECOMMENDATION</b>
SB 1120 Dutton	Prohibits ARB from adopting AB 32 cap-and-trade program unless it is part of a required federal or regional program	Oppose
SB 1194 Hollingsworth	Prohibits air districts from banning installation of wood burning devices in new & existing residences	Oppose
SB 1263 Wyland	Eliminates AB 32	Oppose
SB 1299 Lowenthal	Requires DMV to assess feasibility of VMT fee	Support
SB 1340 Kehoe	Requires CEC to establish a program to reduce costs for in-home electric vehicle charging	<b>Support and Seek Amendments</b>
SB 1402 Dutton	Requires ARB to detail how each penalty amount was calculated, and takes penalty revenues away from ARB	Oppose
SB 1433 Leno	Ties air penalty ceilings to inflation	Co-Sponsor
SB 1445 DeSaulnier	Increases vehicle registration fees by \$1 to fund SB 375 implementation	<b>Support and Seek Amendments</b>
SBX8 57 Cox	Delays ARB on-road diesel regulation by 2 years	Oppose
AB 846 Torrico	Ties air penalty ceilings to inflation, requires calculation of economic advantage to violators	<b>Oppose Unless Amended</b>

Committee Member Comments/Questions:

Directors referred to AB 2289 (Eng) and discussed vehicles that initially pass smog check, but then fail afterwards within a short period of time. The bill will address fraud by increasing penalties for people who break the law. Directors discussed the Bureau of Automotive Repair's test procedures, deadlines, and the need for requirements in the testing procedures that reduce emissions. The Committee requested Mr. Addison keep the Committee updated with proposed amendments.

Director Hudson asked if the Committee would consider changing its position on AB 2469 from oppose to support with amendments, and require individuals to pay the fine within 30 days and then

ask for a hearing before the Administrative Law Judge. The consensus of the Committee was to oppose the bill, noting there is a process in place to request a change by the California Air Resources Board (ARB).

Directors referred to AB 2691 (Hall), discussed the District's fee on regulated entities and the need to maintain fees imposed by the District, questioned the status of development of CARB's inventory and the overall GHG program, and the role of the Air District. Ms. Roggenkamp discussed air districts' roles with ARB and setting the fee, noting the districts provide technical expertise for stationary source measures. Further discussion will occur at the next Climate Protection Committee regarding verifiers of emission inventory data.

Regarding SB 942 (Dutton), Director Daly agreed to an opposed position, referred to cost and benefits, and suggested continuing to talk about not only costs of hospitalization and health but also climate change and the costs of not moving aggressively on air quality regulations. Chairperson Garner agreed, and suggested the District not be afraid of financial accountability for its programs, and Mr. Addison noted the benefits of the bill accrue over a long period of time.

Director Daly referred to SB 1299, a bill currently under study for transitioning from a gas tax to a Vehicle Miles Traveled (VMT) fee, and questioned the possibility of a negative impact on higher fuel efficiency because of paying less with fuel efficient vehicles, versus taxing VMT. Mr. Addison said there absolutely is potential negative impact from that aspect of VMT fees. On the other hand, there is not a negative aspect of the bill.

Director Garner confirmed that the goal is to think through the host of issues associated with a VMT fee. Director Kalra cited possible impacts on lower income communities and he confirmed that any disproportionate effects would be considered in the bill. Director Bates agreed with support for the bill, but questioned its feasibility.

Regarding SB 1340 (Kehoe), Mr. Addison noted the bill serves to help ease the introduction of plug-in and pure battery vehicles by reducing the price of the infrastructure. Director Hudson likened the bill to putting solar onto houses and hoped cities could more easily install public charging stations. Director Daly questioned and confirmed there was not an emphasis on new construction, which he supported adding, and Directors requested revising the recommendation to "Support and Seek Amendments."

Directors noted that SB 1445 is almost identical to a bill from last year which provides funding to local jurisdictions to implement SB 375; however, the amount is \$1 versus \$2. Staff noted that last year's bill was vetoed by the Governor, and Directors requested revising the recommendation to "Support and Seek Amendments to \$2".

Directors discussed the concept of a bill that would impose San Joaquin Valley Air Pollution Control District's (APCD) greenhouse gas thresholds of significance for California Environmental Quality Act (CEQA) statewide. The bill would not allow the approach considered by the Board for adoption later this year, but instead allow the approach adopted by the San Joaquin Valley APCD statewide. Director Hudson asked to see the bill's language and voiced his abstention on the matter. Director Bates voiced the need to discuss the introduction of the bill with its author. The Committee recommended an "Oppose" position on the proposed bill.

In addition, the Committee discussed a bill the District is co-sponsoring this year with Breathe California to tie air penalty ceilings to inflation moving forward known as SB 1433. The bill is authored by Senator Leno and there is a wide range of support from the environmental community.

Mr. Addison said another bill not included in the March 29, 2010 Committee staff report which staff is concerned about is AB 846 (Torricono). It ties air penalty ceilings to inflation moving forward. The bill not only deals with air quality penalties but with all media. For air penalties, it would mandate that any penalty or violation that the District writes a ticket for, the District must calculate the benefits to the violator in not complying with the District's rules and regulations. If the District wants to penalize someone less than the maximum amount allowed by law, given many factors, the District would have to calculate the economic advantage to the violator. He said this is an impossible task and would result in a large percentage of the District's inspectors not being able to look for violations but instead conduct economic analyses. Therefore, staff recommends the Committee recommend an "Oppose Unless Amended" position on the bill.

Director Hudson added that amendments should also include exemption for Communities Air Risk Evaluation (CARE) communities. Directors agreed with an "Oppose Unless Amended" position on SB 846.

Public Comments:

Francisco DaCosta, Director of Environmental Justice Association, discussed involvement in Sacramento and suggested the District develop an on-line legislative digest.

**Committee Action:** Director Bates made a motion to recommend Board of Directors' approval of staff recommendations, as outlined in the summary of bills contained in the agenda staff report in the packet, as modified, by revising its position on SB 1340 (Kehoe) and SB 1445 (DeSaulnier) to "Support and Seek Amendments", recommend an "Oppose" position on the concept of a bill that would impose San Joaquin Valley AQMD's greenhouse gas thresholds of significance for CEQA statewide, and recommend an "Oppose Unless Amended" position on AB 846 (Torricono); which carried by a vote of 8-0-1: Ayes: Bates, Daly, Garner, Haggerty, Hosterman, Kalra, Klatt, and Miley. Noes: None: Abstain: Hudson.

**Committee Members' Comments:** Chairperson Garner thanked Mr. Addison for his work. She noted that during a Climate Protection Committee meeting, there was a request that the Legislative Committee discuss the Waxman Markley bill, and she reported it would be agendaized for the next Committee meeting.

**Time and Place of Next Meeting:** At the Call of the Chair.

**Adjournment:** Meeting adjourned at 11:32 a.m.

*/s/ Lisa Harper*  
Lisa Harper  
Clerk of the Boards