



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

BOARD OF DIRECTORS  
LEGISLATIVE COMMITTEE MEETING

COMMITTEE MEMBERS

SUSAN GARNER – CHAIRPERSON      DAVE HUDSON – VICE CHAIRPERSON  
JOHN AVALOS                              JENNIFER HOSTERMAN  
ASH KALRA                                  CAROL KLATT  
NATE MILEY                                JOHANNA PARTIN  
BRAD WAGENKNECHT

**MONDAY**  
**APRIL 4, 2011**  
**Immediately Following**  
**Public Outreach Committee Meeting**

**4<sup>TH</sup> 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 MARCH 7, 2011**

4. **CONSIDERATION OF NEW BILLS**

**T. Addison/5109**  
[taddison@baaqmd.gov](mailto:taddison@baaqmd.gov)

*The Committee will discuss and review new bills and adopt positions where appropriate.*

5. **BUDGET DISCUSSION**

**T. Addison/5109**  
[taddison@baaqmd.gov](mailto:taddison@baaqmd.gov)

*Based on developments in Sacramento, staff may update the Committee on any relevant State budget news.*

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](http://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](http://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**

**APRIL 2011**

<b><u>TYPE OF MEETING</u></b>	<b><u>DAY</u></b>	<b><u>DATE</u></b>	<b><u>TIME</u></b>	<b><u>ROOM</u></b>
<b>Board of Directors Public Outreach Committee</b> <i>(At the Call of the Chair)</i>	Monday	4	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Legislative Committee</b> <i>(At the Call of the Chair)</i>	Monday	4	Immediately Following Public Outreach Cme.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	6	9:45 a.m.	Board Room
<b>Board of Directors Executive Committee</b> <i>(At the Call of the Chair)</i>	Monday	11	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Advisory Council Meeting</b>	Wednesday	13	9:00 a.m.	Board Room
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i> - CANCELLED	Wednesday	20	9:45 a.m.	Board Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets 4<sup>th</sup> Thursday each Month)</i>	Thursday	28	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(At the Call of the Chair)</i>	Thursday	28	Immediately Following Mobile Source	4 <sup>th</sup> Floor Conf. Room

**MAY 2011**

<b><u>TYPE OF MEETING</u></b>	<b><u>DAY</u></b>	<b><u>DATE</u></b>	<b><u>TIME</u></b>	<b><u>ROOM</u></b>
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	4	9:45 a.m.	Board Room
<b>Board of Directors Regular Meeting</b> <i>(Meets 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	18	9:45 a.m.	Board Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(At the Call of the Chair)</i>	Wednesday	25	1:00 p.m.	4 <sup>th</sup> Floor Conf. Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets 4<sup>th</sup> Thursday each Month)</i>	Thursday	26	9:30 a.m.	4 <sup>th</sup> Floor Conf. Room

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Garner and Members  
of the Legislative Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: March 25, 2011

Re: Legislative Committee Draft Meeting Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Legislative Committee meeting of March 7, 2011.

DISCUSSION

Attached for your review and approval are the draft minutes of the March 7, 2011 Legislative Committee meeting.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared By: Lisa Harper  
Reviewed by: Jennifer Cooper

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  
Monday, March 7, 2011

**Call to Order:** Chairperson Susan Garner called the meeting to order at 9:45 a.m.

**Roll Call:** Present: Chairperson Susan Garner, Vice Chairperson David Hudson, Directors Jennifer Hosterman, Carol Klatt, and Brad Wagenknecht

Absent: Directors Ash Kalra and Nate Miley

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

**Approval of Minutes of December 6, 2010:**

**Committee Action:** Director Wagenknecht made a motion to approve the December 6, 2010 Legislative Committee minutes; Director Klatt seconded the motion; carried unanimously without objection.

**Review New Bills and Consider Recommending Positions**

Senior Advanced Projects Advisor, Tom Addison, gave the staff presentation, stating the legislature introduced 2,438 bills and several regulatory reforms are underway. He noted that the Committee had previously indicated its goal for 2011 as minimizing legislative damage to programs, and many bills would weaken greenhouse gas and air quality programs and regulations. Because of timing issues of when the Legislative Committee would next meet, staff is requesting the Committee also endorse as a principle that important air quality and climate change programs not be sacrificed under the banner of regulatory reform.

Mr. Addison reported the focus at the Capitol as being dominated by the State Budget and he hoped to see enough votes for a budget package on the June ballot.

Mr. Addison discussed the most significant bills and analyses of staff's proposed recommendations. He noted that copies of the actual bill language are attached to the agenda report, as well as a longer list of bills of air quality significance.

Committee Member Comments/Questions:

Directors discussed and supported all but two staff recommended positions:

AB 343 (Atkins) from Support to Watch  
 AB 710 (Skinner) from Support to Watch.

BILL NO.	AUTHOR	SUBJECT	RECOM-MENDATION
AB 128	Logue	Would allow ARB to, instead of imposing an air penalty, spend an equivalent amount on actions to comply with the violated regulation or on a supplemental project	Oppose
AB 333	Grove	Exempts counties with unemployment over 7% from AB 32	Oppose
AB 343	Atkins	Requires redevelopment plans to identify how redevelopment projects will help regions attain their SB 375 (GHG emission reduction) goals	<b>Support WATCH</b>
AB 382	Nestande	Requires all written air district communications alleging violations to contain new detailed information, and imposes new requirements on inspectors	Oppose
AB 462	B. Lowenthal	Allows air districts to use AB 923 funds to replace older CNG tanks on schoolbuses	Support
AB 710	Skinner	Infill Development and Sustainable Community Act; eliminates excessive minimum parking requirements in infill and transit-oriented development areas	<b>Support WATCH</b>
AB 942	Huber & B.Berryhill	Directs all penalties and fines collected by ARB into the General Fund, rather than air pollution remediation accounts	Oppose
AB 1332	Donnelly	Abolishes ARB and transfers duties and obligations to CalEPA	Oppose
ABx1 2	Logue	Would allow ARB to instead of imposing an air penalty spend an equivalent amount on actions to comply with the violated regulation or on a supplemental project	Oppose
ABx1 7	Logue	Directs all penalties and fines collected by ARB into the General Fund, rather than air pollution remediation accounts	Oppose
SB 170	Pavley	Allows South Coast Air District to receive intellectual property benefits or revenues from projects funded with grant funds controlled by the South Coast Air District	Support if Amended
SB 209	Corbett	Prevents homeowners associations from blocking EV residential charging	Support
SB 582	Emmerson	Allows MPO's and air districts to jointly adopt regional commute benefit policies, with requirements on employers	Co-Sponsor
SB 724	Dutton	Expands ARB's requirements and considerations when assessing penalties, and imposes new deadlines and requirements on ARB when certifying engines	Oppose
SB 739	A.Lowenthal	Requires ports to assess infrastructure and air quality needs, in consultation with the local MPO and air district, specifying needed projects, funding, and timelines	Support

Public Comments: None

**Committee Action:** Director Wagenknecht made a motion that the Committee amend the position of AB 343 (Atkins) from “Support” to “Watch”; Director Hosterman seconded the motion; which carried unanimously without objection.

