

BOARD MEETING DATE: July 6, 2018

AGENDA NO. 19

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a meeting on Friday, June 8, 2018. The following is a summary of the meeting.

Agenda Item	Recommendation/Action
AB 2145 (Reyes) Vehicular air pollution.	Support
SB 1260 (Jackson) Fire prevention and protection: prescribed burn	Support With Amendments
HR 4421 (DeSaulnier) Establish parity for electric vehicle technology.	Pulled

RECOMMENDED ACTION:

Receive and file this report, and approve agenda items as specified in this letter.

Judith Mitchell, Chair
Legislative Committee

DJA:PFC:MJK:jns

Committee Members

Present: Mayor Pro Tem Judith Mitchell/Chair, Council Member Joe Buscaino/Vice Chair (videoconference), and Dr. Clark E. Parker, Sr. (videoconference).

Absent: Dr. William A. Burke, Supervisor Shawn Nelson and Supervisor Janice Rutherford.

Call to Order

Chair Mitchell called the meeting to order at 9:01 a.m.

DISCUSSION ITEMS:

1. Update on Federal Legislative Issues

SCAQMD's federal legislative consultants (Carmen Group, Cassidy & Associates, and Kadesh & Associates) each provided a written report on various key Washington, D.C. issues.

Mr. Gary Hoitsma, federal legislative consultant, reported that the U.S. EPA Science Advisory Board met in late May and early June and recommended to the U.S. EPA Administrator that the proposed rulemaking on the Corporate Average Fuel Economy (CAFE) standards and the pending final rule on Glider trucks should be postponed, pending a better scientific review. Mr. Hoitsma stated that U.S. EPA is under no obligation to accept this recommendation.

Mr. Hoitsma also reported that initial reports are that the Department of Transportation may be granting 27 awards, releasing \$1.5 billion dollars, for major highway projects under the “Infrastructure For Rebuilding America” (INFRA) grant program, including one congestion relief project in Los Angeles on Interstate 5. Mr. Hoitsma stated that most of the funding appears to be going to rural areas.

Mr. Hoitsma also reported that Francis Brooke has been promoted to Special Assistant to the President for Economic Policy and Energy and Environment Issues.

Mr. Mark Kadesh, federal legislative consultant, gave an update on the House Interior Appropriations Subcommittee, which is chaired by Congressman Ken Calvert. Mr. Kadesh reported that the Committee has passed its appropriations bill, which would authorize \$100 million for the Diesel Emission Reduction Act (DERA) Program and \$55 million for the Targeted Airshed Grant Program.

Mr. Kadesh also reported that he has been working with SCAQMD staff to have U.S. EPA take action on SCAQMD’s petition for an ultra-low NOx emissions standard for heavy-duty trucks. These efforts have included discussions with Congressmen Pete Aguilar and Ken Calvert and with Senate Offices about potentially arranging colloquies on the House and Senate floors on this issue, in conjunction with the respective houses’ appropriation bills.

Mr. Kadesh also stated that he has reached out to Senators Dianne Feinstein and Tom Udall to encourage them to adopt report language urging expeditious consideration and action by U.S. EPA on the ultra-low NOx emissions petition.

Mr. Kaleb Froehlich, federal legislative consultant, reported that the House passed their energy and water appropriations bill and that it was now waiting for Senate action. Mr. Froehlich also stated that the Senate Interior Appropriations Subcommittee has not yet released their bill, but that it is expected in the next week. Mr. Froehlich also stated that the House passed the Trump Administration’s rescissions package, in which \$15 billion in previously allocated funding would be rescinded, including \$4.3 billion in loan funding for the DOE for fuel efficiency and advanced vehicle technology. It is unclear whether this package will move through the Senate, but until June 22 only a simple majority of votes is needed to pass the bill.

2. Update on State Legislative Issues

SCAQMD's state legislative consultants (The Quintana Cruz Company, California Advisors, LLC and Joe A. Gonsalves & Son) provided written reports on various key issues in Sacramento.

Ms. Roxanna Bekemohammadi, state legislative consultant, gave an update on various state bills, including:

- AB 2506 (Burke), which was supported by SCAQMD, regarding changing fuel usage requirements for state fleet vehicles, was held in Assembly Appropriations Committee and will not be moving forward;
- AB 2091 (Grayson), which is supported by SCAQMD, is an omnibus bill relating to prescribed burn issues. The author accepted SCAQMD's suggested amendments and the bill has now moved to the Senate; and
- AB 327 (Gipson) which is an authorization bill sponsored by SCAQMD regarding the use of cleaner technology in public fleets within the South Coast region. This bill is in the Senate.

Mr. Jacob Moss, state legislative consultant, reported that state budget negotiations are ongoing and gave an update on the cap-and-trade expenditure plan, AB 617 implementation funding and Carl Moyer monies. Mr. Moss stated that a budget deal would likely occur by June 11 so that a vote on the budget bill can occur on June 15.

Mr. Moss also gave an update on two state bills:

- SB 1502, which is sponsored by SCAQMD, and allows local air districts to provide public notice electronically. This bill has a policy committee hearing on June 11, and
- SB 210 (Leyva), which is supported by SCAQMD, and deals with creating a smog check program for heavy-duty trucks. SCAQMD staff is having ongoing conversations with the Senator Leyva's office about potential amendments to the bill.

Mr. Moss stated that Senator Anthony Portantino is now the new chair of Senate Appropriations, and that while Assemblymember Cristina Garcia has returned to the Assembly, she has been stripped of all her committee positions, leaving Assemblymember Muratsuchi as her replacement as Chair of the Assembly Natural Resources Committee. Mr. Moss provided the names of the Assemblymembers appointed to the Budget Conference Committee; Assemblymembers: Phil Ting, Richard Bloom, Juan Arambula, Rocky Chavez, and Jay Obernolte.

In response to an inquiry from Chair Mitchell, Mr. Moss confirmed that AB 617 implementation funding is currently being proposed at \$50 million annually for two years.

Mr. Paul Gonsalves, state legislative consultant, gave an update on the state budget bill. Mr. Gonsalves stated that the bill would likely be in print by Tuesday, June 12, to be voted on by Friday, June 15, due to the 72-hour in-print rule. Additionally, there will likely be budget trailer bills that can be passed as late as August 31.

Mr. Gonsalves also gave an update on AB 2453 (E. Garcia), supported by SCAQMD, which relates to reducing students' exposure to air pollution. This bill has now passed the Assembly and is in the Senate and will be heard in policy committee on June 13th.

ACTION ITEMS:

3. Recommend Position on State Bills:

AB 2145 (Reyes) Vehicular air pollution.

Mr. Philip Crabbe, Community Relations Manager, presented AB 2145 to the committee. This bill, which is sponsored by CALSTART, would modify the Clean Truck, Bus, and Off-Road Vehicle and Equipment Program (Clean Truck Program) to fund additional technologies and would expand the criteria for funding through the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP).

The bill makes changes to both programs to reflect the latest technological developments and the status of the clean vehicle market. It makes eligible for funding new types of projects – such as grid integration, integrated storage solutions, and charging management demonstration and analytics – areas that require further research if the state is going to help electrify the medium- and heavy-duty zero-emission vehicle sector. It would also require the California Energy Commission, through the ARFVTP, to emphasize development and deployment of technology and infrastructure.

The bill is in line with SCAQMD's goals of promoting the development and deployment of clean transportation technology, reducing criteria pollutant and toxic emissions, and protecting public health. It would also prioritize funding for disadvantaged communities, which are disproportionately impacted by environmental pollution.

Staff recommended a position of SUPPORT on this item.

Moved by Buscaino; seconded by Parker; unanimously approved

Ayes: Buscaino, Mitchell, Parker

Noes: None

Abstain: None

Absent: Burke, Nelson, Rutherford

SB 1260 (Jackson) Fire prevention and protection: prescribed burns.

Mr. Crabbe presented SB 1260 to the committee. The bill is an omnibus fire prevention and forestry management bill that would, among other things: promote long-term forest health and wildfire resiliency; authorize federal, state, and local agencies to engage in collaborative forestry management; and require CAL-FIRE and CARB, in coordination with local air districts, to develop and fund a program to enhance air quality and smoke monitoring, and provide a public awareness campaign regarding prescribed burns. That program may include purchasing new, year-round air quality monitors and shall include adequate funding for local air district participation and implementation costs.

The bill could have a positive effect on reducing air pollution within the South Coast by facilitating the use of controlled burns to reduce wildfires and the resulting severe air pollution, thereby protecting public health.

