BOARD OF DIRECTORS
LEGISLATIVE COMMITTEE MEETING

COMMITTEE MEMBERS

MARGARET ABE-KOGA – CO-CHAIR
BRAD WAGENKNECHT – VICE CHAIR
ERIN HANNIGAN
LYNDA HOPKINS
ROB RENNIE

PAULINE RUSSO CUTTER – CO-CHAIR
DAVID CANEPA
DAVID HAUBERT
DAVID HUDSON

THIS MEETING WILL BE CONDUCTED UNDER PROCEDURES AUTHORIZED BY
ASSEMBLY BILL 361

• THE PUBLIC MAY OBSERVE THIS MEETING THROUGH THE WEBCAST
  BY CLICKING THE LINK AVAILABLE ON THE AIR DISTRICT’S AGENDA
  WEBPAGE AT

  www.baaqmd.gov/bodagendas

• THE PUBLIC MAY PARTICIPATE REMOTELY VIA ZOOM AT THE
  FOLLOWING LINK OR BY PHONE

  https://bayareametro.zoom.us/j/84840386669
  (408) 638-0968 or (669) 900-6833
  WEBINAR ID: 848 4038 6669

• THOSE PARTICIPATING BY PHONE WHO WOULD LIKE TO MAKE A
  COMMENT CAN USE THE “RAISE HAND” FEATURE BY DIALING “*9”. IN
  ORDER TO RECEIVE THE FULL ZOOM EXPERIENCE, PLEASE MAKE
  SURE YOUR APPLICATION IS UP TO DATE
THURSDAY
DECEMBER 9, 2021
2:00 P.M.

AGENDA

1. CALL TO ORDER - ROLL CALL

PLEDGE OF ALLEGIANCE

PUBLIC MEETING PROCEDURE

The Committee Co-Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members.

This meeting will be webcast. To see the webcast, please visit www.baaqmd.gov/bodagendas at the time of the meeting. Closed captioning may contain errors and omissions and are not certified for their content or form.

Public Comment on Agenda Items The public may comment on each item on the agenda as the item is taken up. Members of the public who wish to speak on matters on the agenda for the meeting, will have three minutes each to address the Committee. No speaker who has already spoken on that item will be entitled to speak to that item again.

Staff/Phone (415) 749-

2. APPROVAL OF THE MINUTES OF OCTOBER 6, 2021

Clerk of the Boards/5073

The Committee will consider approving the attached draft minutes of the Legislative Committee meeting of October 6, 2021.

3. STATE LEGISLATIVE BUDGET UPDATE

A. Abbs/8437
aabbs@baaqmd.gov

The Committee will receive an update on recent activities related to the budget.

4. DRAFT 2022 LEGISLATIVE PLATFORM AND 2022 LEGISLATIVE ACTIVITIES

A. Abbs/8437
aabbs@baaqmd.gov

The Committee will review and discuss the draft 2022 legislative platform and potential 2022 legislative activities.

5. FEDERAL LEGISLATIVE UPDATE

A. Abbs/8437
aabbs@baaqmd.gov

The Committee will receive an update on recent events of significance on the federal level.
6. PUBLIC COMMENT ON NON-AGENDA MATTERS

Members of the public who wish to speak on matters not on the agenda for the meeting, will have three minutes each to address the Committee.

7. COMMITTEE MEMBER COMMENTS / OTHER BUSINESS

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).

8. TIME AND PLACE OF NEXT MEETING

At the Call of the Committee Co-Chair, via webcast, pursuant to procedures in accordance with Assembly Bill 361.

9. ADJOURNMENT

The Committee meeting shall be adjourned by the Committee Co-Chair.
• 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 Air District’s offices at 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

Accessibility and Non-Discrimination Policy

The Bay Area Air Quality Management District (Air District) does not discriminate on the basis of race, national origin, ethnic group identification, ancestry, religion, age, sex, sexual orientation, gender identity, gender expression, color, genetic information, medical condition, or mental or physical disability, or any other attribute or belief protected by law.

It is the Air District’s policy to provide fair and equal access to the benefits of a program or activity administered by Air District. The Air District will not tolerate discrimination against any person(s) seeking to participate in, or receive the benefits of, any program or activity offered or conducted by the Air District. Members of the public who believe they or others were unlawfully denied full and equal access to an Air District program or activity may file a discrimination complaint under this policy. This non-discrimination policy also applies to other people or entities affiliated with Air District, including contractors or grantees that the Air District utilizes to provide benefits and services to members of the public.

Auxiliary aids and services including, for example, qualified interpreters and/or listening devices, to individuals who are deaf or hard of hearing, and to other individuals as necessary to ensure effective communication or an equal opportunity to participate fully in the benefits, activities, programs and services will be provided by the Air District in a timely manner and in such a way as to protect the privacy and independence of the individual. Please contact the Non-Discrimination Coordinator identified below at least three days in advance of a meeting so that arrangements can be made accordingly.