**Committee Action:** Director Hosterman made a motion to amend the position of AB 710 from “Support” to “Watch”; Director Hudson seconded the motion; which carried unanimously without objection.

**Committee Action:** Director Wagenknecht made a motion to support the revised slate of positions, as amended to move from a “Support” to “Watch” positions for AB 343 (Atkins) and AB 710 (Skinner); and, to endorse as a principal that important air quality and climate change programs not be sacrificed under the banner of regulatory reform; Director Hudson seconded the motion; carried unanimously without objection.

**Committee Members’ Comments:**

Director Hosterman expressed her desire for staff to schedule multiple Committee meetings on the same day. Chairperson Garner confirmed that staff was currently polling for a tentative April 4, 2011 meeting date.

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

**Adjournment:** Meeting adjourned at 10:51 a.m.

Lisa Harper  
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Garner and  
Members of the Legislative Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: March 25, 2011

Re: Consideration of New Bills

RECOMMENDED ACTION:

The Committee will discuss new, significant air quality bills and recommend Board of Directors' positions on them.

DISCUSSION

Staff are recommending positions for the Committee's consideration on different bills, as listed in the table below. Copies of the actual bill language on these measures are attached to this memorandum, as is a longer list of bills of air quality significance. Unfortunately, at the time this memorandum is being drafted, many measures have yet to be fleshed out, and information on others is still non-existent. Thus, staff may bring to the Committee, for consideration at its April 4<sup>th</sup> meeting, bills in addition to those listed in the table below. Copies of any such additional bills will be provided at the meeting.

BILL AND AUTHOR	SUBJECT	STAFF RECOMMENDATION
AB 470 Halderman	Allows AB 923 funds to retrofit existing schoolbuses	Support
AB 937 Mendoza	Allows bonnet technology to be used at ports, although this is already allowed under ARB's shore power regulation	Oppose
AB 1064 Furutani	Would weaken ARB's shore power regulation	Oppose
AB 1256 B.Berryhill	Would require BAAQMD payment for emissions transported to the Central Valley	Oppose
SB 758 Fuller	Would reduce tire fee funding to the Carl Moyer program	Oppose



## ANALYSES:

**AB 470** is authored by Assemblymember Linda Halderman (R-Fresno). It involves the fifth and sixth dollar on annual vehicle registrations that goes to air districts to cut mobile source emissions. This addition to districts' vehicle registration fee surcharges for clean air was established in 2004 by AB 923, and the BAAQMD has used these funds to cut emissions from a wide variety of mobile sources in our region. Under current law, these funds can be given as grants for the purchase of new, cleaner schoolbuses. AB 470 would expand this to also allow air districts, at their discretion, to also fund the retrofit of existing schoolbuses with particulate traps. Because school children are particularly vulnerable to air pollution, and school districts continue to have serious funding challenges, staff recommend a “**Support**” position.

**AB 937** is authored by Assemblymember Tony Mendoza (D-Artesia), and is sponsored by Advanced Cleanup Technologies Incorporated (ACTI). It would authorize ships to use exhaust filtration technology approved by the ARB as an alternative to shore power.

Because of the number and magnitude of the emissions sources associated with ports, goods movement is a very significant source of emissions. In the Bay Area, goods movement through the Port of Oakland exposes adjacent residents and those downwind to high levels of air pollution, particularly diesel particulate emissions. The BAAQMD and the Port have partnered on a number of efforts to reduce these emissions and protect the public health. A critical piece of the efforts to cut emissions is ARB's cold ironing regulation, which requires emission reductions from ships at port that traditionally have used their large, dirty engines to generate electricity while at berth. Essentially, over time this regulation requires an increasing number of ships to use power from the grid.

However, the regulation specifically includes a section (the Equivalent Emissions Reduction Option, or EERO) that allows the use of non-grid alternatives, such as exhaust filtration. To date, only Maersk has elected to use this path; all others have chosen the shore power path. The EERO specifically allows ACTI-type technology (“a bonnet emissions capture and treatment system”). Given that this path is specifically allowed in regulation, staff believe this bill is not necessary and recommend an “**Oppose**” position.

Staff note that the EERO option required emissions reductions well in advance of the 1/1/14 deadline for the shore power option. Specifically, the EERO required 10% reductions starting in 2010. Staff will learn more about this bill after a meeting on March 29<sup>th</sup>, but our understanding currently is that the bill is intended to force regulatory changes that would reduce the total emission reductions that would need to be generated by the EERO.

**AB 1064** is authored by Assemblymember Warren Furutani (D-Long Beach), and is sponsored by the California Association of Port Authorities (CAPA). Staff have met with both CAPA, who acknowledges the bill is still a work in progress, and ARB staff. The bill would weaken the rules on shore power set forth in Proposition 1B, and in ARB's implementing regulation.

CAPA have requested a number of changes to ARB's shore power regulation. These include delays in the regulation's effective dates and percentages of ships using grid power, a restructuring of the regulation's responsibilities between ports, terminals, and shipping lines, payment of Proposition 1B funds 'up front' rather than on a reimbursement basis, changes in the averaging of required cleaner visits across all grant-funded berths at a terminal, and allowing averaging of required percentages over three-year windows instead of year-by-year. ARB has made, in March of 2011, a number of changes to address many but not all of these concerns. These changes were made in consultation with interested parties, including the BAAQMD. Changes made include new relaxed averaging procedures (over three years versus yearly, and over 1B-funded berths within a terminal). Also, extension of the 12/31/13 deadline for shore power to be operational would be allowed, subject to air district and ARB determination that the delay could not reasonably have been avoided. Also, banking of ship visits using shore power prior to deadlines would be allowed.

BAAQMD and ARB staff believe that additional weakening of the regulation would be unacceptable, but that the purpose of this bill is to force further weakening, either by statute or using the threat of statutory change as a club to get additional regulatory changes. Finally, the bill in print today would significantly weaken the entire shore power program. It would end the basic requirement that each berth receiving grant funding need to achieve surplus emission reductions, since it would provide funding for anything in a port-approved terminal plan. Staff recommend an "**Oppose**" position

**AB 1256** is authored by Assemblymember Bill Berryhill (R-Stockton). As of the date of this memorandum's drafting, the bill is still a spot bill. However, Mr. Berryhill has stated in the Modesto Bee that he will amend the bill to require the BAAQMD to reimburse the San Joaquin Valley Unified Air Quality Management District for pollution that migrates to the Central Valley from the Bay Area.