There are recommended amendments from staff, including an amendment to clarify that the Air Quality and Prescribed Burns Program should include purchasing new, “rapidly deployable air quality monitors,” rather than stationary “year-round air quality monitors.”

Staff also recommends amendments to the bill that address an issue that complicates the granting of controlled burn permits at the local level. Current law only allows an air pollution control officer to permit controlled burns in counties with a population of 6 million or less. This provision complicates SCAQMD’s ability to issue controlled burn permits for fire hazard mitigation within LA County, which has a population that far exceeds 6,000,000. Staff proposes an addition to the bill that would remove current law’s reference to a county population restriction, so that SCAQMD can have clear authority to issue controlled burn permits within LA County.

In response to an inquiry from Dr. Parker, Mr. Crabbe stated that the source and level of the funding had not yet been specified and that the bill states “upon appropriation by the Legislature.” However, there appear to be funds proposed in relation to the state budget that may provide funding for this bill. The bill also states that the program shall include adequate funding for local air district participation and implementation costs.

Staff recommended a position of SUPPORT WITH AMENDMENTS on this item.

Moved by Parker; seconded by Buscaino; unanimously approved

Ayes: Buscaino, Mitchell, Parker

Noes: None

Abstain: None

Absent: Burke, Nelson, Rutherford

HR 4421 (DeSaulnier) Establish parity for electric vehicle technology.

This item was pulled from the agenda by the Chair, and will be discussed at a future meeting.

OTHER MATTERS:

4. Other Business

There was no other business.

5. Public Comment Period

There were no public comments.

6. Next Meeting Date

The next regular Legislative Committee meeting is scheduled for Friday, July 13, 2018 at 9:00 a.m.

Adjournment

The meeting adjourned at 9:29 a.m.

Attachments

1. Attendance Record
2. Update on Federal Legislative Issues – Written Reports
3. Update on State Legislative Issues – Written Reports
4. Recommend Position on State and Federal Bills

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT LEGISLATIVE COMMITTEE MEETING

Attendance Record – June 8, 2018

Council Member Joe Buscaino (videoconference).....	SCAQMD Board Member
Mayor Pro Tem Judith Mitchell	SCAQMD Board Member
Dr. Clark E. Parker, Sr. (videoconference)	SCAQMD Board Member
Mark Abramowitz	Board Consultant (Lyou)
Ron Ketcham.....	Board Consultant (McCallon)
Andrew Silva.....	Board Consultant (Rutherford)
Roxy Bekemohammadi (teleconference)	The Quintana Cruz Company
Kaleb Froehlich (teleconference)	Cassidy & Associates
Paul Gonsalves (teleconference)	Joe A. Gonsalves & Son
Gary Hoitsma (teleconference)	The Carmen Group
Mark Kadesh (teleconference)	Kadesh & Associates
Jacob Moss (teleconference)	California Advisors, LLC
Tom Gross.....	Southern California Edison
Bill LaMarr.....	California Small Business Alliance
Rita Loof	RadTech
Susan Stark.....	Andeavor
Tammy Yamasaki	Southern California Edison
Derrick Alatorre	SCAQMD Staff
Leeor Alpern	SCAQMD Staff
Debra Ashby.....	SCAQMD Staff
Barbara Baird	SCAQMD Staff
Marian Coleman.....	SCAQMD Staff
Philip Crabbe.....	SCAQMD Staff
Philip Fine	SCAQMD Staff
Stacy Garcia	SCAQMD Staff
Fred Gonzalez	SCAQMD Staff
Don Hopps.....	SCAQMD Staff
Monika Kim	SCAQMD Staff
Megan Lorenz	SCAQMD Staff
Jason Low	SCAQMD Staff
Terrence Mann	SCAQMD Staff
Fred Minassian	SCAQMD Staff
Wayne Nastri.....	SCAQMD Staff
Robert Paud.....	SCAQMD Staff
Andrea Polidori	SCAQMD Staff
Jeanette Short	SCAQMD Staff
Danielle Soto.....	SCAQMD Staff
Lisa Tanaka O'Malley.....	SCAQMD Staff
Laki Tisopulos.....	SCAQMD Staff
Kim White.....	SCAQMD Staff
Jill Whynot.....	SCAQMD Staff
Paul Wright	SCAQMD Staff
Victor Yip.....	SCAQMD Staff
Kelsey Baez.....	Student Intern



Carmen Group
I N C O R P O R A T E D

ATTACHMENT 2

MEMORANDUM

To: South Coast AQMD Legislative Committee

From: Carmen Group

Date: May 24, 2018

Re: Federal Update -- Executive Branch

CAFÉ Standards Update: On May 11, the President met at the White House with key automaker CEOs and agency officials in a discussion about the how the Administration's coming revisions in corporate average fuel economy (CAFÉ) standards might—from the Administration's perspective-- help car companies in building more cars and light duty vehicles that are most popular with American consumers. The Administration is reportedly talking about freezing the standards at between 30 mpg and 37 mpg through 2025, as opposed to reaching the 54 mpg standard that was envisioned by the Obama Administration. The automakers in attendance reportedly said they did not support such a freeze, but were alternatively looking for some measure of certainty with a uniform national standard. The President tasked the EPA and the DOT to work with California on the standards and explore coming up with a single new standard for the nation. On May 23, the President's new energy advisor, Francis Brooke, along with EPA and DOT officials, met with Mary Nichols and senior CARB staff to begin discussions. A joint statement from the federal agencies following the meeting said the talks were "productive," but reaction from the California side -- which has already sued over the Administration's decision to change the Obama Administration's Mid-Term Evaluation -- was much more muted, with clear communication that the state was in no way prepared to retreat from a standard it believes is critical to public health. It appeared the only agreement reached at the meeting was that there would be more meetings. Meanwhile, SCAQMD staff met in Washington, DC May 22-24 with other DOT, White House and Congressional staff, and were told that the new proposed rule on CAFÉ would be published "soon," most likely in June, and would -- in addition to announcing and explaining the Administration's conclusions -- also outline a broad range of options potentially under consideration that would provide the basis for robust public comment from direct stakeholders and all other interested parties before any actual new regulation was finalized. Additional intelligence that we have gathered, including from interest group representatives closely attuned to the Administration's thinking, indicates that key players inside EPA, DOT and the White House believe there is little hope for a serious compromise, that California is not going to budge from its position, and that the Administration can't see going forward in a situation where -- as they interpret it -- California alone dictates national standards. Thus there is widespread resignation internally that the California waiver issue will have to be litigated, and the Administration is preparing accordingly.

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Infrastructure Update: Chances of seeing any big well-funded new infrastructure bill passed in Congress and signed into law this year have all but evaporated under the crush of legislative and political realities in this election year. The Administration's outline of its Infrastructure proposal – released in February – was largely dead-on-arrival in that it was wildly under-funded in the eyes of Democrats as well as many Republicans. The plan's emphasis on forcing states and localities to come up with their own new revenues to fund the bulk of the plan was poorly sold and a non-starter from the beginning. SCAQMD staff, in meeting with a key White House infrastructure official in Washington, DC in May, were essentially told that the Administration was not backing off of its policy approach and would likely seek to resurrect it again next year. Meanwhile, the outgoing chairman of the House Transportation & Infrastructure Committee, Rep. Bill Shuster (R-PA), telegraphed in May that he will introduce his own bipartisan infrastructure bill sometime this summer in the hopes that it might gain enough support on both sides to be seriously considered in a post-election lame duck session.

Glider Truck Rule Imminent: EPA seems poised to issue its final rule on the regulation of glider trucks (new truck bodies equipped with older engines) in the coming weeks, most likely sometime in June. The Agency's proposed rule came out in August of last year suggesting the repeal of emissions restrictions placed on glider trucks by the Obama Administration. Official public comment on the proposed rule – including from groups like SCAQMD that testified at a public hearing in December – has been largely in opposition. More recently, it has been reported that at least 12 Republicans in the House and four in the Senate have joined in opposition to the rule, as have former EPA Administrators from both the Bill Clinton and George W. Bush administrations.

DOE Funding Available for Research on Advanced Vehicle Technologies: On May 1, the Department of Energy's Office of Energy Efficiency and Renewable Energy announced that up to \$68.5 million will be available for early-stage research of advanced vehicle technologies, including advanced batteries and electrification, advanced cyber security related to electric vehicle charging, and advanced engines and fuels, among other things. Full applications are due July 13.

DOE Selects Nine Projects for Advanced Battery and Electrification Research: The Department of Energy's Vehicle Technologies Office within the Office of Energy Efficiency and Renewable Energy announced it was providing \$19 million in funding for nine research projects focused on developing electric vehicle systems that can recharge rapidly at high power levels, decreasing typical charge times to 15 minutes or less using a connector or wireless fast charging system.