If you believe discrimination has occurred with respect to an Air District program or activity, you may contact the Non-Discrimination Coordinator identified below or visit our website at www.baaqmd.gov/accessibility to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District’s Non-Discrimination Coordinator, Terri Levels, at (415) 749-4667 or by email at tlevels@baaqmd.gov
<table>
<thead>
<tr>
<th>TYPE OF MEETING</th>
<th>DAY</th>
<th>DATE</th>
<th>TIME</th>
<th>ROOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board of Directors Community Equity, Health and Justice Committee</td>
<td>Thursday</td>
<td>2</td>
<td>9:30 a.m.</td>
<td>Webcast only pursuant to Assembly Bill 361</td>
</tr>
<tr>
<td>Board of Directors Mobile Source and Climate Impacts Committee</td>
<td>Monday</td>
<td>6</td>
<td>1:00 p.m.</td>
<td>Webcast only pursuant to Assembly Bill 361</td>
</tr>
<tr>
<td>Board of Directors Technology Implementation Office Steering Committee - CANCELLED</td>
<td>Thursday</td>
<td>9</td>
<td>1:00 p.m.</td>
<td>Webcast only pursuant to Assembly Bill 361</td>
</tr>
<tr>
<td>Board of Directors Legislative Committee</td>
<td>Thursday</td>
<td>9</td>
<td>2:00 p.m.</td>
<td>Webcast only pursuant to Assembly Bill 361</td>
</tr>
<tr>
<td>Advisory Council Meeting</td>
<td>Monday</td>
<td>13</td>
<td>8:30 a.m.</td>
<td>Webcast only pursuant to Assembly Bill 361</td>
</tr>
<tr>
<td>Board of Directors Special Meeting</td>
<td>Wednesday</td>
<td>15</td>
<td>8:30 a.m.</td>
<td>Webcast only pursuant to Assembly Bill 361</td>
</tr>
<tr>
<td>Board of Directors Administration Committee - CANCELLED AND RESCHEDULED TO WEDNESDAY, DECEMBER 1, 2021 AT 11:00 AM</td>
<td>Wednesday</td>
<td>15</td>
<td>11:00 a.m.</td>
<td>Webcast only pursuant to Assembly Bill 361</td>
</tr>
<tr>
<td>Board of Directors Legislative Committee - CANCELLED AND RESCHEDULED TO THURSDAY, DECEMBER 9, 2021 AT 2:00 PM</td>
<td>Wednesday</td>
<td>15</td>
<td>1:00 p.m.</td>
<td>Webcast only pursuant to Assembly Bill 361</td>
</tr>
<tr>
<td>Board of Directors Stationary Source and Climate Impacts Committee</td>
<td>Monday</td>
<td>20</td>
<td>9:00 a.m.</td>
<td>Webcast only pursuant to Assembly Bill 361</td>
</tr>
<tr>
<td>Board of Directors Mobile Source and Climate Impacts Committee – CANCELLED AND RESCHEDULED TO MONDAY, DECEMBER 6, 2021, AT 1:00PM</td>
<td>Thursday</td>
<td>23</td>
<td>9:30 a.m.</td>
<td>Webcast only pursuant to Assembly Bill 361</td>
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BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairpersons Margaret Abe-Koga and Pauline Russo Cutter, and Members of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 1, 2021

Re: Approval of the Minutes of October 6, 2021

RECOMMENDED ACTION

Approve the attached draft minutes of the Legislative Committee (Committee) meeting of October 6, 2021.

DISCUSSION

Attached for your review and approval are the draft minutes of the Committee meeting of October 6, 2021.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

Attachment 2A: Draft Minutes of the Committee Meeting of October 6, 2021
CALL TO ORDER – ROLL CALL

Legislative Committee (Committee) Co-Chairperson, Pauline Russo Cutter, called the meeting to order at 1:01 p.m.

Present: Co-Chairpersons Margaret Abe-Koga and Pauline Russo Cutter; Vice Chairperson Brad Wagenknecht; and Directors David Canepa, Erin Hannigan, David Haubert, Lynda Hopkins, David Hudson, Rob Rennie.

Absent: None.

APPROVAL OF THE MINUTES OF MAY 19, 2021

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Hudson made a motion, seconded by Co-Chair Abe-Koga to approve the Minutes of May 19, 2021; and the motion carried by the following vote of the Committee:

NOES: None.
ABSTAIN: None.
ABSENT: None.
3. **STATE LEGISLATIVE BUDGET UPDATE**

Alan Abbs, Legislative Officer, gave the staff presentation *State Legislative Budget Update*, including: outcome; outline; requested action; 2021-2022 State Budget versus previous years; and 2021-2022 zero-emission vehicles package.

**Public Comments**

No requests received.

**Committee Comments**

None.

**Committee Action**

None; receive and file.

4. **AIR DISTRICT-SPONSORED BILL**

Mr. Abbs provided an update on Assembly Bill (AB) 762 (Lee & C. Garcia) – Hazardous Emissions and Substances: Schoolsites; Private and Charter Schools. This bill would have prohibited an environmental impact report or negative declaration from being approved for a project involving the purchase of a schoolsite or the construction of a new elementary or secondary school by a private or charter school, unless those specified conditions are met. The bill was moving over the summer, but it did not pass the Senate Appropriations Committee, so it is now dead for this bill cycle.

**Public Comments**

No requests received.

**Committee Comments**

The Committee and staff discussed the membership of California’s Senate Appropriations Committee (regarding Bay Area representation); why the bill failed and how to revive it; and the need for local jurisdictions to advocate for this issue.

**Committee Action**

None; receive and file.
5. STATE LEGISLATIVE UPDATE

Mr. Abbs provided an update on the following bills of interest to the Air District:

- **AB 1346 (Berman) – Air Pollution: Small Off-Road Engines.** This bill would require the California Air Resources Board, by July 1, 2022, to adopt cost-effective and technologically feasible regulations to prohibit engine exhaust and evaporative emissions from new small off-road engines. This bill has passed both houses and is waiting to be signed by the Governor.

- **AB 361 (Rivas) – Open meetings: state and local agencies: teleconferences.** This bill has been signed by the Governor and allows the Air District to continue to meet virtually and remotely through telephonic and internet means during a proclaimed state of emergency, until January 2024.

- **Senate Bill (SB) 596 (Becker) – Greenhouse gases: cement sector: net-zero emissions strategy.** This bill would require the state board, by July 1, 2023, to develop a comprehensive strategy for the state’s cement sector to achieve net-zero emissions of greenhouse gases associated with cement used within the state as soon as possible, but no later than December 31, 2045. This bill was signed by the Governor.

Mr. Abbs added that since this agenda packet was published, many bills that were originally being monitored by the Air District as bills of interest have failed. He reported that there was less of a focus on environmental bills this year.

Public Comments

No requests received.