Perhaps the only good thing about this bill is that staff at the San Joaquin Valley Unified Air Quality Management District indicate that they are not behind this proposal, and that its introduction came as a surprise to them. Historically, different Central Valley politicians over the years have claimed that air pollution originating in the Bay Area is the reason behind the Valley's air quality problems. However, after spending millions of dollars examining the issue of transported emissions in multiple studies, air quality modeling shows a very different picture. Generally, transported emissions between the basins go both ways, depending on the meteorology and the season. There is certainly some transport of ozone precursors from west to east in the hot summer ozone season, although this transport is generally to the northern portion of the San Joaquin air basin, where the ozone problem is significantly less problematic than in Bakersfield and Fresno further south. Furthermore, even if the Bay Area were eliminated, the Central Valley would unfortunately exceed federal ozone standards all on its own. Additionally, on the cold still winter nights when the Bay Area's particulate problem is at its worst, there is significant transport of particulate into the region from our neighbors to the east. The Bay Area historically has been a world leader in adopting and enforcing programs to reduce emissions from the region's stationary sources, and we continue to implement all feasible and cost-effective measure. Staff recommend an "**Oppose**" position.

**SB 758** is authored by Senator Jean Fuller (R-Bakersfield). Like AB 470 discussed earlier, it also involves changes to a 2004 measure (AB 923) that provides funding for clean air programs. Unlike AB 470, however, staff are recommending an “**Oppose**” position on SB 758. AB 923 increased an existing fee on tires sold in the state, which had previously been used in its entirety to fund tire recycling. The tire fee increased from \$1 per tire to \$1.75 per tire, through the end of 2014. The increase of \$0.75 per tire goes to fund the Carl Moyer program, which is an air quality grant program administered by local air districts, including the BAAQMD, and overseen by the ARB. This bill would cut the tire fee by \$0.60 per tire, reducing the funding to the Carl Moyer program. The bill is silent on how the reduced funds would be newly apportioned between tire recycling and clean air, so presumably the reduction is proportional. This would mean a significant decrease in grant funds available through the Moyer program, and a corresponding decrease in the amount of emissions reductions that would otherwise occur, both in the Bay Area and statewide. This is the reason staff recommend opposing the bill.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Thomas Addison

# BAAQMD BILL DISCUSSION LIST

March 26, 2011

BILL NO.	AUTHOR	SUBJECT	POSITION (Positions in italics are staff recommendations)
AB 34	Williams	Would establish a pilot project for an objective standard for composting odors	
AB 49	Gatto	Development project permit streamlining	
AB 128	Logue	Would allow ARB to, instead of imposing an air penalty, spend an equivalent amount on actions to comply with the violated regulation or on a supplemental project	Oppose
AB 135	Hagman	Requires at least one ARB Board member to be a small-business owner	
AB 146	Dickinson	Adds a 12 <sup>th</sup> ARB Board member, from Sacramento air basin	
AB 296	Skinner	States legislative intent to regulate pavement reflectivity to reduce urban heat island	
AB 333	Grove	Exempts counties with unemployment over 7% from AB 32	Oppose
AB 343	Atkins	Requires redevelopment plans to identify how redevelopment projects will help regions attain their SB 375 (GHG emission reduction) goals	
AB 382	Nestande	Requires all written district communications alleging violations to contain new detailed information, and imposes new requirements on inspectors	Oppose
AB 462	B. Lowenthal	Allows air districts to use AB 923 funds to replace older CNG tanks on schoolbuses	Support
AB 470	Halderman	Allows AB 923 funds to be used to retrofit existing schoolbuses	<i>Support</i>
AB 475	Butler	Expands current off-street parking rules & opportunities for ZEV's to plug-in hybrids	
AB 523	Valadao	States Legislative intent to eliminate all subsidies for ethanol in CA	
AB 605	Dickinson	Requires OPR to develop project mitigation guidelines to reduce VMT, and for projects meeting the guidelines to omit transportation-related CEQA analysis	
AB 638	Skinner	Requires ARB and CEC to adopt measures to reduce 2020 convention fuel use to 2003 levels, and increase alternative fuel use by 26% by 2022	
AB 650	Blumenfield	Creates Blue Ribbon Task Force on public transportation, whose charges include making funding recommendations to the Legislature	
AB 698	Hagman	Intent bill requiring ARB to report on 1992 Air Permit Streamlining Act	
AB 710	Skinner	Infill Development and Sustainable Community Act; eliminates excessive minimum parking requirements in infill and transit-oriented development areas	

AB 768	Gatto	Requires ARB to allow biomethane produced outside CA but used in CA to count towards Low Carbon Fuel Standard compliance	
AB 796	Blumenfield	Establishes program to provide loan guarantees to CA clean-tech companies	
AB 921	Allen	Agricultural Water Efficiency with Compost Use and GHG Reduction Act	
AB 937	Mendoza	Allows ships to use exhaust filtration approved by ARB instead of cold ironing	<i>Oppose</i>
AB 942	Huber & B.Berryhill	Directs all penalties and fines collected by ARB into the General Fund, rather than air pollution remediation accounts	<i>Oppose</i>
AB 950	J. Perez	Deems drayage truck operators employees of those who engage their services	
AB 1054	Skinner	Expands PACE loan program to EV charging, energy efficiency, & renewables	
AB 1064	Furutani	Makes changes to Prop 1B requirements on ARB for shorepower projects	<i>Oppose</i>
AB 1095	B.Berryhill	Spot bill on air district hearing boards	
AB 1150	V.M.Perez	Extends self-generation incentive program through 2018, and makes changes	
AB 1160	Hill	States legislative intent to incentivize CA solar companies	
AB 1169	Halderman	Spot bill on toxic air contaminants	
AB 1256	B.Berryhill	Requires BAAQMD to pay a fee for alleged transport to Central Valley	<i>Oppose</i>
AB 1285	Fuentes	States Legislative intent to create a community GHG reduction program, which would provide state oversight of local govt. and nonprofit GHG reduction investment, and facilitate the awarding of emission allowances to local entities	
AB 1332	Donnelly	Abolishes ARB and transfers duties and obligations to CalEPA	<i>Oppose</i>
AB 1339	Gorell	Would provide a 50% tax credit for purchase and installation of emergency standby generators at gas stations	
ABx1 2	Logue	Would allow ARB to instead of imposing an air penalty spend an equivalent amount on actions to comply with the violated regulation or on a supplemental project	<i>Oppose</i>
ABx1 7	Logue	Directs all penalties and fines collected by ARB into the General Fund, rather than air pollution remediation accounts	<i>Oppose</i>
ABx1 14	Skinner	Expands PACE loan program to EV charging, energy efficiency, & renewables	
SB 23	Simitian et al.	Requires 33% of electricity sales to be renewable by 2010 (up from 20% by 2010)	
SB 170	Pavley	Allows South Coast Air District to receive intellectual property benefits or revenues from projects funded with grant funds controlled by the South Coast	<i>Support if amended</i>
SB 209	Corbett	Prevents homeowners associations from blocking EV residential charging	<i>Support</i>
SB 211	Emmerson	Limits the amount and severity of penalties for violations of ARB's tire inflation rule	