EPA Extends Comment Period on Science Transparency Rule: The Environmental Protection Agency announced that it was extending the comment period on its proposed rulemaking entitled "Strengthening Transparency in Regulatory Science" from May 30 to August 16. The proposed rule issued on April 30 had a short 30-day comment period.

Subcabinet Appointments of Note:

- **EPA:** Mike Stoker of California to be **Regional Administrator for Region 9** (CA, AZ, NV, HI). Previously was director of government affairs for UnitedAg.
- **DOE:** Dr. Christopher Fall to be **Director of the Office of Science**. Now is Deputy Director of ARPA-E; previously was at the Office of Naval Research.

CASSIDY&ASSOCIATES

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To: South Coast Air Quality Management District

From: Cassidy & Associates

Date: May 24, 2018

Re: Federal Update

House Overview:

This month, Congressional leaders in the House are working through FY2019 appropriations bills with the hope of completing work before the July recess. Senate Majority Leader Mitch McConnell would like to wrap up appropriations in June. He and House Speaker Paul Ryan are currently negotiating a process both sides will be comfortable with.

With this timeline in mind, the House is preparing a 3-bill minibus after the Memorial Day recess. The appropriations package will include the FY 19 Energy-Water, Military Construction-VA and Legislative Branch spending bills.

Before the midterm elections, lawmakers have several items of interest they will attempt to reauthorize: National Defense Authorization Act, Farm Bill, Higher Education Act, and Federal Aviation Administration.

House Schedule update:

- Late May: Potential Rescissions package
- June: Appropriations spending bills.
- July/September: Tax permanency package

House Energy and Commerce Committee:

- On May 15 the House Energy & Commerce Committee held a hearing on legislation from Rep. Griffith (R-VA) to address New Source Review permitting reform. This draft bill would amend the definition of a “modification” of a source under Section 111(a) of the Clean Air Act, would eliminate compliance requirements association with Prevention of Significant Deterioration and Nonattainment under NSR if changes made to a source are not expected to result in “significant emissions increases.” The discussion draft from Rep. Griffith was strongly opposed by Democrats on the Committee during the hearing. [Link:](#)

<https://energycommerce.house.gov/hearings/legislation-addressing-new-source-review-permitting-reform/>.

- On April 26, Energy and Commerce held a five-hour hearing with EPA Administrator Scott Pruitt to discuss EPA's FY19 budget request. The hearing discussion was more focused on controversial spending and management decisions under the Administrator than on the substance of the budget itself. Link: <https://energycommerce.house.gov/hearings/the-fiscal-year-2019-environmental-protection-agency-budget/>
- In House Appropriations, the Energy & Water Subcommittee released its [bill](#) in early March and passed it out of Committee on March 16. Among other accounts it includes: \$303 million for the Vehicle Technologies Program, more than double the House's request from last year and about 10% lower than the final numbers agreed to (\$337.5) in the FY18 omnibus.

Rescissions Package Update:

On May 7th, the Trump Administration submitted a rescission package to Congress that proposes pulling back \$15 billion in spending from previously allocated funding. While it is unlikely the package will be approved by both the House and Senate as proposed, the process of sending the proposal to Capitol Hill for consideration freezes the identified funding for 45 legislative days. Included in the package of funding claw-backs is \$4.3 billion in Department of Energy loan funding for fuel-efficient and advanced technology vehicles. Additionally, some water-related EPA funding was targeted. The Administration has hinted that it will submit a second package. Given the inclusion of EPA funding in the first package and the increased funding EPA received in the Fiscal Year 2018 spending legislation, we should anticipate that the next proposal will target other EPA funding.

EPA Update

The Environmental Protection Agency continues to draw scrutiny from Congress and the media. In several recent incidences, journalists were barred from attention meetings related to regulation of toxic chemicals. On May 22 and May 23, journalists were asked to leave meetings related to increased regulation of chemicals used waterproof items, commonly referred to as PFAS. EPA Administrator Pruitt also appeared for the Senate Subcommittee responsible for the EPA budget where he was questioned on recent controversies and agency direction.

Senate Environment and Public Works Committee

The Senate Environment and Public Works Committee has been predominantly focused during the last few weeks on issues and legislation related to water infrastructure. This work culminated in the Committee's unanimous (21 – 0) passage of legislation entitled the America's Water Infrastructure Act of 2018. The legislation includes a range of provisions related to the Army Corps of Engineers and their missions at the nation's ports, waterways, and flood control.

In news related to EPA Administrator Pruitt, he is presently not expected to be asked to testify on the Environmental Protection Agency's Fiscal Year 2019 budget request. Six Senate Democrats (Ranking Member Carper, Whitehouse, Booker, Markey, Merkley, and Gillibrand) have written to the Chairman of the Environment and Public Works Committee (John Barrasso) requesting that he appear before the

committee, but he is not presently expected to request that Administrator Pruitt appear before the Committee.

Comprehensive Energy Legislation:

We continue to monitor the Energy and Natural Resources Act of 2017, which is pending on the Senate floor. Energy advocates and many Senators are continuously looking for an opening to consider energy legislation on the Senate floor. It is uncertain if there will be time to consider this bill prior to the August recess, given the Senate's desire to move through the appropriations process as quickly as possible. This legislation contains the Vehicle Innovation Act, which provides for \$250 million in authorized funding for the Department of Energy to fund vehicle technology advancement. Additionally, of importance to SCAQMD, is the inclusion of the DERA reauthorization language.

We suggest that SCAQMD once again write a letter in support of this provision and an expeditious process on this legislation. During our recent staff level meetings in Washington, DC, we conveyed South Coast's continued support for this legislation and sought to find ways to move this provision forward even if the larger package remains stalled.

SCAQMD
June 2018 Legislative Committee Board Meeting Report covering May 2018
Kadesh & Associates

Overview:

The House and Senate were in session for three of the five weeks in May. May was dominated with:

- 1- Ongoing consideration of House and Senate FY19 Appropriations; and
- 2- The planning, execution and follow up for DC trip by senior executive SCAQMD staff.
- 3- Ongoing issues with the proposed rule change by EPA/NHTSA to the existing CAFE/ghg standards.

DC Fly-in:

Senior Executive staff conducted three days of meetings/briefings with Congressional offices and agencies regarding SCAQMD priorities including: CAFE/ghg standards, Ultra Low NOx regulations, appropriations and other clean air issues.

Appropriations:

On May 15, the House Interior Appropriations Subcommittee (which includes EPA) marked up and passed out its FY19 bill to the full committee. Included in the bill were the following accounts of interest to AQMD: DERA received \$100m and Targeted Airshed Grants got \$55m. Both of these numbers are high water marks for these accounts. The full House Appropriations mark up of the Interior bill was scheduled for May 22, but was postponed due to illness of the full Committee Chairman. As of this writing, it has not been rescheduled.

The Senate Appropriations Committee advanced its first fiscal 2019 spending bills the last week of May. The Senate panel approved the Energy and Water and Agriculture-FDA bills by wide margins on May 24. The full House committee approved the Transportation-HUD bill that week, while the Financial Services-General Government Subcommittee approved its measure. House leaders are lining up a three-bill package (H.R. 5895) for floor action when Congress returns from the Memorial Day recess. The measure would combine the Energy and Water, Legislative Branch, and Military Construction-VA bills into a "minibus." Senate Republicans leaders are considering bills to the floor two at a time.

Budget Resolution:

Both chambers have already missed an April 15 formal deadline to agree on a budget, and neither has released a draft. The House and Senate may struggle to reach consensus on a resolution, particularly one that aligns with the increased discretionary budget caps and still achieves balance within 10 years. Also, it isn't yet clear if the budget resolution would align with the increase in non-defense discretionary spending allowed under the new budget caps set under the Bipartisan Budget Act (Public Law 115-123).

Rescissions:

On May 8, OMB Director Mick Mulvaney submitted to the President a list of 38 proposed "rescissions" of prior year budget authority totaling \$15.4 billion. If enacted, they would result in an actual reduction in federal outlays of \$3.0 billion. Only one affected EPA, and it was not in the air accounts. The House and Senate must both pass the package of rescissions and send it to the President for his signature in order for it to become law. While the House plans to act, it is doubtful if the Senate will take up this measure.