Committee Comments

None.

Committee Action

None; receive and file.

6. DISCUSSION OF 2022 LEGISLATIVE PRIORITIES

Mr. Abbs summarized failed bills that the Air District had been sponsoring, as well as new issues of interest that the Committee might consider prioritizing in 2022, including:

- **Hazardous emissions and substances at new private and charter schoolsites.** A bill that would prohibit an environmental impact report or negative declaration from being approved for a project involving the purchase of a schoolsite or the construction of a new elementary or secondary school by a private or charter school, unless those specified conditions are met.

- **Indirect source authority.** A bill that would allow air districts to adopt local rules related to toxic air contaminants at indirect sources of air pollution and allow
collection of data that will help air districts work with these sources and communities to reduce health impacts.

- **Continuation of the Carl Moyer Memorial Air Quality Standards Attainment.** This program, which provides grant funding for cleaner-than-required engines, equipment, and other sources of air pollution, sunsets at the end of 2023. It may not be extended through a budget trailer bill, but through a policy bill.

- **Wildfire smoke.** There are discussions of response bills that focus on health impacts of wildfire smoke on outdoor workers and students, and the standardization of when they should not be outdoors.

- **Health impacts of lead in aviation fuel.** The Board of Directors had had a presentation on this issue earlier in the day and expressed interest in exploring it.

**Public Comments**

No requests received.

**Committee Comments**

The Committee and staff discussed interest in pursuing legislation regarding the following topics: the ban of producing hydrogen with fossil fuels; further development of clean air centers; and the procurement of additional funding for the Air District’s Wood Smoke Reduction Incentive Program.

**Committee Action**

None; receive and file.

7. **FEDERAL LEGISLATIVE UPDATE**

Mr. Abbs gave the staff presentation Federal Legislative Update, including: outcome; outline; requested action; federal legislative update; infrastructure bill; reconciliation package. Mr. Abbs explained what the reconciliation package would hopefully fund, including: zero-emission heavy duty vehicles, zero-emission port equipment; the Greenhouse Gas Reduction Fund and zero-emission tech grants in disadvantaged communities, wildfire smoke mitigation and monitoring, the Diesel Emission Reduction Act, weatherization project assistance for low-income households, and other energy efficient home energy retrofits.

**Public Comments**

No requests received.

**Committee Comments**

None.

8. **PUBLIC COMMENT ON NON-AGENDA MATTERS**

No requests received.
9. COMMITTEE MEMBERS’ COMMENTS / OTHER BUSINESS

None.

10. TIME AND PLACE OF NEXT MEETING

The time and date of the next meeting had been scheduled for Wednesday, December 15, 2021, at 1:00 p.m., but after the meeting concluded, the next meeting was scheduled for Thursday, December 9, 2021, at 2:00 p.m., via webcast, pursuant to procedures in accordance with Assembly Bill 361.

11. ADJOURNMENT

The meeting adjourned at 1:54 p.m.

Marcy Hiratzka
Clerk of the Boards
AGENDA: 3

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairpersons Margaret Abe-Koga and Pauline Russo Cutter, and Members of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 1, 2021

Re: State Legislative Budget Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Governor Newsom will release his initial Fiscal Year (FY) 2022-23 Budget by January 10, 2022.

The Legislature will reconvene January 3, 2022, and the Senate and Assembly will hold budget hearings that will continue for the next several months. Air District staff will participate and comment as appropriate. In May, the Governor will release a budget revision (the “May Revise”), and the remainder of May and most of June will be spent reconciling priorities and funding of the Administration, Senate, and Assembly. The budget must be signed by the Governor by July 1, 2022.

DISCUSSION

Staff will provide an update to the Legislative Committee (Committee) on activities related to the budget.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.
Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Alan Abbs  
Reviewed by: Jack P. Broadbent

Attachment 3A: Air District Budget Letter to Governor – 11/29/2021  
Attachment 3B: Air District Budget Letter to Bay Area Caucus – 11/29/2021
November 29, 2021

The Honorable Gavin Newsom
Governor, State of California
State Capitol, First Floor
Sacramento, CA 95814

Re: 2022-23 State Budget Funding Priorities

Dear Governor Newsom:

The Bay Area Air Quality Management District (Bay Area AQMD) and other local air districts play a pivotal role in ensuring the State’s air quality goals are met. These goals include attaining the health-protective national and state ambient air quality standards, working closely with the California Air Resources Board (CARB) to implement the State’s climate change programs, and ensuring community health is protected from the effects of air pollution. Many of California’s disadvantaged communities are in areas impacted by localized air pollutants, making expedient emissions reductions a critical need if we are to protect human health in all communities. In addition, COVID-19 infection rates have correlated with areas of worse air pollution and in areas with greater disadvantaged populations, making many air district programs highly important in protecting public health during the COVID-19 pandemic.

Therefore, we respectfully request your support for funding in the 2022-23 State budget for the following programs:

**AB 617 Community Air Protection Program Local Air District Implementation Funding**

The Bay Area AQMD has played a central role in implementing this important program that will provide significant public health benefits by identifying and reducing air pollution’s impacts on communities disproportionately impacted by air pollution. AB 617 (C. Garcia; Chapter 136, Statutes of 2017) was signed into law with the Cap-and-Trade extension bill AB 398 (E. Garcia; Chapter 135, Statutes of 2017) to ensure our most burdened communities in the State received the health benefits promised by Cap-and-Trade. The Bay Area AQMD has been working aggressively to make the program a success in two communities, West Oakland and Richmond/San Pablo. In addition, we will be requesting that CARB add East Oakland as a new AB 617 community in 2023. Vallejo, San Francisco, San Jose, the Tri-Valley area, and Eastern Contra Costa are also high on our priority list, pending available resources.