SB 237	Wolk	Requires an unspecified percentage of funds from state sale of GHG allowances to go to agriculture for GHG projects or grants or incentives	
SB 358	Cannella	Excludes from gross income ARB-provided funds for air pollution reduction	
SB 519	La Malfa	Spot bill on vehicle emissions	
SB 533	Wright and Correa	Requires ARB to post implementation schedule for AB 32 regulations in advance, as well as all forms, compliance tools or training	
SB 535	De Leon	Establishes the California Climate Change Community Benefits Fund	
SB 570	Rubio	Extends by two years existing San Joaquin Valley Air District program to replace high polluter vehicles with donated vehicles	
SB 582	Emmerson	Allows MPO's and air districts to jointly adopt regional commute benefit policies, with requirements on employers	Co-Sponsor
SB 669	Rubio	States Legislative intent to establish a regulatory framework for carbon geologic storage and capture projects	
SB 724	Dutton	Expands ARB's requirements and considerations when assessing penalties, and imposes new deadlines and requirements on ARB when certifying engines	Oppose
SB 730	Kehoe	Requires local governments to create an online building permit form for EV charging	
SB 739	A.Lowenthal	Requires ports to assess infrastructure and air quality needs, in consultation with the local MPO and air district, specifying needed projects, funding, and timelines	Support
SB 758	Fuller	Would cut tire fees that supply Carl Moyer program	<i>Oppose</i>
SB 763	Steinberg	Establishes California Performance Plus Program and Awards under CalEPA	
SB 800	Hancock	Establishes Voluntary Greenhouse Gas Emission Offset Fund	
SB 832	Strickland	AB 32 spot bill	
SB 862	A.Lowenthal	Establishes Southern CA Goods Movement Authority	
SB 898	Steinberg	Requires at least annual reporting of Moyer fund distribution (possible spot bill)	
SB 901	Steinberg	Limits the BAR-administered vehicle retirement program to the highest polluting vehicles, with priority to vehicles in areas not meeting federal air quality standards	
SBx1 2	Simitian	Requires 33% of electricity sales to be renewable by 2010 (up from 20% by 2010)	

AMENDED IN ASSEMBLY MARCH 21, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

**ASSEMBLY BILL**

**No. 470**

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**Introduced by Assembly Member Halderman**

February 15, 2011

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An act to amend ~~Section 40322.5~~ *Sections 41081 and 44229* of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 470, as amended, Halderman. ~~Regional air~~ *Air pollution control districts: governing board membership. districts: fees: schoolbus retrofits.*

*Existing law authorizes specified air pollution control and air quality management districts to adopt a fee applicable to motor vehicles registered in counties within that district, and requires the fee to be collected by the Department of Motor Vehicles. Existing law, until January 1, 2015, authorizes the amount of the fee to be up to \$6. Existing law requires the revenues from the first \$4 of the fee to be used for specified purposes. Existing law requires that the revenues from the last \$2 of the fee to be used for specified programs that the district determines remediate air pollution harms created by motor vehicles, including purchases of new schoolbuses pursuant to the State Air Resources Board's Lower-Emission School Bus Program.*

*This bill would additionally authorize a district based on that determination to use the last \$2 of the fee to retrofit existing schoolbuses pursuant to the State Air Resources Board's Lower-Emission School Bus Program.*

~~Existing law requires the governing board of each regional air pollution control district, as defined, to include both county supervisors and mayors or city council members, as specified.~~

~~This bill would make technical, nonsubstantive changes to this requirement.~~

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 41081 of the Health and Safety Code, as  
2     amended by Section 2 of Chapter 707 of the Statutes of 2004, is  
3     amended to read:

4     41081. (a) Subject to Article 3.7 (commencing with Section  
5     53720) of Chapter 4 of Part 1 of Division 2 of Title 5 of the  
6     Government Code, or with the approval of the board of supervisors  
7     of each county included, in whole or in part, within the Sacramento  
8     district, the Sacramento district board may adopt a surcharge on  
9     the motor vehicle registration fees applicable to all motor vehicles  
10    registered in those counties within the Sacramento district whose  
11    boards of supervisors have adopted a resolution approving the  
12    surcharge. The surcharge shall be collected by the Department of  
13    Motor Vehicles and, after deducting the department's  
14    administrative costs, the remaining funds shall be transferred to  
15    the Sacramento district. Prior to the adoption of any surcharge  
16    pursuant to this subdivision, the district board shall make a finding  
17    that any funds allocated to the district as a result of the adoption  
18    of a county transportation sales and use tax are insufficient to carry  
19    out the purposes of this chapter.

20    (b) The surcharge shall not exceed six dollars (\$6).

21    (c) After consulting with the Department of Motor Vehicles on  
22    the feasibility thereof, the Sacramento district board may provide,  
23    in the surcharge adopted pursuant to subdivision (a), to exempt  
24    from all or part of the surcharge any category of low-emission  
25    motor vehicle.

26    (d) Funds received by the Sacramento district pursuant to this  
27    section shall be used by that district as follows:

28    (1) The revenues resulting from the first four dollars (\$4) of  
29    each surcharge shall be used to implement reductions in emissions



1 from vehicular sources, including, but not limited to, a clean fuels  
2 program and motor vehicle use reduction measures.

3 (2) The revenues resulting from the next two dollars (\$2) of  
4 each surcharge shall be used to implement the following programs  
5 that achieve emission reductions from vehicular sources and  
6 off-road engines, to the extent that the district determines the  
7 program remediates air pollution harms created by motor vehicles  
8 on which the surcharge is imposed:

9 (i) Projects eligible for grants under the Carl Moyer Memorial  
10 Air Quality Standards Attainment Program (Chapter 9  
11 (commencing with Section 44275) of Part 5).

12 (ii) The new purchase, retrofit, repower, or add-on of equipment  
13 for previously unregulated agricultural sources of air pollution, as  
14 defined in Section 39011.5, within the Sacramento district, for a  
15 minimum of three years from the date of adoption of an applicable  
16 rule or standard, or until the compliance date of that rule or  
17 standard, whichever is later, if the state board has determined that  
18 the rule or standard complies with Sections 40913, 40914, and  
19 41503.1, after which period of time, a new purchase, retrofit,  
20 repower, or add-on of equipment shall not be funded pursuant to  
21 this chapter. The district shall follow any guidelines developed  
22 under subdivision (a) of Section 44287 for awarding grants under  
23 this program.

24 (iii) The ~~new~~ purchase of *new, or retrofit of existing*, schoolbuses  
25 pursuant to the Lower-Emission School Bus Program adopted by  
26 the state board.

27 (iv) An accelerated vehicle retirement or repair program that is  
28 adopted by the state board pursuant to authority granted hereafter  
29 by the Legislature by statute.

30 (e) Not more than 5 percent of the funds collected pursuant to  
31 this section shall be used by the district for administrative expenses.

32 (f) ~~No~~ A project funded by the program shall *not* be used for  
33 credit under any state or federal emissions averaging, banking, or  
34 trading program. ~~No~~ An emission reduction generated by the  
35 program shall *not* be used as marketable emission reduction credits  
36 or to offset any emission reduction obligation of any person or  
37 entity. Projects involving new engines that would otherwise  
38 generate marketable credits under state or federal averaging,  
39 banking, and trading programs shall include transfer of credits to  
40 the engine end user and retirement of those credits toward reducing

1 air emissions in order to qualify for funding under the program.  
2 A purchase of a low-emission vehicle or of equipment pursuant  
3 to a corporate or a controlling board's policy, but not otherwise  
4 required by law, shall generate surplus emissions reductions and  
5 may be funded by the program.