EPA - Amount proposed for rescission: \$10,000,000

Proposed rescission appropriations language:

“This proposal would rescind \$10 million in prior year balances, of which there were \$208 million available on October 1, 2017. This is EPA's primary account that funds salaries, travel, contracts, grants, and cooperative agreements for pollution abatement, compliance, and administrative activities of the operating programs. The funds proposed for rescission are targeted for competitive water quality research and support grants, which are duplicative with other Federal programs. Enacting the rescission would reduce funding for water quality research and support grants.”

CA Clean Air Act Waiver/CAFE/ghg standards for Model Years 2022-2025:

Since last month's initial report on this issue, the following developments have occurred:

Meeting with automakers and the White House occurred on May 11, at which it is reported that the automakers stressed the importance of deriving one standard for the nation and doing so quickly. Top executives of General Motors, Honda, Toyota, Ford and other companies met with President Trump to discuss trade and environmental standards enacted by the Obama administration. The executives emphasized their support for easing the Obama-era standards, but not so much that it triggers a conflict with California and results in a split market of environmental regulations set by Washington and Sacramento. “We are not asking the administration for a rollback,” Ford Chairman Bill Ford said yesterday during the automaker's annual meeting. “We want California at the table and we want one national standard.”

An unauthorized release of a letter written on May 3 by the automakers to the Administration occurred on May 21. The plea to the White House's Office of Management and Budget from the Alliance of Automobile Manufacturers, the industry's leading trade group said carmakers “strongly support” continued alignment between federal mileage standards and those set by California. General Motors Co., Ford Motor Co., Daimler AG and nine other carmakers are members of the Alliance.

“Automakers remain committed to increasing fuel efficiency requirements, which yield everyday fuel savings for consumers while also reducing emissions -- because climate change is real and we have a continuing role in reducing greenhouse gases and improving fuel efficiency,” wrote David Schwietert, executive vice president of federal government relations at the Alliance.

The letter came roughly a week before President Donald Trump signaled he was open to talks with California on mileage standards. The direction came after the administration's April ruling that the Obama administration standards for model years 2022-2025 needed to be eased.

Court Battle Threat

Officials from the state have pledged to fight a Trump-led rollback, setting up a potential messy legal battle and the risk of different mileage requirements in California and 12 additional states that follow its rules. “Operating under two or three sets of regulations would be inefficient and disrupt a period of rapid innovation in the auto industry,” Schwietert wrote, adding that fractured rules could have negative consequences for the roughly 7 million people employed directly or indirectly by the American auto industry.

A joint proposal for revised mileage targets from the Environmental Protection Agency and National Highway Traffic Safety Administration is still in the works and could be released by late May or early

June. A leaked draft of the proposal, led by the NHTSA, recommended freezing mileage requirements at a 37-miles-per-gallon fleet average from 2020 through 2026 instead of increasing each year to eventually reach about 50 miles per gallon.

In addition to voicing support for annual gains in efficiency requirements, the Alliance asked the White House to consider ways to keep California at the table, including extending the so-called national program of rules beyond 2025 and updating efficiency credit mechanisms.

White House meeting with CARB head Mary Nichols occurred on May 24. The resulting divergent appraisals of the productivity of that meeting led Ms. Nichols to express: "Sounds like a great meeting based on the WH press release. Too bad it's not the one we attended," Mary Nichols, chair of the state's Air Resources Board, tweets after she met with Trump administration officials on Wednesday. She added that she is ready if and when DOT and EPA "choose to engage in constructive dialogue and actions."

Currently, NHTSA (which is the lead agency on this matter) has eight options pending review and selection at the White House with their preferred alternative being a locking in of current standards though MY2026.

Activities summary:

- Advance planning for the future SCAQMD advocacy trips to DC commenced.
- Carried out executive staff fly-in May 22-24.
- Ongoing analysis and response to EPA/NHTSA announcement regarding the CA Clean Air Act waiver and proposals to alter CAFE/ghg standards for MY2022-2025.
- Analyzed and shared information on FY19 appropriations process.
- Continued to develop with staff a list of infrastructure-related projects and which can achieve SCAQMD goals and also work within legislative/executive authorizing/appropriating formats and programs.
- Continued to monitor and pass on relevant legislation of interest to SCAQMD.
- Participated in regular conference call with subsequent follow up assignments.
- Answered specific questions from SCAQMD staff.
- Kept staff updated as to legislative changes, committee assignments and confirmations.
- Monitored and shared updates on Administration regarding budget, appropriations, Interior, EPA, transportation, and environmental policies and personnel.

Outlook –

The failure to bring the House floor under a Rule vote of the Farm Bill and the inability of the Speaker to terminate the House Chaplain, point to the increasingly lame duck status of Speaker Ryan, casting doubt on at least some of the remaining House legislative agenda.

The stated House legislative agenda from the majority for the remainder of 2018 is:

FAA Reauthorization (passed House in April);

Flood Insurance Reauthorization;

Farm Bill Reauthorization with welfare/workforce rules;

Rescissions package (rolling back some of the recently agreed to increased spending levels);

WRDA (both House and Senate full committees have passed out their versions);

Taxes (House wishes to vote to make certain rates permanent; Senate wishes to pass an "extenders" bill for certain tax breaks that are set to expire);

Appropriations; and

Defense Authorization.

ATTACHMENT 3



May 24, 2018

TO: South Coast Air Quality Management District

FROM: The Quintana Cruz Company

RE: May 2018 Report

LEGISLATIVE ITEMS OF NOTE:

AB 2506 (Burke) State vehicle fleet: near-zero-emission vehicles.

The bill was last amended on April 19, 2018. The bill now mandates that at least **15%** of new vehicles with a gross vehicle weight rating (GVWR) of 19,000 pounds or more purchased by state agencies must be fueled by renewable natural gas beginning on **January 1, 2022**. In contrast, the bill prior to the recent amendment required that at least **30%** of newly purchased vehicles with a 19,000 GVWR or more be near-zero-emission by **January 1, 2020**. The bill was referred to Assembly Appropriations Suspense File and will be heard on May 25th.

Status: Assembly Appropriations Suspense File

AB 2091 (Grayson) Fire prevention: prescribed burns.

The bill was last amended on April 16, 2018. We are currently working with the author's office to address a few limitations in its current form. The bill was referred to Assembly Appropriations Suspense File and will be heard on May 25th.

Status: Assembly Appropriations Suspense File

Public Fleets Rule Bill (Gipson)

SCAQMD staff is currently working on a Public Fleets Rule bill with Assemblymember Gipson's Office, including meeting with interested stakeholders regarding the legislation.



SCAQMD Report
California Advisors, LLC
June 8, 2018 Legislative Committee Hearing

General Update

After the house of origin deadline passed on June 1st, the next critical milestone will be the passage of the 2018-19 budget by the statutory deadline of June 15th. Budget negotiations relevant to the South Coast include AB 617 implementation funding, AB 617 incentive funding, the Cap-and-Trade Expenditure Plan, and protection of the California Tire Fee funds for the Carl Moyer Program. The goal right now is to have all of these items negotiated and finalized by the June 15th deadline. However, if agreement is not reached on any of these items by the deadline, outstanding items can be resolved in trailer bills or the budget bill junior, both of which are not statutorily required to be passed by June 15th.

As of the writing of this report, only the Senate has announced the members of the Budget Conference Committee members: Senator Mitchell, Senator Nielson, Senator Roth, Senator Skinner, and Senator Moorlach. Conference committee hearings will begin on May 30th.

2018 Legislative Priorities

AB 617 (C. Garcia, 2017) Implementation funding

The Governor proposed to dedicate zero dollars for air districts to implement AB 617. On April 26th, a member sign-on letter with 51 signatures was delivered to the Senate pro Tem, the Speaker of the Assembly, and the Governor. The letter, jointly authored by Assemblymembers Grayson and Eduardo Garcia, requested a \$75 million statewide allocation for AB 617 implementation funding. The South Coast Air Quality Management District portion of this request is approximately \$25 million for the 2018-19 budget year.

STATUS: Both the Senate and Assembly proposed to allocate \$50 million annually statewide for two years for air districts to implement AB 617. The Senate proposed that these funds be appropriated from the Air Pollution Control Fund and the Assembly proposed that these funds be appropriated from the Environmental License Plate Fund. Because the Senate and Assembly proposals were not identical, this item will next be heard in Budget Conference Committee sometime in the first week of June.

Greenhouse Gas Reduction Fund Cap-and-Trade Expenditure Plan

The Senate, Assembly, and Governor have all released their proposed Greenhouse Gas Reduction Fund Cap-and-Trade Expenditure Plans. The Senate, Assembly, and Governor Plans are included for your review at the end of this report. Because all three plans deviate

from each other, this item will be heard in Budget Conference Committee as early as May 30th.