AB 617 envisions a long-term focus on air pollution reductions and improved community health, all of which require dedicated equipment and staffing over many years. This is especially true as new communities are identified for...
action alongside the existing 15 communities. If the Community Air Protection Program is to be successful as the Legislature intends, and perhaps serve as a model for a federal environmental justice program, then adequate, ongoing statewide funding supporting the Bay Area AQMD, and other air districts’ efforts is essential. These communities have long suffered from government neglect and discriminatory policies. Establishing AB 617 and then failing to fund it would be a continuation of that pattern.

Recognizing the significant ongoing air district costs related to implementation of AB 617 mandates, the last four fiscal year budgets included $50 million for local air district implementation costs. The Bay Area AQMD receives approximately $9 million per year of this funding. While we appreciate the funding, our experience with the implementation of this program over the last four years is showing that statewide implementation costs are significantly higher than $50 million, and the Bay Area AQMD’s costs are significantly higher than $9 million. This will be exacerbated by adding East Oakland. Although the AB 617 activities are mandated, the uncertainty surrounding annual funding makes it extremely difficult to maintain staff levels, provide adequate community support, and purchase equipment. We strongly urge you and the Legislature to identify long-term funding of at least $75 million per year through a continuous appropriation for ongoing implementation and, as communities are added, future increases to support this important program.

AB 617 Incentive Funding and Other Mobile Source Incentive Funding

The Bay Area AQMD believes that incentive funding is the most cost-effective and expeditious way to bring emission reductions and public health benefits to our most impacted communities. Because transportation and goods movement air pollutant emissions continue to be the largest contributor to poor air quality and adverse human health effects, it is important to continue programs that accelerate the turnover and elimination of older diesel vehicles and diesel-powered equipment. In addition to immediate reductions in diesel exhaust, benefits include a reduction of ozone precursor gases such as oxides of nitrogen (NOx), a reduction of fine particulate matter (PM_{2.5}), and reductions of greenhouse gases (GHGs). These are very positive outcomes for air quality, climate change, public health and our quality of life, and we respectfully request continued funding for these critical programs.

In the 2021-22 budget, air districts were provided $260 million from the Greenhouse Gas Reduction Fund (GGRF) for AB 617 Community Air Protection Program incentives. This funding allows local air districts to fund early emissions reduction projects that cut both stationary and mobile source emissions of, and exposure to, criteria air pollutants and toxic air contaminant emissions in the communities disproportionately impacted by air pollution. Like the implementation funding, the incentive funding is critical to the success of
the AB 617 program, and the State should continue committing funding to reduce emissions and exposure in our most burdened communities.

The 2021-22 budget also provided funding for several successful and cost-effective statewide emission reduction programs from the GGRF, Air Pollution Control Fund, and General Fund that should receive continued funding, including Clean Trucks, Buses, and Offroad Freight Equipment; Clean Cars for All, and Clean School Buses; Commercial Lawn and Garden Equipment; and the FARMER Agricultural Replacement Program. The 2021-22 budget process provided commitments for future funding in many of these programs, and we urge you to continue prioritizing them. These incentives reduce greenhouse gas, criteria pollutant, and toxic air contaminant emissions from light-duty vehicles, agricultural tractors and harvesting equipment, heavy-duty trucks, school and transit buses, and port equipment. Locally, they have contributed to our efforts to expand electric vehicle usage, clean local transit fleets, and reduce emissions in the freight sector. Because the goal of reducing the air quality impacts in these areas is a multiyear effort, it is important to ensure these programs are well-funded into the future.

**Commercial Harbor Craft Incentive Program**

In addition to programs listed above, the Bay Area AQMD urges you to create a new incentive program specifically for commercial harbor craft, including tugboats, dredges, ferries, commercial fishing boats, and sportfishing boats. One third of the state’s commercial harbor craft fleet operates out of the Bay Area region, and in 2022, CARB will be completing a regulatory process that will require much of the commercial harbor craft fleet to either upgrade existing diesel engines or change to zero emission propulsion. The new requirements will assist in lowering cancer risks and other health issues caused by exposure to diesel particulate matter in shoreline neighborhoods, will help the Bay Area reach and maintain the Federal and State ambient air quality standards, and continue moving us in the right direction for achieving needed GHG reductions. Meeting these requirements, however, will entail significant expense, especially for small owner-operators. A new incentive program of at least $100 million targeting commercial harbor craft will better ensure future success of the CARB regulation, lower exposure to diesel particulate matter, and assistance to harbor craft businesses.

**Wildfire Smoke Public Health Response**

The Bay Area AQMD is dedicating significant effort to improving wildfire smoke public health response capabilities in the Bay Area Region in the coming years. As in many parts of the State, wildfire smoke from several of the catastrophic fires in recent years blanketed the region with smoke for weeks at a time, erasing public health gains made over many years through district programs to reduce emissions from mobile and stationary sources.
Pursuant to AB 836 (Wicks; Chapter 393, Statutes of 2019), the Bay Area AQMD has been working with regional stakeholders to identify public locations that can serve as "clean air centers" during wildfire smoke or other times of high particulate exposure. These clean air centers would provide a healthy space for our vulnerable population during emergency events. While some of these potential locations such as schools, community centers, and libraries may be equipped with high-efficiency filtration to provide a clean indoor environment, some will require filtration system retrofitting and maintenance, or use of portable air filtration units. This program received $5 million in the 2020-21 budget, but unfortunately was not funded in the 2021-22 budget, and we ask that this program again receive funding in the 2022-23 budget.

The Bay Area AQMD has also recently begun a small-scale program to assist low-income homeowners and renters in improving their indoor air quality with portable filtration units or HVAC filter upgrades, by working with local public health providers. Innovative programs like this that directly target residents where they live can make a huge improvement in their quality of life, but expansion throughout the Bay Area and the rest of California would require a state funding source. We would welcome the opportunity to showcase this new program and its potential for state funding to expand it within the Bay Area and the rest of California.