6 (g) This section shall remain in effect only until January 1, 2015,  
7 and as of that date is repealed, unless a later enacted statute, that  
8 is enacted before January 1, 2015, deletes or extends that date.

9 *SEC. 2. Section 44229 of the Health and Safety Code, as*  
10 *amended by Section 4 of Chapter 707 of the Statutes of 2004, is*  
11 *amended to read:*

12 44229. (a) After deducting all administrative costs it incurs  
13 through collection of fees pursuant to Section 44227, the  
14 Department of Motor Vehicles shall distribute the revenues to  
15 districts, which shall use the revenues resulting from the first four  
16 dollars (\$4) of each fee imposed to reduce air pollution from motor  
17 vehicles and to carry out related planning, monitoring, enforcement,  
18 and technical studies necessary for implementation of the California  
19 Clean Air Act of 1988. Fees collected by the Department of Motor  
20 Vehicles pursuant to this chapter shall be distributed to districts  
21 based upon the amount of fees collected from motor vehicles  
22 registered within each district.

23 (b) Notwithstanding the provisions of Section 44241 and Section  
24 44243, a district shall use the revenues resulting from the next two  
25 dollars (\$2) of each fee imposed pursuant to Section 44227 to  
26 implement the following programs that the district determines  
27 remediate air pollution harms created by motor vehicles on which  
28 the surcharge is imposed:

29 (1) Projects eligible for grants under the Carl Moyer Memorial  
30 Air Quality Standards Attainment Program (Chapter 9  
31 (commencing with Section 44275) of Part 5).

32 (2) The new purchase, retrofit, repower, or add-on equipment  
33 for previously unregulated agricultural sources of air pollution, as  
34 defined in Section 39011.5, for a minimum of three years from  
35 the date of adoption of an applicable rule or standard, or until the  
36 compliance date of that rule or standard, whichever is later, if the  
37 state board has determined that the rule or standard complies with  
38 Sections 40913, 40914, and 41503.1, after which period of time,  
39 a new purchase, retrofit, repower, or add-on of equipment shall  
40 not be funded pursuant to this chapter. The districts shall follow

1 any guidelines developed under subdivision (a) of Section 44287  
2 for awarding grants under this program.

3 (3) ~~The new purchase of new, or retrofit of existing,~~ schoolbuses  
4 pursuant to the Lower-Emission School Bus Program adopted by  
5 the state board.

6 (4) An accelerated vehicle retirement or repair program that is  
7 adopted by the state board pursuant to authority granted hereafter  
8 by the Legislature by statute.

9 (c) The Department of Motor Vehicles may annually expend  
10 not more than ~~the following percentages~~ 1 percent of the fees  
11 collected pursuant to Section 44227 on administrative costs:

12 ~~(1) During the first year after the operative date of this chapter,~~  
13 ~~not more than 5 percent of the fees collected may be used for~~  
14 ~~administrative costs:~~

15 ~~(2) During the second year after the operative date of this~~  
16 ~~chapter, not more than 3 percent of the fees collected may be used~~  
17 ~~for administrative costs:~~

18 ~~(3) During any year subsequent to the second year after the~~  
19 ~~operative date of this chapter, not more than 1 percent of the fees~~  
20 ~~collected may be used for administrative costs:~~

21 (d) ~~No~~ A project funded by the program shall *not* be used for  
22 credit under any state or federal emissions averaging, banking, or  
23 trading program. ~~No~~ An emission reduction generated by the  
24 program shall *not* be used as marketable emission reduction credits  
25 or to offset any emission reduction obligation of any person or  
26 entity. Projects involving new engines that would otherwise  
27 generate marketable credits under state or federal averaging,  
28 banking, and trading programs shall include transfer of credits to  
29 the engine end user and retirement of those credits toward reducing  
30 air emissions in order to quality for funding under the program. A  
31 purchase of a ~~low-emission~~ *low-emission* vehicle or of equipment  
32 pursuant to a corporate or a controlling board's policy, but not  
33 otherwise required by law, shall generate surplus emissions  
34 reductions and may be funded by the program.

35 (e) This section shall remain in effect only until January 1, 2015,  
36 and as of that date is repealed, unless a later enacted statute, that  
37 is enacted before January 1, 2015, deletes or extends that date.

38 ~~SECTION 1. Section 40322.5 of the Health and Safety Code~~  
39 ~~is amended to read:~~

1     ~~40322.5.—(a) Notwithstanding any other provision of this~~  
2 ~~chapter, on and after July 1, 1994, the membership of the governing~~  
3 ~~board of each regional district, including any district formed on~~  
4 ~~or after that date, shall include (1) one or more members who are~~  
5 ~~mayors, city council members, or both, and (2) one or more~~  
6 ~~members who are county supervisors.~~

7     ~~(b) The number of those members and their composition shall~~  
8 ~~be determined jointly by the counties and cities within the district,~~  
9 ~~and shall be approved by a majority of the counties, and by a~~  
10 ~~majority of the cities that contain a majority of the population in~~  
11 ~~the incorporated area of the district.~~

12     ~~(c) The governing board shall reflect, to the extent feasible and~~  
13 ~~practicable, the geographic diversity of the district and the variation~~  
14 ~~of population between the cities in the district.~~

15     ~~(d) The members of the governing board who are mayors or~~  
16 ~~city council members shall be selected by a majority of the cities~~  
17 ~~in the district. The members of the governing board who are county~~  
18 ~~supervisors shall be selected by a majority of the counties in the~~  
19 ~~district.~~

20     ~~(e) If a district fails to comply with subdivisions (a) and (b), the~~  
21 ~~membership of the governing board shall be determined as follows:~~

22     ~~(1) In districts in which the population in the incorporated areas~~  
23 ~~represents 35 percent or less of the total county population,~~  
24 ~~one-fourth of the members of the governing board shall be mayors~~  
25 ~~or city council members, and three-fourths shall be county~~  
26 ~~supervisors.~~

27     ~~(2) In districts in which the population of the incorporated areas~~  
28 ~~represents between 36 and 50 percent of the total county~~  
29 ~~population, one-third of the members of the governing board shall~~  
30 ~~be mayors or city council members, and two-thirds shall be county~~  
31 ~~supervisors.~~

32     ~~(3) In districts in which the population of the incorporated areas~~  
33 ~~represents more than 50 percent of the total county population,~~  
34 ~~one-half of the members of the governing board shall be mayors~~  
35 ~~or city council members, and one-half shall be county supervisors.~~

36     ~~(4) The number of those members shall be determined as~~  
37 ~~provided in subdivision (b) and the members shall be selected~~  
38 ~~pursuant to subdivision (d).~~

39     ~~(5) For purposes of paragraphs (1) to (3), inclusive, if any~~  
40 ~~number that is not a whole number results from the application of~~

1 the term “one-fourth,” “one-third,” “one-half,” “two-thirds,” or  
2 “three-fourths,” the number of county supervisors shall be increased  
3 to the nearest integer, and the number of mayors or city council  
4 members decreased to the nearest integer.