Tire Fee Funds Transfer to the Department of Fish and Wildlife

The Governor proposed to divert \$26 million of revenue generated annually by the Tire Recycling Management Fee from the Carl Moyer Program to the Department of Fish and Wildlife (DFW).

STATUS: Both the Senate and Assembly rejected the redirection of Carl Moyer funds to the DFW. However, because the Senate and Assembly proposed different funding amounts from the General Fund to the DFW, this item will be heard in Budget Conference Committee sometime in the first week of June. It is not expected that the threat to Carl Moyer funding will return but we will continue to monitor closely.

AB 2008 (Salas) Income taxes: exclusion: Carl Moyer Memorial Air Quality Standards Attainment Programs grants

AB 2008 would exclude from taxable gross income any funds provided to a taxpayer pursuant to the Carl Moyer Program.

STATUS: AB 2008 was held on suspense by the Assembly Appropriations Committee.

SB 1502 (Senate Environmental Quality) Electronic public notice authorization.

SB 1502 authorizes air districts to utilize electronic communications in lieu of paper mail with regard to public notices for public hearings and workshops.

STATUS: SB 1502 passed out of the Senate and has been referred to Assembly Natural Resources Committee and is not yet set for a hearing date.

SB 210 (Leyva) Heavy-duty vehicle inspection and maintenance program.

This bill would authorize the state board to develop and implement a Heavy-Duty Vehicle Inspection and Maintenance Program for non-gasoline heavy-duty on-road motor vehicles, as specified.

STATUS: South Coast Air Quality Management District is currently monitoring the stakeholder process as bill negotiations proceed. The bill is likely to be heard in the Assembly in late June and will then return to the Senate to be heard in late August.

The Assembly proposes the following 2018-19 Cap and Trade Expenditure Plan (as compared to the Governor's Plan):

Cap and Trade Expenditure Plan	2018-19 (In Millions)	
	Governor's Proposal	Assembly Proposal
AB 617 Community Air Protection	\$250	\$250
Technical assistance to Community Groups	5	5
Clean Vehicle Rebate Project	175	175
HVIP Clean Truck Buses and Off Road Freight	160	150
Demonstration Projects		30
Pilot Projects		50
Enhanced Fleet Modernization	100	100
Low Carbon Fuel Production	25	0
Ag Diesel Engine Replacement and Upgrades	102	85
Ag Energy Efficiency	34	34
Healthy Soils	5	5
Renewable Energy	4	4
Healthy and Resilient Forests	160	160
Prescribed Fire and Fuel Reduction	26.8	26.8
Northern, Coastal, and Southern California Regional Forest Health Projects	20	20
Local Fire Response	25	25
Methane Reduction	99	99
Waste Diversion	20	40
Transformative Climate Communities	25	25
California Integrated Climate Investment Program	20	20
Energy Corps	6	6
CA Climate Change Technology and Solutions Initiative	35	35
Low income weatherization	0	20
SWEEP	0	5
Urban Forestry	0	20
Urban Greening	0	60
Wetlands	0	20
Coastal Adaptation	0	6
Natural Lands Adaptation	0	20
Ports	0	50
BEACON	0	1
Totals	\$1,296.8	\$1,546.8

The Senate proposes the following 2018-19 Cap and Trade Expenditure Plan (as compared to the Governor's Plan):

Program	Department/Agency	Governor's Proposed 2018-19	Senate Proposal
Discretionary Spending			
Mobile Source Emissions			
Local air district programs to reduce air pollution	Air Resources Board	\$250	310
Clean Vehicle Rebate Project	Air Resources Board	175	150
Freight and heavy duty vehicle incentives	Air Resources Board	160	160
Low-income light duty vehicles and school buses	Air Resources Board	100	100
Low carbon fuel production	Energy Commission	25	5
Forestry			
Forest health and fire prevention	CalFire	207	250
Local fire suppression grants	Office of Emergency Services	25	10
Agriculture			
Agricultural equipment	Air Resources Board	102	102
Methane reductions from dairies	Food and Agriculture	99	99
Incentives for food processors	Energy Commission	34	34
Healthy Soils	Food and Agriculture	5	0
Agricultural renewable energy	Energy Commission	4	4
Other programs			
Climate and energy research	Office of Planning and Research	35	55
Transformative Climate Communities	Office of Planning and Research	25	80
Urban Greening	Natural Resources Agency	0	5
Waste diversion	CalRecycle	20	20
Integrated Climate Investment Program	Go-Biz	20	5
Energy Corps	Conservation Corps	6	10
Low-Income Weatherization	Community Service & Development	0	30
Technical assistance to community groups	Air Resources Board	5	5
Workforce development and training	CA Workforce Development Board	0.4	0.4
Total		\$1,297	\$1,434



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TO: South Coast Air Quality Management District

FROM: Anthony, Jason & Paul Gonsalves

SUBJECT: Legislative Update – May 2018

DATE: Friday, May 25, 2018

During the month of May, the Legislature is focused on Legislation and the State budget. All 2,334 bills the Legislature introduced (1,604 in the Assembly and 730 in the Senate) must pass out of house of origin fiscal Committee's by May 25, 2018. Meantime, Governor Brown released his final May Revision to the State budget. We will continue to monitor and track all legislation, amendments and budget actions of interest to the District and keep you apprised as they progress.

MAY REVISE

On Friday, May 11, 2018, Governor Brown released his final May Revision to the State Budget. The Governor noted State revenues are up \$8.8 billion, while quoting Sir Isaac Newton: "what goes up must come down" and emphasized the challenge in attempting to manage the State's budget volatility.

With the addition of \$8.8 billion in revenues, the Governor is proposing to spend \$5 billion for increased program costs to Medi-Cal, Cal Grants, child care, In-Home Supportive Services and foster care. Additionally, the May Revise proposes spending the remaining 3 billion in the areas of Homelessness (\$359 million), Mental Health (\$312 million) and Infrastructure (\$2 billion).

The \$2 billion in infrastructure would fund years of deferred maintenance at universities, courts, state facilities, flood control and renovation of the State Capitol.

The Cap and Trade Expenditure Plan was not laid out in the Governor’s May Revise, although the Governor has a \$1.2 billion plan that he has proposed and will have to negotiate with the Legislature on over the next few months.

We will continue to work with the Legislature, Governor, and State Agencies to ensure funding from the GGRF to the District.

CAP AND TRADE EXPENDITURE

The Governor’s January budget proposed a \$1.25 billion Cap and Trade Expenditure Plan consistent with the priorities specified in AB 398 (Eduardo Garcia, Chapter 135, Statutes of 2018), and the statutory requirements that at least 35% of expenditures benefit disadvantaged and low-income communities. The May Revision augmented that proposal by adding \$26.8 million and 79 positions for CalFIRE, to complete additional fuel reduction projects and treat 60,000 acres per year. The May Revision also added \$20 million for the Natural Resources Agency, to provide block grants to support regional implementation of landscape-level forest restoration projects that leverage non-state funding.

On May 23, 2018, the Assembly laid out their Cap and Trade plan which largely builds on the Administration’s proposal and makes additional investments in high-priority areas. The following will provide you with a side by side comparison of the Governor’s proposal vs. the Assembly’s proposal:

Cap and Trade Expenditure Plan	Governor's Proposal	Assembly Proposal
AB 617 Community Air Protection	\$250	\$250
Technical assistance to Community Groups	\$5	\$5
Clean Vehicle Rebate Project	\$175	\$175
HVIP Clean Truck Buses and Off-Road Freight	\$160	\$150
Demonstration Projects	\$0	\$30
Pilot Projects	\$0	\$50
Enhanced Fleet Modernization	\$100	\$100
Low Carbon Fuel Production	\$25	\$0
Ag Diesel Engine Replacement and Upgrades	\$102	\$85
Ag Energy Efficiency	\$34	\$34
Healthy Soils	\$5	\$5
Renewable Energy	\$4	\$4
Healthy and Resilient Forests	\$160	\$160
Prescribed Fire and Fuel Reduction	\$26.8	\$26.8
Northern, Coastal, and Southern Ca Forest Health Projects	\$20	\$20
Local Fire Response	\$25	\$25
Methane Reduction	\$99	\$99
Waste Diversion	\$20	\$40
Transformative Climate Communities	\$25	\$25
California Integrated Climate Investment Program	\$20	\$20
Energy Corps	\$6	\$6

CA Climate Change Technology and Solutions Initiative	\$35	\$35
Low income weatherization	\$0	\$20
SWEEP	\$0	\$5
Urban Forestry	\$0	\$20
Urban Greening	\$0	\$60
Wetlands	\$0	\$20
Coastal Adaptation	\$0	\$6
Natural Lands Adaptation	\$0	\$20
Ports	\$0	\$50
<u>BEACON</u>	<u>\$0</u>	<u>\$1</u>
Totals	\$1,296.8	\$1,546.8

AB 2453 (E. GARCIA) AIR POLLUTION: SCHOOLS.