The Bay Area AQMD appreciates the opportunity to provide our funding request for the upcoming fiscal year. We are committed to reducing air pollution in California and ensuring that every one of the region’s nearly 8 million residents can breathe clean, healthful air. We are also committed to ensuring that the State’s most disproportionately affected populations realize emissions reductions as expeditiously as possible. If you should have any questions, please do not hesitate to contact me at (415) 749-5052, or our Legislative Officer, Mr. Alan Abbs at (916) 769-7769.

Sincerely,

Jack P. Broadbent  
Executive Officer/APCO

cc: The Honorable Toni Atkins, President Pro Tempore, California State Senate  
The Honorable Anthony Rendon, Speaker, California State Assembly  
The Honorable Nancy Skinner, Chair, Senate Committee on Budget and Fiscal Review
The Honorable Phil Ting, Chair, Assembly Committee on Budget
The Honorable Bob Wieckowski, Chair, Senate Committee on Budget and Fiscal Review Subcommittee No. 2 on Resources, Environmental Protection and Energy
The Honorable Richard Bloom, Chair, Assembly Budget Subcommittee No. 3 on Climate Crisis, Resources, Energy, and Transportation
Jared Blumenfeld, Secretary for Environmental Protection
Liane M. Randolph, Chair, California Air Resources Board
Christine Hironaka, Deputy Cabinet Secretary, Office of Governor Newsom
Lauren Sanchez, Senior Climate Advisor, Office of Governor Newsom
Keely Martin Bosler, Director, Department of Finance
Matt Almy, Program Budget Manager—Natural Resources, Environment, and Capital Outlay, Department of Finance
November 29, 2021

California State Bay Area Caucus
State Capitol, Room 6026
Sacramento, CA 95814

Re: 2022-23 State Budget Funding Priorities

Dear Chair Ting and Members of the Bay Area Caucus:

The Bay Area Air Quality Management District (Bay Area AQMD) and other local air districts play a pivotal role in ensuring the State’s air quality goals are met. These goals include attaining the health-protective national and state ambient air quality standards, working closely with the California Air Resources Board (CARB) to implement the State’s climate change programs, and ensuring community health is protected from the effects of air pollution. Many of California’s disadvantaged communities are in areas impacted by localized air pollutants, making expedient emissions reductions a critical need if we are to protect human health in all communities. In addition, COVID-19 infection rates have correlated with areas of worse air pollution and in areas with greater disadvantaged populations, making many air district programs highly important in protecting public health during the COVID-19 pandemic.

Therefore, we respectfully request your support for funding in the 2022-23 State budget for the following programs:

**AB 617 Community Air Protection Program Local Air District Implementation Funding**

The Bay Area AQMD has played a central role in implementing this important program that will provide significant public health benefits by identifying and reducing air pollution’s impacts on communities disproportionately impacted by air pollution. AB 617 (C. Garcia; Chapter 136, Statutes of 2017) was signed into law with the Cap-and-Trade extension bill AB 398 (E. Garcia; Chapter 135, Statutes of 2017) to ensure our most burdened communities in the State received the health benefits promised by Cap-and-Trade. The Bay Area AQMD has been working aggressively to make the program a success in two communities, West Oakland and Richmond/San Pablo. In addition, we will be requesting that CARB add East Oakland as a new AB 617 community in 2023. Vallejo, San Francisco, San Jose, the Tri-Valley area, and Eastern Contra Costa are also high on our priority list, pending available resources.

AB 617 envisions a long-term focus on air pollution reductions and improved community health, all of which require dedicated equipment and staffing over many years. This is especially true as new communities are identified for action alongside the existing 15 communities. If the Community Air Protection
Program is to be successful as the Legislature intends, and perhaps serve as a model for a federal environmental justice program, then adequate, ongoing statewide funding supporting the Bay Area AQMD, and other air districts’ efforts is essential. These communities have long suffered from government neglect and discriminatory policies. Establishing AB 617 and then failing to fund it would be a continuation of that pattern.

Recognizing the significant ongoing air district costs related to implementation of AB 617 mandates, the last four fiscal year budgets included $50 million for local air district implementation costs. The Bay Area AQMD receives approximately $9 million per year of this funding. While we appreciate the funding, our experience with the implementation of this program over the last four years is showing that statewide implementation costs are significantly higher than $50 million, and the Bay Area AQMD’s costs are significantly higher than $9 million. This will be exacerbated by adding East Oakland. Although the AB 617 activities are mandated, the uncertainty surrounding annual funding makes it extremely difficult to maintain staff levels, provide adequate community support, and purchase equipment. We strongly urge you and the Legislature to identify long-term funding of at least $75 million per year through a continuous appropriation for ongoing implementation and, as communities are added, future increases to support this important program.

**AB 617 Incentive Funding and Other Mobile Source Incentive Funding**

The Bay Area AQMD believes that incentive funding is the most cost-effective and expeditious way to bring emission reductions and public health benefits to our most impacted communities. Because transportation and goods movement air pollutant emissions continue to be the largest contributor to poor air quality and adverse human health effects, it is important to continue programs that accelerate the turnover and elimination of older diesel vehicles and diesel-powered equipment. In addition to immediate reductions in diesel exhaust, benefits include a reduction of ozone precursor gases such as oxides of nitrogen (NOx), a reduction of fine particulate matter (PM$_{2.5}$), and reductions of greenhouse gases (GHGs). These are very positive outcomes for air quality, climate change, public health and our quality of life, and we respectfully request continued funding for these critical programs.