5 (f) This section does not apply to a district if the membership  
6 of the governing board of the district includes both county  
7 supervisors and mayors or city council members on June 30, 1994.

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**ASSEMBLY BILL**

**No. 937**

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**Introduced by Assembly Member Mendoza**

February 18, 2011

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An act to add Section 39633 to the Health and Safety Code, relating to vessels.

LEGISLATIVE COUNSEL'S DIGEST

AB 937, as introduced, Mendoza. Vessels: emission reduction control. Existing law regulates emissions from cruise ship engines and oceangoing ship engines. Existing law prohibits a cruise ship, as defined, and an oceangoing ship, as defined, from conducting onboard incineration while operating within 3 miles of the California coast.

This bill would authorize cruise ships and oceangoing ships, while in California ports, to use exhaust filtration technology approved by the State Air Resources Board, as an alternative to shore power.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 39633 is added to the Health and Safety
- 2 Code, to read:
- 3 39633. While in California ports, cruise ships and oceangoing
- 4 ships may use exhaust filtration technology that has been approved
- 5 by the state board as an alternative to shore power.

O

**ASSEMBLY BILL**

**No. 1064**

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**Introduced by Assembly Member Furutani**

February 18, 2011

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An act to amend Sections 39625 and 39625.02 of the Health and Safety Code, relating to air quality.

LEGISLATIVE COUNSEL'S DIGEST

AB 1064, as introduced, Furutani. Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006: shoreside electrical power infrastructure.

(1) Existing law, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B at the November 7, 2006, general election, authorizes the issuance of general obligation bonds for various transportation-related purposes, including emission reductions, not otherwise required by law or regulation, from activities related to the movement of freight along California's trade corridors. The State Air Resources Board is required to allocate the funds to be used for air quality purposes pursuant to specified requirements. The state board is prohibited from approving funding for usable project segments if the benefits associated with each individual segment are insufficient to meet the objectives of the program from which the individual segment is funded.

This bill would make this prohibition inapplicable for a shoreside electrical power infrastructure project that is administered by a California port, and instead would require the individual segments of these projects be a part of an adopted terminal plan submitted to the state board.

(2) Existing law, if it is anticipated that project costs will exceed the approved project budget, requires an agency receiving the funds described in paragraph (1) to provide a plan to the state board for achieving the benefits of the project by either downscoping the project to remain within budget or by identifying an alternative funding source to meet the cost increase.

This bill would make this requirement inapplicable for a shoreside electrical power infrastructure project that is administered by a California port.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 39625 of the Health and Safety Code is  
2 amended to read:

3 39625. The Legislature finds and declares as follows:

4 (a) In November 2006, the voters approved the Highway Safety,  
5 Traffic Reduction, Air Quality and Port Security Bond Act of 2006,  
6 also known as Proposition 1B, that, among other things, provided  
7 one billion dollars (\$1,000,000,000) to reduce emissions associated  
8 with the movement of freight along California’s trade corridors.

9 (b) Proposition 1B requires these funds to be made available,  
10 upon appropriation by the Legislature and subject to the conditions  
11 and criteria provided by the Legislature, to the State Air Resources  
12 Board in order to reduce the emissions associated with goods  
13 movement.

14 (c) Proposition 1B further required these funds to be made  
15 available for emission reductions not otherwise required by law  
16 or regulation. These funds are intended to supplement existing  
17 funds used to finance strategies that reduce emissions and public  
18 health risk associated with the movement of freight commencing  
19 at the state’s seaports and land ports of entry and transported  
20 through California’s trade corridors.

21 (d) Tremendous growth in goods movement activity has created  
22 a public health crisis in communities located adjacent to ports and  
23 along trade corridors. It is the intent of the Legislature that these  
24 funds be expended in a manner that reduces the health risk  
25 associated with the movement of freight along California’s trade  
26 corridors.



1 (e) (1) *The building and completion of shoreside electrical*  
2 *power infrastructure at California’s public ports is an important*  
3 *component of reducing air pollution emissions caused by important*  
4 *maritime activities.*

5 (2) *The building and completion of shoreside electrical power*  
6 *infrastructure at California’s public ports will create new*  
7 *construction jobs and other employment opportunities for the*  
8 *California workforce.*

9 (3) *Using public funds for the building and completion of*  
10 *shoreside electrical power infrastructure represents a responsible*  
11 *use of publicly financed bond funds because the investment will*  
12 *be made in property owned by a public entity, with long-term*  
13 *emission benefits that will last for the duration of the anticipated*  
14 *payback period for the bonds.*

15 (4) *California leads the world in the use of shoreside electrical*  
16 *power infrastructure and will continue to do so once regulations*  
17 *adopted by the State Air Resources Board take full effect in 2014.*  
18 *These regulations are the most comprehensive set of shorepower*  
19 *regulations in the world and mandate that all regulated oceangoing*  
20 *vessels that are equipped and able to use shoreside power do so,*  
21 *and that, at a minimum, at least 50 percent of all vessels in a*  
22 *regulated fleet use shoreside power beginning in 2014, 70 percent*  
23 *in 2017, and 80 percent in 2020.*

24 (5) *The total costs of shoreside electrical power operation to*  
25 *the operators of the regulated fleets of container vessels, cruise*  
26 *liners, and refrigerated vessels, that must retrofit their vessels and*  
27 *equipment in order to use the shorepower systems at berth and*  
28 *comply with the California regulations, were estimated by the*  
29 *State Air Resources Board to be approximately \$1.8 billion. This*  
30 *expense is a substantial investment and must be made by those*  
31 *oceangoing vessel owners and their customers.*

32 (6) *Because of the unique nature of shorepower, where emissions*  
33 *will be reduced only when a privately owned vessel operates with*  
34 *public infrastructure, the private investment in the vessel is a direct*  
35 *matching source for public dollars invested in electrification of*  
36 *the public property.*

37 (7) *California’s public seaports and the international trade that*  
38 *they facilitate are critical components of the state economy, directly*  
39 *or indirectly employing millions of Californians, contributing*  
40 *billions of dollars in economic activity, and generating local and*

1 *state tax revenues. Therefore, California’s ports should be given*  
2 *the ability to successfully compete for cargo volume, attract new*  
3 *trade, and continue to grow.*

4 ~~(e)~~

5 (f) It is the intent of the Legislature that the state board maximize  
6 the emission reduction benefits, achieve the earliest possible health  
7 risk reduction in heavily impacted communities, and provide  
8 incentives for the control of emission sources that contribute to  
9 increased health risk in the future.

10 ~~(f)~~

11 (g) It is the intent of the Legislature that the state board develop  
12 partnerships between federal, state, and private entities involved  
13 in goods movement to reduce emissions.