This bill authorizes a modernization apportionment from state school facility bond funds to be used for air filtration systems at schools and authorizes schools located in communities burdened by air pollution to receive funding for air quality improvements.

Specifically, this bill allows schools to apply for state school facility bonds to modernize their air filtration systems with the goal of limiting student exposure to harmful air pollutants. In addition, AB 2453 allows schools or school districts located in communities with high cumulative air pollution burdens (CERPs) to work with local air districts to identify school sites for air quality adaptation efforts. Lastly, this bill ensures school districts are eligible to receive funding for air filter upgrades and installations and vegetation buffer plantings.

On May 16, 2018 the Assembly Appropriations Committee identified no fiscal effect on state school facility bond funds. The Committee noted that the bill may change the use of funds, but it would not change the overall amount of funding available. Additionally, the Committee recognized that this bill does not identify an administering agency or funding source. If the California Air Resources Board (ARB) is the implementing agency, there will be an additional workload. If AB 32 cap-and-trade auction revenues (GGRF) are used as the funding source, ARB will also have an additional workload even if ARB is not the implementing agency.

On May 25, 2018, the Assembly Appropriations Committee passed AB 2458 off the Assembly Appropriations Suspense file on a unanimous vote.

Our office has been working with Assemblymember E. Garcia’s office to identify additional and more effective ways to implement air pollution mitigation efforts on impacted school campuses. Additionally, we have been discussing possible amendments to the bill that would allow “modernization apportionments” to be used for “installing or updating” air filtration systems and clarifying that this bill does not limit the air districts’ discretion in developing and implementing community emission reduction programs.

We have been working with the Author’s staff to clarifying what types of grant funding source(s), in addition to modernization grants, would be applicable to funding the air pollution

mitigation efforts sought in this bill, since AB 617 does not yet provide any funding for grants as part of a community emission reduction program.

We will continue to work closely with the Author's office and keep you apprised as the issue progresses.

2018 LEGISLATIVE DEADLINES

May 25 Last day for **fiscal committees** to hear and report to the **Floor** bills introduced in their house. Last day for **fiscal committees** to meet prior to June 4.

May 29-June 1 Floor session only. No committee may meet for any purpose except for Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees.

June 1 Last day for each house to pass bills introduced in that house.

June 4 Committee meetings may resume.

June 15 Budget Bill must be passed by midnight.

June 28 Last day for a legislative measure to qualify for the Nov. 6 General Election ballot.

June 29 Last day for **policy committees** to hear and report **fiscal bills** to fiscal committees.

July 6 Last day for **policy committees** to meet and report bills.

Aug. 17 Last day for **fiscal committees** to meet and report bills.

Aug. 20-31 Floor session only. No committee may meet for any purpose except Rules Committee.

Aug. 24 Last day to **amend** on Floor.

Aug. 31 Last day for each house to pass bills. **Final Recess** begins on adjournment.

ATTACHMENT 4

AB 2145 (Reyes) Vehicular air pollution.

Summary: This bill would modify the Clean Truck, Bus, and Off-Road Vehicle and Equipment Program (Clean Truck Program) to fund additional technologies and expand the criteria for funding through the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP).

Background: The Clean Truck Program is administered by CARB in conjunction with the California Energy Commission (CEC), to develop and deploy zero- and near-zero heavy-duty vehicles. Specifically, the program provides Greenhouse Gas Reduction Funds (GGRF) for projects that develop technology, demonstrate and test commercial deployment of zero- and near-zero medium- and heavy-duty truck technology, and facilitate clean goods movement. Funding priority is generally given to projects that benefit disadvantaged communities, have the ability to leverage additional public and private funding, and provide air quality co-benefits.

The ARFVTP is administered by CEC and provides funding for development and deployment of alternative and renewable fuels and advanced transportation technologies to help attain the state’s climate change and air quality goals. CEC prepares and adopts an annual investment plan that identifies the funding priorities for the coming fiscal year.

The governor issued Executive Order B-48-18, establishing new goals and a \$2.5 billion investment plan over eight years to reduce carbon emissions from transportation. The plan includes: a) 5 million zero-emission vehicles (ZEV) on the road by 2030 (\$1.6 billion over eight years), and b) 250,000 ZEV chargers, including 10,000 fast charging stations, and 200 hydrogen fueling stations by 2025 (\$900 million over eight years).

The governor’s budget proposes a total of \$235 million at the CEC through the ARFVTP for electrical vehicle charging and hydrogen fueling infrastructure projects.

Status: 5/30/2018 - In Senate. Read first time. To Com. on RLS. for assignment.

Specific Provisions: Specifically, this bill would:

- 1) Modify the Clean Truck Program as follows:
 - a. Add grid integration and integrated storage solutions, as well as charging management demonstration and analytics to the list of eligible projects that can be funded to support greater commercial motor vehicle and equipment efficiency.
 - b. Require CEC to advise CARB on how to allocate money for vehicle charging infrastructure consistent with the CEC’s investment plan strategies on charging infrastructure.

- c. Require CARB to promote projects that assist the state in reaching its climate goals beyond 2030 consistent with SB 32 (Pavley) of 2016 instead of by 2020, per AB 32 (Núñez) of 2006.
 - d. Require CARB to prioritize funding for communities with a community emissions reduction program.
- 2) Expand the ARFVTP as follows:
- a. Add infrastructure entities to the list of entities eligible for ARFVTP grants and other financial incentives.
 - b. Require CEC to emphasize the development and deployment of technology and infrastructure.
 - c. Add a project's ability to:
 - i. Deploy infrastructure not already deployed by other state agencies or utilities,
 - ii. Integrate fueling infrastructure and the grid, and;
 - iii. Match infrastructure to the deployment of advanced light-, medium-, and heavy-duty vehicles to the list on which CEC must base project prioritization.
 - d. Require that not less than 20 percent of funds appropriated for this program be allocated for the deployment of medium- and heavy-duty electric vehicle infrastructure.

Impacts on AQMD's Mission, Operations or Initiatives: This bill is in line with SCAQMD's goals in promoting the development and deployment of clean transportation technology, reducing criteria pollutant and toxic emissions and protecting public health. Disadvantaged communities are disproportionately affected by environmental pollution and other hazards, and this bill would prioritize funding for these affected communities.

This bill would help incentivize the adoption of new technologies and update program guidelines. This bill makes changes to both the CEC's and CARB's programs to reflect the latest technological developments and the status of the clean vehicle market, so that new project types are eligible for funding. It makes eligible for funding new types of clean vehicle projects – such as grid integration and integrated storage solutions, charging management demonstration and analytics – an area that requires further research if the state is going to help electrify the medium- and heavy-duty zero-emission vehicle sector.

In addition the bill updates the programs' guidelines and planning elements to ensure better coordination of investments between the agencies, as well as incorporates the state's most recent climate goals. CALSTART notes that making changes to both programs to reflect the latest technological developments and the status of the clean vehicle market is necessary so new project types are eligible for funding.

Recommended Position: SUPPORT

South Coast Air Quality Management District
Legislative Analysis Summary – AB 2145 (Reyes)
Version: As amended – 05/17/2018
Analyst: MK

SUPPORT:
CALSTART (Sponsor)
Silicon Valley Leadership Group

AMENDED IN ASSEMBLY MAY 17, 2018
AMENDED IN ASSEMBLY MARCH 15, 2018
CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 2145

Introduced by Assembly Member Reyes

February 12, 2018

An act to amend Sections 39719.2 and 44272 of the Health and Safety Code, relating to greenhouse gases.

LEGISLATIVE COUNSEL'S DIGEST

AB 2145, as amended, Reyes. Vehicular air pollution.

(1) The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation by the Legislature.

Existing law establishes the California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007, which includes the Alternative and Renewable Fuel and Vehicle Technology Program, administered by the State Energy Resources Conservation and Development Commission, and the Air Quality Improvement Program, administered by the state board. The act requires the energy commission and state board to meet specified goals in fulfilling their responsibilities under their respective programs.