In the 2021-22 budget, air districts were provided $260 million from the Greenhouse Gas Reduction Fund (GGRF) for AB 617 Community Air Protection Program incentives. This funding allows local air districts to fund early emissions reduction projects that cut both stationary and mobile source emissions of, and exposure to, criteria air pollutants and toxic air contaminant emissions in the communities disproportionately impacted by air pollution. Like the implementation funding, the incentive funding is critical to the success of the AB 617 program, and the State should continue committing funding to reduce emissions and exposure in our most burdened communities.
The 2021-22 budget also provided funding for several successful and cost-effective statewide emission reduction programs from the GGRF, Air Pollution Control Fund, and General Fund that should receive continued funding, including Clean Trucks, Buses, and Offroad Freight Equipment; Clean Cars for All, and Clean School Buses; Commercial Lawn and Garden Equipment; and the FARMER Agricultural Replacement Program. The 2021-22 budget process provided commitments for future funding in many of these programs, and we urge you to continue prioritizing them. These incentives reduce greenhouse gas, criteria pollutant, and toxic air contaminant emissions from light-duty vehicles, agricultural tractors and harvesting equipment, heavy-duty trucks, school and transit buses, and port equipment. Locally, they have contributed to our efforts to expand electric vehicle usage, clean local transit fleets, and reduce emissions in the freight sector. Because the goal of reducing the air quality impacts in these areas is a multiyear effort, it is important to ensure these programs are well-funded into the future.

**Commercial Harbor Craft Incentive Program**

In addition to programs listed above, the Bay Area AQMD urges you to create a new incentive program specifically for commercial harbor craft, including tugboats, dredges, ferries, commercial fishing boats, and sportfishing boats. One third of the state’s commercial harbor craft fleet operates out of the Bay Area region, and in 2022, CARB will be completing a regulatory process that will require much of the commercial harbor craft fleet to either upgrade existing diesel engines or change to zero emission propulsion. The new requirements will assist in lowering cancer risks and other health issues caused by exposure to diesel particulate matter in shoreline neighborhoods, will help the Bay Area reach and maintain the Federal and State ambient air quality standards, and continue moving us in the right direction for achieving needed GHG reductions. Meeting these requirements, however, will entail significant expense, especially for small owner-operators. A new incentive program of at least $100 million targeting commercial harbor craft will better ensure future success of the CARB regulation, lower exposure to diesel particulate matter, and assistance to harbor craft businesses.

**Wildfire Smoke Public Health Response**

The Bay Area AQMD is dedicating significant effort to improving wildfire smoke public health response capabilities in the Bay Area Region in the coming years. As in many parts of the State, wildfire smoke from several of the catastrophic fires in recent years blanketed the region with smoke for weeks at a time, erasing public health gains made over many years through district programs to reduce emissions from mobile and stationary sources.
Pursuant to AB 836 (Wicks; Chapter 393, Statutes of 2019), the Bay Area AQMD has been working with regional stakeholders to identify public locations that can serve as “clean air centers” during wildfire smoke or other times of high particulate exposure. These clean air centers would provide a healthy space for our vulnerable population during emergency events. While some of these potential locations such as schools, community centers, and libraries may be equipped with high-efficiency filtration to provide a clean indoor environment, some will require filtration system retrofitting and maintenance, or use of portable air filtration units. This program received $5 million in the 2020-21 budget, but unfortunately was not funded in the 2021-22 budget, and we ask that this program again receive funding in the 2022-23 budget.

The Bay Area AQMD has also recently begun a small-scale program to assist low-income homeowners and renters in improving their indoor air quality with portable filtration units or HVAC filter upgrades, by working with local public health providers. Innovative programs like this that directly target residents where they live can make a huge improvement in their quality of life, but expansion throughout the Bay Area and the rest of California would require a state funding source. We would welcome the opportunity to showcase this new program and its potential for state funding to expand it within the Bay Area and the rest of California.

The Bay Area AQMD appreciates the opportunity to provide our funding request for the upcoming fiscal year. We are committed to reducing air pollution in California and ensuring that every one of the region’s nearly 8 million residents can breathe clean, healthful air. We are also committed to ensuring that the State’s most disproportionately affected populations realize emissions reductions as expeditiously as possible. If you should have any questions, please do not hesitate to contact me at (415) 749-5052, or our Legislative Officer, Mr. Alan Abbs at (916) 769-7769.

Sincerely,

Jack P. Broadbent
Executive Officer/APCO

JPB:AA

The Honorable Josh Becker, Senator, District 13
The Honorable Dave Cortese, Senator, District 15
The Honorable Bill Dodd, Senator, District 03
The Honorable Steven Glazer, Senator, District 07
The Honorable John Laird, Senator, District 17
The Honorable Mike McGuire, Senator, District 02
The Honorable Nancy Skinner (Vice Chair), Senator, District 09
The Honorable Bob Wieckowski, Senator, District 10
The Honorable Scott Wiener, Senator, District 11
The Honorable Cecilia Aguiar-Curry, Assemblymember, District 04
The Honorable Rebecca Bauer-Kahan, Assemblymember, District 16
The Honorable Marc Berman, Assemblymember, District 24
The Honorable Mia Bonta, Assemblymember, District 18
The Honorable Jim Frazier, Assemblymember, District 11
The Honorable Timothy Grayson, Assemblymember, District 14
The Honorable Ash Kalra, Assemblymember, District 27
The Honorable Alex Lee, Assemblymember, District 25
The Honorable Marc Levine, Assemblymember, District 10
The Honorable Evan Low, Assemblymember, District 28
The Honorable Kevin Mullin, Assemblymember, District 22
The Honorable Bill Quirk, Assemblymember, District 20
The Honorable Robert Rivas, Assemblymember, District 30
The Honorable Mark Stone, Assemblymember, District 29
The Honorable Philip Ting (Chair), Assemblymember, District 19
The Honorable Buffy Wicks, Assemblymember, District 15
The Honorable Jim Wood, Assemblymember, District 02
BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairpersons Margaret Abe-Koga and Pauline Russo Cutter, and Members of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: November 29, 2021

Re: Draft 2022 Legislative Platform and 2022 Legislative Activities

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Legislative Platform is an attempt to provide overall advocacy principles to the Legislative Committee (Committee) and Board of Directors, as well as provide guidance to Air District staff for the upcoming year.