14 (h) *It is the intent of the Legislature to streamline government*  
15 *operations and overhead, spur new employment opportunities,*  
16 *and improve port competitiveness while also reducing port-related*  
17 *emissions, and therefore, it is imperative that all incentive*  
18 *programs and investment opportunities available to the state be*  
19 *implemented in the most aggressive, responsible, and effective*  
20 *manner.*

21 ~~(g)~~

22 (i) The purpose of this chapter is to establish standards and  
23 procedures for the expenditure of these funds.

24 SEC. 2. Section 39625.02 of the Health and Safety Code is  
25 amended to read:

26 39625.02. (a) As used in this chapter and in Chapter 12.49  
27 (commencing with Section 8879.20) of Division 1 of Title 2 of  
28 the Government Code, the following terms have the following  
29 meanings:

30 (1) “Administrative agency” means the state agency responsible  
31 for programming bond funds made available by Chapter 12.49  
32 (commencing with Section 8879.20) of Division 1 of Title 2 of  
33 the Government Code, as specified in subdivision (c).

34 (2) Unless otherwise specified in this chapter, “project” includes  
35 equipment purchase, right-of-way acquisition, and project delivery  
36 costs.

37 (3) “Recipient agency” means the recipient of bond funds made  
38 available by Chapter 12.49 (commencing with Section 8879.20)  
39 of Division 1 of Title 2 of the Government Code that is responsible  
40 for implementation of an approved project.

1 (4) “Fund” ~~shall have~~ *has* the meaning as defined in subdivision  
2 (c) of Section 8879.22 of the Government Code.

3 (b) Administrative costs, including audit and program oversight  
4 costs for the agency administering the program funded pursuant  
5 to this chapter, recoverable by bond funds shall not exceed 5  
6 percent of the program’s costs.

7 (c) ~~The State Air Resources Board~~ *state board* is the  
8 administrative agency for the goods movement emission reduction  
9 program pursuant to paragraph (2) of subdivision (c) of Section  
10 8879.23 of the Government Code.

11 (d) The administrative agency shall not approve project fund  
12 allocations for a project until the recipient agency provides a project  
13 funding plan that demonstrates that the funds are expected to be  
14 reasonably available and sufficient to complete the project. The  
15 administrative agency may approve funding for usable project  
16 segments only if the benefits associated with each individual  
17 segment are sufficient to meet the objectives of the program from  
18 which the individual segment is funded, *or, if the project is a*  
19 *shoreside electrical power infrastructure project that is*  
20 *administered by a California port, the individual segment funded*  
21 *is part of an adopted terminal plan submitted to the state board*  
22 *pursuant to Section 93118.3 of Title 17 of the California Code of*  
23 *Regulations.*

24 (e) Guidelines adopted by the administrative agency pursuant  
25 to this chapter and Chapter 12.49 (commencing with Section  
26 8879.20) of Division 1 of Title 2 of the Government Code are  
27 intended to provide internal guidance for the agency and shall be  
28 exempt from the Administrative Procedure Act (Chapter 3.5  
29 (commencing with Section 11340) of Part 1 of Division 3 of Title  
30 2 of the Government Code), and shall do all of the following:

31 (1) Provide for audit of project expenditures and outcomes.

32 (2) Require that the useful life of the project be identified as  
33 part of the project nomination process.

34 (3) Require that project nominations have project delivery  
35 milestones, including, but not limited to, start and completion dates  
36 for environmental clearance, land acquisition, design, construction  
37 bid award, construction completion, and project closeout, as  
38 applicable.

39 (f) (1) (A) As a condition for allocation of funds to a specific  
40 project under Chapter 12.49 (commencing with Section 8879.20)

1 of Division 1 of Title 2 of the Government Code, the administrative  
2 agency shall require the recipient agency to report, on a semiannual  
3 basis, on the activities and progress made toward implementation  
4 of the project. The administrative agency shall forward the report  
5 to the Department of Finance by means approved by the  
6 Department of Finance. The purpose of the report is to ensure that  
7 the project is being executed in a timely fashion, and is within the  
8 scope and budget identified when the decision was made to fund  
9 the project. ~~¶~~

10 (B) *If it is anticipated that project costs will exceed the approved*  
11 *project budget, the recipient agency shall provide a plan to the*  
12 *administrative agency for achieving the benefits of the project by*  
13 *either downscoping the project to remain within budget or by*  
14 *identifying an alternative funding source to meet the cost increase.*  
15 *The administrative agency may either approve the corrective plan*  
16 *or direct the recipient agency to modify its plan. This subparagraph*  
17 *does not apply to a shoreside electrical power infrastructure*  
18 *project that is administered by a California port.*

19 (2) Within six months of the project becoming operable, the  
20 recipient agency shall provide a report to the administrative agency  
21 on the final costs of the project as compared to the approved project  
22 budget, the project duration as compared to the original project  
23 schedule as of the date of allocation, and performance outcomes  
24 derived from the project compared to those described in the original  
25 application for funding. The administrative agency shall forward  
26 the report to the Department of Finance by means approved by the  
27 Department of Finance.

**ASSEMBLY BILL**

**No. 1256**

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**Introduced by Assembly Member Bill Berryhill**

February 18, 2011

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An act to amend Section 39602 of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 1256, as introduced, Bill Berryhill. State Air Resources Board: state implementation plan.

Existing law designates the State Air Resources Board as the state agency responsible for the preparation of the state implementation plan required by the federal Clean Air Act.

This bill would make technical, nonsubstantive changes to that provision.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 39602 of the Health and Safety Code is
- 2 amended to read:
- 3 39602. (a) The state board is designated the air pollution
- 4 control agency for all purposes set forth in federal law.
- 5 ~~The~~
- 6 (b) *The* state board is designated as the state agency responsible
- 7 for the preparation of the state implementation plan required by
- 8 the *federal* Clean Air Act (42 U.S.C.; Sec. 7401; et seq.) and, to

1 this end, shall coordinate the activities of all districts necessary to  
2 comply with that act.  
3 ~~Notwithstanding~~  
4 (c) *Notwithstanding* any other provision of this division, the  
5 state implementation plan shall only include those provisions  
6 necessary to meet the requirements of the *federal* Clean Air Act.