The California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program, upon appropriation from the Greenhouse Gas Reduction Fund, funds zero- and near-zero-emission truck, bus, and off-road vehicle and equipment technologies and related projects, including, among others, projects that help to facilitate clean goods movement corridors. Existing law requires the state board, in consultation with the energy commission, to develop guidance through the existing Air Quality Improvement Program funding plan process for the implementation of the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program that is consistent with the California Global Warming Solutions Act of 2006. Existing law requires the guidance to ensure that California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program investments are coordinated with specified funding programs developed as part of the California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007 and to promote projects that assist the state in reaching its climate goals beyond 2020. Existing law requires the state board, when evaluating potential projects to be funded under the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program, to give priority to specified projects, including, among others a project that benefits specified disadvantaged communities.

This bill would add as eligible projects for the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program those projects that support grid integration and integrated storage solutions and charging management demonstration and analytics. The bill would additionally require the energy commission, as part of the guidance developed for the program, to advise the state board on to how to allocate moneys for vehicle charging infrastructure consistent with the energy commission's investment plan strategies on charging infrastructure that is part of the California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007. The bill instead would require the guidance to promote projects that assist the state in reaching its climate goals beyond 2030. The bill would additionally require the state board, when evaluating potential projects to be funded under the program, to give priority to a project that benefits communities that have implemented a specified community emissions reduction program.

(2) Existing law requires the Alternative and Renewable Fuel and Vehicle Technology Program to provide funding measures to certain

entities to develop and deploy innovative technologies that transform California’s fuel and vehicle types to help attain the state’s climate change policies. Existing law requires the state board to give preference to those projects that maximize the goals of the program based on specified criteria.

This bill would add infrastructure entities to the list of eligible applicants and would add the development and deployment of infrastructure to the program’s emphasis. The bill ~~also~~ would add to the specified criteria the state board uses to determine preferential projects a project’s ability to deploy infrastructure not already deployed by other state agencies or utilities, integrate fueling infrastructure and the grid, and match infrastructure to the deployment of advanced light-, medium-, and heavy-duty vehicles. *The bill would require not less than 20% of funds allocated for the program to be available for the deployment of medium- and heavy-duty electric vehicle infrastructure.*

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 39719.2 of the Health and Safety Code
2 is amended to read:
3 39719.2. (a) The California Clean Truck, Bus, and Off-Road
4 Vehicle and Equipment Technology Program is hereby created,
5 to be administered by the state board in conjunction with the State
6 Energy Resources Conservation and Development Commission.
7 The program, from moneys appropriated from the fund for the
8 purposes of the program, shall fund development, demonstration,
9 precommercial pilot, and early commercial deployment of zero-
10 and near-zero-emission truck, bus, and off-road vehicle and
11 equipment technologies. Priority shall be given to projects
12 benefiting disadvantaged communities pursuant to the requirements
13 of Sections 39711 and 39713.
14 (b) Projects eligible for funding pursuant to this section include,
15 but are not limited to, the following:
16 (1) Technology development, demonstration, precommercial
17 pilots, and early commercial deployments of zero- and
18 near-zero-emission medium- and heavy-duty truck technology,
19 including projects that help to facilitate clean goods movement
20 corridors. Until December 31, 2020, no less than 20 percent of

1 funding made available for purposes of this paragraph shall support
2 early commercial deployment of existing zero- and
3 near-zero-emission heavy-duty truck technology.

4 (2) Zero- and near-zero-emission bus technology development,
5 demonstration, precommercial pilots, and early commercial
6 deployments, including pilots of multiple vehicles at one site or
7 region.

8 (3) Zero- and near-zero-emission off-road vehicle and equipment
9 technology development, demonstration, precommercial pilots,
10 and early commercial deployments, including vehicles and
11 equipment in the port, agricultural, marine, construction, and rail
12 sectors.

13 (4) Purchase incentives, which may include point-of-sale, for
14 commercially available zero- and near-zero-emission truck, bus,
15 and off-road vehicle and equipment technologies and fueling
16 infrastructure to support early market deployments of alternative
17 technologies and to increase manufacturer volumes and accelerate
18 market acceptance.

19 (5) Projects that support greater commercial motor vehicle and
20 equipment freight efficiency and greenhouse gas emissions
21 reductions, including, but not limited to, advanced intelligent
22 transportation systems, autonomous vehicles, grid integration and
23 integrated storage solutions, charging management demonstration
24 and analytics, and other freight information and operations
25 technologies.

26 (c) The state board, in consultation with the State Energy
27 Resources Conservation and Development Commission, shall
28 develop guidance through the existing Air Quality Improvement
29 Program funding plan process for the implementation of this
30 section that is consistent with the California Global Warming
31 Solutions Act of 2006 (Division 25.5 (commencing with Section
32 38500)) and this chapter.

33 (d) The guidance developed pursuant to subdivision (c) shall
34 do all of the following:

35 (1) Outline performance criteria and metrics for deployment
36 incentives. The goal shall be to design a simple and predictable
37 structure that provides incentives for truck, bus, and off-road
38 vehicle and equipment technologies that provide significant
39 greenhouse gas reduction and air quality benefits.

1 (2) (A) Ensure that program investments are coordinated with
2 funding programs developed pursuant to the California Alternative
3 and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon
4 Reduction Act of 2007 (Chapter 8.9 (commencing with Section
5 44270) of Part 5).

6 (B) The State Energy Resources Conservation and Development
7 Commission shall advise ~~that~~ *the* state board on how to allocate
8 money for vehicle charging infrastructure consistent with the
9 ~~emissions~~² *commission's* investment plan strategies on charging
10 infrastructure.

11 (3) Promote projects that assist the state in reaching its climate
12 goals beyond 2030, consistent with Section 38566.

13 (4) Promote investments in medium- and heavy-duty trucking,
14 including, but not limited to, vocational trucks, short-haul and
15 long-haul trucks, buses, and off-road vehicles and equipment,
16 including, but not limited to, port equipment, agricultural
17 equipment, marine equipment, and rail equipment.

18 (5) Implement purchase incentives for eligible technologies to
19 increase the use of the cleanest vehicles in disadvantaged
20 communities.

21 (6) Allow for remanufactured and retrofitted vehicles to qualify
22 for purchase incentives if those vehicles meet warranty and
23 emissions requirements, as determined by the state board.

24 (7) Establish a competitive process for the allocation of moneys
25 for projects funded pursuant to this section.

26 (8) Leverage, to the maximum extent feasible, federal or private
27 funding.

28 (9) Ensure that the results of emissions reductions or benefits
29 can be measured or quantified.

30 (10) Ensure that activities undertaken pursuant to this section
31 complement, and do not interfere with, efforts to achieve and
32 maintain federal and state ambient air quality standards and to
33 reduce toxic air contaminants.

34 (e) In evaluating potential projects to be funded pursuant to this
35 section, the state board shall give priority to projects that
36 demonstrate one or more of the following characteristics:

37 (1) Benefit disadvantaged communities pursuant to Sections
38 39711 and 39713 or communities with a community emissions
39 reduction program implemented pursuant to Section 44391.2.

40 (2) The ability to leverage additional public and private funding.

1 (3) The potential for cobenefits or multiple-benefit attributes.

2 (4) The potential for the project to be replicated.

3 (5) Regional benefit, with focus on collaboration between
4 multiple entities.

5 (6) Support for technologies with broad market and emissions
6 reduction potential.

7 (7) Support for projects addressing technology and market
8 barriers not addressed by other programs.

9 (8) Support for enabling technologies that benefit multiple
10 technology pathways.

11 (f) In implementing this section, the state board, in consultation
12 with the State Energy Resources Conservation and Development
13 Commission, shall create an annual framework and plan. The
14 framework and plan shall be developed with public input and may
15 utilize existing investment plan processes and workshops as well
16 as existing state and third-party research and technology roadmaps.
17 The framework and plan shall do all of the following:

18 (1) Articulate an overarching vision for technology development,
19 demonstration, precommercial pilot, and early commercial
20 deployments, with a focus on moving technologies through the
21 commercialization process.

22 (2) Outline technology categories and performance criteria for
23 technologies and applications that may be considered for funding
24 pursuant to this section. This shall include technologies for
25 medium- and heavy-duty trucking, including, but not limited to,
26 vocational trucks, short-haul and long-haul trucks, buses, and
27 off-road vehicles and equipment, including, but not limited to, port
28 equipment, agricultural equipment, construction equipment, marine
29 equipment, and rail equipment.

30 (3) Describe the roles of the relevant agencies and the process
31 for coordination.