The 2021-2022 Legislative session will reconvene on January 3, 2022. Potential bills will need to be introduced by February 18, 2022.

DISCUSSION

Staff has provided the draft 2022 Legislative Platform for discussion and feedback from the Committee. The platform is divided into three sections – state budget, state legislation, and federal legislation. The platform does not commit the Air District to positions on every legislative proposal in the listed categories but does provide a metric for use in bringing proposals to the Committee for discussion. After feedback from the Committee, staff will provide a revised version for review at the next Committee meeting.

In addition to the usual work on the state budget, below is a list of potential legislative activities for 2022, including ideas for Air District-sponsored bills as well as other potential bill activity of interest.

Previous Air District-Sponsored Bills

Expansion of Indirect Source or Magnet Source Authority – In 2021, the Air District sponsored Assembly Bill (AB) 426, authored by Assemblymember Bauer-Kahan, to expand indirect source authority to include air toxics in addition to pollutants in excess of state ambient air quality standards. AB 426 was introduced by Assemblymember Bauer-Kahan on February 4, 2021, and was referred to Assembly Committees on Natural Resources and Transportation. Prior to its scheduled hearing on April 14, 2021, the Assemblymember’s staff informed us that she was not
moving forward with the bill this year. In November, we confirmed that the Assemblymember was not planning on trying to move the bill in 2022 as a 2-year bill.

Private/Charter School Requirements for Air Quality Review Under the California Environmental Quality Act (CEQA) – In 2021, the Air District sponsored AB 762, authored by Assemblymember Lee, to require new private and charter schools to work with their local air district to identify nearby sources of air emissions that could have public health impacts to school students and employees. AB 762 was introduced by Assembly Members Alex Lee and Cristina Garcia on February 16, 2021, and made it through the Assembly. With the first house completed, AB 762 was ordered to the Senate and referred to Senate committees on Environmental Quality and Senate Education to which it passed out of both committees favorably. AB 762 was heard in Senate Appropriations and was subsequentially referred to the suspense file. The bill was “held under submission” in Senate Appropriations. Unfortunately, this means it is not an eligible 2-year bill for 2022, and would have to be re-introduced in what would be considered a “substantially different” way. Staff is working with Assemblymember Lee’s office to see if there is a way to reintroduce the bill with wording that is substantially different.

Other Legislative Ideas

AB 617 Amendments – Staff is working with the South Coast Air Quality Management District and Assemblymember Cristina Garcia’s office on potential amendments to AB 617. Assemblymember Cristina Garcia has indicated community support will be vital for any amendments. The South Coast Air Quality Management District is taking the lead in this effort, but we expect to be heavily involved as the proposal moves forward and will provide an update at the next meeting.

Penalties (Health and Safety Code 42400-42411) Amendments – Staff has provided information relative to amending various sections of the Health and Safety Code related to violations of emissions limitations at stationary sources. Pending further discussions with potential legislators, staff will provide an update at the next meeting.

Potential Other Bills

Carl Moyer/AB 923 (Firebaugh; Chapter 707, Statutes of 2004) Reauthorization or Other Program Changes – Authorization for the majority of Carl Moyer and AB 923 Mobile Source Incentive Fund (MSIF) funding expires at the end of 2023. Moyer provides roughly $140 million per year in incentive funding on a statewide basis. The Newsom Administration attempted to reauthorize the Moyer and AB 118 programs through a budget trailer bill in 2021, which was ultimately unsuccessful. At this time, it is unclear whether the administration will try a budget trailer bill again, or leave it to stakeholders to do through a regular policy bill. Either way, the Air District will be heavily involved.
BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Alan Abbs
Reviewed by: Jack P. Broadbent

Attachment 4A: Draft 2022 Legislative Platform
State Budget

1. **State Funding for Clean Air Projects:** Advocate for new and continued funding for investment in projects that reduce air pollution and exposure in the Bay Area. The Air District will pursue funding to support programs in the Bay Area Region from all available sources, including Carl Moyer, the Greenhouse Gas Revenue Fund, Assembly Bill (AB) 118, and the Air Pollution Control Fund.

2. **AB 617 Community Air Protection Implementation and Incentive Funding:** Advocate for adequate and continuous funding to support the Air District’s AB 617 Community Air Protection Program. The state should provide necessary resources to fund the emissions inventory, regulatory, administrative, air monitoring, and community outreach activities necessary to effectively implement AB 617 requirements. The 2021/22 budget includes $50 million (M) and $265M statewide for implementation and incentives, respectively. When possible, the Air District will advocate support for continued funding and/or increases to funding.

3. **Carl Moyer/Mobile Source Incentive Fund/AB 118 Reauthorization:** The Carl Moyer Memorial Air Quality Standards Program, the AB 923 Program (also known as the Air District’s Mobile Source Incentive Fund [MSIF]), and the California Energy Commission’s AB 118 Program currently sunset at the end of 2023. The Air District will strongly advocate for extension of Moyer and 923 as part of the state budget process or through a separate policy bill.

4. **Wildfire Smoke Public Health Response:** The Air District sponsored AB 836 Wildfire Smoke Clean Air Centers Pilot Program by Assemblymember Wicks in 2019, which received funding in the state budget for 2020/21 for $5M. The Air District will strongly advocate for continued funding.

5. **Support for Air District Activities Related to Wildfire Mitigation:** The passage of Senate Bill (SB) 1260 in 2018 has provided funding for air districts to support prescribed fire and other forest health activities by land managers. The Air District will continue to advocate for this funding.

6. **Clean Tech Financing:** Support proposals to provide financing assistance to clean technology projects, and if possible, funding for the Air District’s Climate Tech Finance Program.

7. **Low-Carbon Transportation Incentives:** Support proposals for mobile source incentive programs that accelerate the turnover of older and more polluting diesel engines with cleaner alternatives, including zero emission alternatives, that reduce emissions of greenhouse gases, criteria pollutants and precursors, and toxic air contaminants.