O

AMENDED IN SENATE MARCH 22, 2011

**SENATE BILL**

**No. 758**

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**Introduced by Senator Fuller**

February 18, 2011

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~~An act to amend Section 800 of the Public Resources Code, relating to powerplants. An act to amend Section 42885 of the Public Resources Code, relating to recycling.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 758, as amended, Fuller. ~~Powerplants: siting.~~ *Recycling: tires.*

*The California Tire Recycling Act requires a person who purchases a new tire to pay a California tire fee in the amount of \$1.75, of which \$0.75 of the fee is designated for programs and projects that mitigate or remediate air pollution caused by waste tires and the remainder is deposited in the California Tire Recycling Management Fund, for expenditure by the Department of Resources Recycling and Recovery, upon appropriation by the Legislature, for programs related to the disposal of waste tires. After January 1, 2015, existing law decreases the amount of the fee to \$0.75 and provides for the deposit of all of that amount in that fund.*

*This bill would decrease the amount of the California tire fee that is imposed until January 1, 2015, to \$1.15.*

~~Existing law declares, among other things, that it is the policy of the state to encourage the use of nuclear energy, geothermal resources, and such other energy sources as are currently under development, wherever feasible, recognizing that such use has the potential of providing direct economic benefit to the public, while helping to conserve limited fossil fuel resources and promoting air cleanliness.~~

~~This bill would make technical, nonsubstantive changes to these provisions.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 42885 of the Public Resources Code, as  
2 amended by Section 55 of Chapter 77 of the Statutes of 2006, is  
3 amended to read:

4     42885. (a) For purposes of this section, “California tire fee”  
5 means the fee imposed pursuant to this section.

6     (b) (1) A person who purchases a new tire, as defined in  
7 subdivision (g), shall pay a California tire fee of ~~one dollar and~~  
8 ~~seventy-five cents (\$1.75)~~ *one dollar and fifteen cents (\$1.15)* per  
9 tire.

10     (2) The retail seller shall charge the retail purchaser the amount  
11 of the California tire fee as a charge that is separate from, and not  
12 included in, any other fee, charge, or other amount paid by the  
13 retail purchaser.

14     (3) The retail seller shall collect the California tire fee from the  
15 retail purchaser at the time of sale and may retain 1 ½ percent of  
16 the fee as reimbursement for any costs associated with the  
17 collection of the fee. The retail seller shall remit the remainder to  
18 the state on a quarterly schedule for deposit in the California Tire  
19 Recycling Management Fund, which is hereby created in the State  
20 Treasury.

21     (c) ~~The board~~ *department*, or its agent authorized pursuant to  
22 Section 42882, shall be reimbursed for its costs of collection,  
23 auditing, and making refunds associated with the California Tire  
24 Recycling Management Fund, but not to exceed 3 percent of the  
25 total annual revenue deposited in the fund.

26     (d) The California tire fee imposed pursuant to subdivision (b)  
27 shall be separately stated by the retail seller on the invoice given  
28 to the customer at the time of sale. Any other disposal or  
29 transaction fee charged by the retail seller related to the tire  
30 purchase shall be identified separately from the California tire fee.

31     (e) A person or business who knowingly, or with reckless  
32 disregard, makes a false statement or representation in a document  
33 used to comply with this section is liable for a civil penalty for



1 each violation or, for continuing violations, for each day that the  
2 violation continues. Liability under this section may be imposed  
3 in a civil action and shall not exceed twenty-five thousand dollars  
4 (\$25,000) for each violation.

5 (f) In addition to the civil penalty that may be imposed pursuant  
6 to subdivision (e), the ~~board~~ *department* may impose an  
7 administrative penalty in an amount not to exceed five thousand  
8 dollars (\$5,000) for each violation of a separate provision or, for  
9 continuing violations, for each day that the violation continues,  
10 on a person who intentionally or negligently violates a permit,  
11 rule, regulation, standard, or requirement issued or adopted  
12 pursuant to this chapter. The ~~board~~ *department* shall adopt  
13 regulations that specify the amount of the administrative penalty  
14 and the procedure for imposing an administrative penalty pursuant  
15 to this subdivision.

16 (g) For purposes of this section, “new tire” means a pneumatic  
17 or solid tire intended for use with on-road or off-road motor  
18 vehicles, motorized equipment, construction equipment, or farm  
19 equipment that is sold separately from the motorized equipment,  
20 or a new tire sold with a new or used motor vehicle, as defined in  
21 Section 42803.5, including the spare tire, construction equipment,  
22 or farm equipment. “New tire” does not include retreaded, reused,  
23 or recycled tires.

24 (h) The California tire fee shall not be imposed on a tire sold  
25 with, or sold separately for use on, any of the following:

26 (1) A self-propelled wheelchair.

27 (2) A motorized tricycle or motorized quadricycle, as defined  
28 in Section 407 of the Vehicle Code.

29 (3) A vehicle that is similar to a motorized tricycle or motorized  
30 quadricycle and is designed to be operated by a person who, by  
31 reason of the person’s physical disability, is otherwise unable to  
32 move about as a pedestrian.

33 (i) This section shall remain in effect only until January 1, 2015,  
34 and as of that date is repealed, unless a later enacted statute, that  
35 is enacted before January 1, 2015, deletes or extends that date.

36 ~~SECTION 1. Section 800 of the Public Resources Code is~~  
37 ~~amended to read:~~

38 ~~800. It is the policy of the State of California that the location~~  
39 ~~and operation of thermal electric powerplants shall enhance public~~  
40 ~~benefits and protect against or minimize adverse effects on the~~

1 public, the ecology of the land and its wildlife, and the ecology of  
2 state waters and their aquatic life, and that the public's opportunity  
3 to enjoy the material, physical, and aesthetic benefits of its  
4 resources shall be preserved to the greatest extent feasible.

5 The Legislature declares that it is also the policy of the state to  
6 encourage the use of nuclear energy, geothermal resources, and  
7 those other energy sources as are currently under development,  
8 wherever feasible, recognizing that their use has the potential of  
9 providing direct economic benefit to the public, while helping to  
10 conserve limited fossil fuel resources and promoting air cleanliness.

11 The Legislature further declares that it is the policy of the state  
12 to encourage planning by the state's electric utilities toward the  
13 above-stated objectives and to assist the utilities in their evaluations  
14 of the effects on the environment of proposed thermal powerplant  
15 sites and to that end the State Energy Resources Conservation and  
16 Development Commission has been established to effect such  
17 coordination with the utilities and to carry out specific  
18 responsibilities as may be defined in the Public Utilities Code and  
19 the Public Resources Code.

20 The Legislature finds that the state should conduct research  
21 relating to the conservation, enhancement and prudent use of its  
22 resources, including those associated with the siting of thermal  
23 powerplants.

24 The Legislature finds that the state should also stimulate, sponsor  
25 and conduct appropriate research and study on new methods of  
26 powerplant siting which offer potential for enhanced public benefits  
27 in location, operation, and protection of the environment with such  
28 investigations including underground and underocean sites,  
29 manmade islands, powerplant parks, the desirability of locations  
30 on or near tidal lagoons, and other concepts which may appear  
31 attractive in minimizing the impact on the environment of the large  
32 projected increase in California electric generating capacity.

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BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
Memorandum

To: Chairperson Garner and  
Members of the Legislative Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: March 25, 2011

Re: Budget Discussion

RECOMMENDED ACTION:

None; informational item.

DISCUSSION

At the time staff are preparing this memorandum, neither house of the Legislature has passed a budget. While the Governor continues to engage members of the Legislature in discussions on the budget, no agreement has been reached. If this changes by the Committee's April 4<sup>th</sup> meeting, staff will report on developments and any potential impacts to the District or air quality programs more generally.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

None at this time.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Thomas Addison