8. **Commercial Harbor Craft Funding:** Advocate for new dedicated incentive funding for commercial harbor craft in order to meet requirements of CARB regulations to reduce diesel particulate matter.
State Legislation

1. **Vehicle Emissions and Congestion Relief:** Support legislative proposals that encourage active transportation, reduce vehicle miles traveled, and reduce emissions in the transportation sector. Oppose legislative proposals that roll back existing smog check and vehicle maintenance requirements.

2. **Climate Change:** Support legislative proposals that align with the Air District’s 2017 Bay Area Clean Air Plan, including limiting fossil fuel combustion, stopping methane leaks, advancing zero-emission vehicle usage, advancing clean fuel adoption, accelerate low carbon buildings, supporting Community Choice Aggregation programs, and building energy efficiency in both new and existing buildings.

3. **AB 617 Community Air Protection Program:** Support legislative proposals that seek to reduce emissions and exposure in overburdened communities within the parameters of the Federal Clean Air Act and California Clean Air Act.

4. **Wildfire Smoke Public Health Response:** Support legislative proposals that would improve indoor air quality in public and non-public spaces through improved filtration or weatherization, especially in vulnerable and disadvantaged communities.

5. **Emergency Backup Generation:** Support legislative proposals that seek to reduce diesel particulate emissions in backup generation through use of cleaner generation. Oppose legislative proposals that restrict air district regulatory authority of diesel backup generators.

6. **Toxic Air Emissions:** Support legislative proposals to reduce emissions and exposure of air toxics. Oppose legislation that would potentially result in increases of air toxic emissions in the Bay Area Region.

7. **Wildfire Smoke Mitigation/Prescribed Fire:** Support legislative proposals to proactively reduce smoke from catastrophic wildfires through responsible fuel management policies, including the use of prescribed fire.

8. **Stationary Source Greenhouse Gas Authority:** Support legislative proposals to allow local air district the authority to establish stationary source greenhouse gas permit requirements.
Federal Advocacy

1. Federal Funding for Air District Clean Air Programs: Advocate for continuous and increased funding for Air District programs that reduce emissions and exposure, or that support monitoring and planning efforts in the Bay Area Region, including federal 103 and 105 grants, Diesel Emission Reduction Act grants, and Targeted Airshed Grants.

2. Wildfire Smoke Public Health Response: Support federal level efforts, including legislative efforts, to improve wildfire smoke public health response and indoor air quality in the Bay Area Region.

3. Clean Transportation Programs: Support efforts to secure funding for clean transportation infrastructure in the Bay Area in federal transportation bills and economic stimulus bills.

4. Clean Energy Programs: Support efforts to promote clean energy technology through incentive funding or tax credits, especially in disadvantaged communities in the Bay Area. Support proposals to provide financing assistance to clean technology projects, and if possible, funding for the Air District’s Climate Tech Finance Program.

5. Particulate Matter Standards: Support efforts to review EPA’s 2020 decision to leave federal PM2.5 unchanged, per recommendations of Air District Board and Advisory Committee.

6. Vehicle Emission Standards: Support efforts to develop more stringent vehicle emission standards that align with current California standards for light duty, medium duty, and heavy-duty vehicles. Support efforts to retain California vehicle emission standard authority.

7. Climate Change: Support federal level efforts, including legislative efforts, that align with the Air District’s 2017 Bay Area Clean Air Plan, including limiting fossil fuel combustion, stopping methane leaks, advancing zero-emission vehicle usage, advancing clean fuel adoption, accelerate low carbon buildings, supporting Community Choice Aggregation programs, and building energy efficiency in both new and existing buildings.

8. Leaded Aviation Gas: Support efforts to cause EPA to adopt an endangerment finding for leaded aviation gas. Support additional regulatory and incentive programs to promote use of lower lead and no-lead alternatives.
BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairpersons Margaret Abe-Koga and Pauline Russo Cutter, and Members of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: December 1, 2021

Re: Federal Legislative Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Legislative Committee (Committee) will receive an update on recent events of significance on the federal level.

DISCUSSION

Earlier this Fall, the President signed H.R. 3684 (DeFazio – OR), the Infrastructure Investment and Jobs Act (Infrastructure Bill), a roughly $1 trillion bill extending funding for surface transportation programs, with an additional $550 billion (part of the $1 trillion total) for new infrastructure programs. In addition, the House recently sent a budget resolution for a “Reconciliation” package (the Build Back Better Bill) of roughly $2 trillion of additional programs in a variety of issue areas. With a split Senate, it remains to be seen if there are enough votes to pass the Build Back Better Bill.

The Infrastructure Bill contains several areas of interest to the Air District, including areas we have been engaged in advocacy, as follows:

*Climate Smart Ports* – Provisions are similar to a bill the Air District supported by Congresswoman Barragan, that would fund infrastructure upgrades at ports to allow for greater zero-emission equipment use. Funding is at $50 million per year for 5 years.

*Clean Corridors Act* – Provisions are similar to Congressman DeSaulnier’s bill to fund electric and hydrogen fueling infrastructure along major highway and freight corridors. Funding starts at $300 million in year 1, and rises by $100 million per year through year 5, for a total of $2.5 billion.

*School Bus Replacement* – Provisions are similar to Senator Padilla’s Clean Commute for Kids Act, and provides $1 billion per year for 5 years.

*Low-Emission Ferry Program* – $50 million per year for 5 years.
Reconnecting Communities Act – Provisions are similar to recent Senator Padilla bill of the same name. This program is funded at approximately $500 million total over 5 years, with planning and capital grants to assist communities in addressing impacts associated with past transportation land use decisions.

At this time, it is unknown how funding allocations will be made to individual states.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Alan Abbs
Reviewed by: Jack P. Broadbent