32 (g) For purposes of this section, “zero- and near-zero-emission”
33 means vehicles, fuels, and related technologies that reduce
34 greenhouse gas emissions and improve air quality when compared
35 with conventional or fully commercialized alternatives, as defined
36 by the state board in consultation with the State Energy Resources
37 Conservation and Development Commission. “Zero- and
38 near-zero-emission” may include, but is not limited to,
39 zero-emission technology, enabling technologies that provide a
40 pathway to emissions reductions, advanced or alternative fuel

1 engines for long-haul trucks, and hybrid or alternative fuel
2 technologies for trucks and off-road equipment.

3 SEC. 2. Section 44272 of the Health and Safety Code is
4 amended to read:

5 44272. (a) The Alternative and Renewable Fuel and Vehicle
6 Technology Program is hereby created. The program shall be
7 administered by the commission. The commission shall implement
8 the program by regulation pursuant to the requirements of Chapter
9 3.5 (commencing with Section 11340) of Part 1 of Division 3 of
10 Title 2 of the Government Code. The program shall provide, upon
11 appropriation by the Legislature, competitive grants, revolving
12 loans, loan guarantees, loans, or other appropriate funding measures
13 to public agencies, vehicle and technology entities, infrastructure
14 entities, businesses and projects, public-private partnerships,
15 workforce training partnerships and collaboratives, fleet owners,
16 consumers, recreational boaters, and academic institutions to
17 develop and deploy innovative technologies that transform
18 California's fuel and vehicle types to help attain the state's climate
19 change policies. The emphasis of this program shall be to develop
20 and deploy technology, infrastructure, and alternative and
21 renewable fuels in the marketplace, without adopting any one
22 preferred fuel or technology.

23 (b) A project that receives more than seventy-five thousand
24 dollars (\$75,000) in funds from the commission shall be approved
25 at a noticed public meeting of the commission and shall be
26 consistent with the priorities established by the investment plan
27 adopted pursuant to Section 44272.5. Under this article, the
28 commission may delegate to the commission's executive director,
29 or his or her designee, the authority to approve either of the
30 following:

31 (1) A contract, grant, loan, or other agreement or award that
32 receives seventy-five thousand dollars (\$75,000) or less in funds
33 from the commission.

34 (2) Amendments to a contract, grant, loan, or other agreement
35 or award as long as the amendments do not increase the amount
36 of the award, change the scope of the project, or modify the purpose
37 of the agreement.

38 (c) The commission shall provide preferences to those projects
39 that maximize the goals of the Alternative and Renewable Fuel

1 and Vehicle Technology Program, based on the following criteria,
2 as applicable:

3 (1) The project’s ability to provide a measurable transition from
4 the nearly exclusive use of petroleum fuels to a diverse portfolio
5 of viable alternative fuels that meet petroleum reduction and
6 alternative fuel use goals.

7 (2) The project’s consistency with existing and future state
8 climate change policy and low-carbon fuel standards.

9 (3) The project’s ability to reduce criteria air pollutants and air
10 toxics and reduce or avoid multimedia environmental impacts.

11 (4) The project’s ability to decrease, on a life-cycle basis, the
12 discharge of water pollutants or any other substances known to
13 damage human health or the environment, in comparison to the
14 production and use of California Phase 2 Reformulated Gasoline
15 or diesel fuel produced and sold pursuant to California diesel fuel
16 regulations set forth in Article 2 (commencing with Section 2280)
17 of Chapter 5 of Division 3 of Title 13 of the California Code of
18 Regulations.

19 (5) The project does not adversely impact the sustainability of
20 the state’s natural resources, especially state and federal lands.

21 (6) The project provides nonstate matching funds. Costs incurred
22 from the date a proposed award is noticed may be counted as
23 nonstate matching funds. The commission may adopt further
24 requirements for the purposes of this paragraph. The commission
25 is not liable for costs incurred pursuant to this paragraph if the
26 commission does not give final approval for the project or the
27 proposed recipient does not meet requirements adopted by the
28 commission pursuant to this paragraph.

29 (7) The project provides economic benefits for California by
30 promoting California-based technology firms, jobs, and businesses.

31 (8) The project uses existing or proposed fueling infrastructure
32 to maximize the outcome of the project.

33 (9) The project’s ability to reduce on a life-cycle assessment
34 greenhouse gas emissions by at least 10 percent, and higher
35 percentages in the future, from current reformulated gasoline and
36 diesel fuel standards established by the state board.

37 (10) The project’s use of alternative fuel blends of at least 20
38 percent, and higher blend ratios in the future, with a preference
39 for projects with higher blends.

1 (11) The project drives new technology advancement for
2 vehicles, vessels, engines, and other equipment, and promotes the
3 deployment of that technology in the marketplace.

4 (12) The project’s ability to transition workers to, or promote
5 employment in, the alternative and renewable fuel and vehicle
6 technology sector.

7 (13) The project’s ability to deploy infrastructure not already
8 deployed by other state agencies or utilities, integrate fueling
9 infrastructure and the grid, and match infrastructure to the
10 deployment of advanced light-, medium-, and heavy-duty vehicles.

11 (d) The commission shall rank applications for projects proposed
12 for funding awards based on solicitation criteria developed in
13 accordance with subdivision (c), and shall give additional
14 preference to funding those projects with higher benefit-cost scores.

15 (e) Only the following shall be eligible for funding:

16 (1) Alternative and renewable fuel projects to develop and
17 improve alternative and renewable low-carbon fuels, including
18 electricity, ethanol, dimethyl ether, renewable diesel, natural gas,
19 hydrogen, and biomethane, among others, and their feedstocks
20 that have high potential for long-term or short-term
21 commercialization, including projects that lead to sustainable
22 feedstocks.

23 (2) Demonstration and deployment projects that optimize
24 alternative and renewable fuels for existing and developing engine
25 technologies.

26 (3) Projects to produce alternative and renewable low-carbon
27 fuels in California.

28 (4) Projects to decrease the overall impact of an alternative and
29 renewable fuel’s life-cycle carbon footprint and increase
30 sustainability.

31 (5) Alternative and renewable fuel infrastructure, fueling
32 stations, and equipment. The preference in paragraph (10) of
33 subdivision (c) shall not apply to renewable diesel or biodiesel
34 infrastructure, fueling stations, and equipment used solely for
35 renewable diesel or biodiesel fuel.

36 (6) Projects to develop and improve light-, medium-, and
37 heavy-duty vehicle technologies that provide for better fuel
38 efficiency and lower greenhouse gas emissions, alternative fuel
39 usage and storage, or emission reductions, including propulsion
40 systems, advanced internal combustion engines with a 40 percent

1 or better efficiency level over the current market standard,
2 lightweight materials, intelligent transportation systems, energy
3 storage, control systems and system integration, physical
4 measurement and metering systems and software, development of
5 design standards and testing and certification protocols, battery
6 recycling and reuse, engine and fuel optimization electronic and
7 electrified components, hybrid technology, plug-in hybrid
8 technology, battery electric vehicle technology, fuel cell
9 technology, and conversions of hybrid technology to plug-in
10 technology through the installation of safety certified supplemental
11 battery modules.

12 (7) Programs and projects that accelerate the commercialization
13 of vehicles and alternative and renewable fuels including buy-down
14 programs through near-market and market-path deployments,
15 advanced technology warranty or replacement insurance,
16 development of market niches, supply-chain development, and
17 research related to the pedestrian safety impacts of vehicle
18 technologies and alternative and renewable fuels.

19 (8) Programs and projects to retrofit medium- and heavy-duty
20 onroad and nonroad vehicle fleets with technologies that create
21 higher fuel efficiencies, including alternative and renewable fuel
22 vehicles and technologies, idle management technology, and
23 aerodynamic retrofits that decrease fuel consumption.

24 (9) Infrastructure projects that promote alternative and renewable
25 fuel infrastructure development connected with existing fleets,
26 public transit, and existing transportation corridors, including
27 physical measurement or metering equipment and truck stop
28 electrification.

29 (10) Workforce training programs related to the development
30 and deployment of technologies that transform California's fuel
31 and vehicle types and assist the state in implementing its climate
32 change policies, including, but not limited to, alternative and
33 renewable fuel feedstock production and extraction; renewable
34 fuel production, distribution, transport, and storage;
35 high-performance and low-emission vehicle technology and high
36 tower electronics; automotive computer systems; mass transit fleet
37 conversion, servicing, and maintenance; and other sectors or
38 occupations related to the purposes of this chapter, including
39 training programs to transition dislocated workers affected by the
40 state's greenhouse gas emission policies, including those from

1 fossil fuel sectors, or training programs for low-skilled workers to
2 enter or continue in a career pathway that leads to middle skill,
3 industry-recognized credentials or state-approved apprenticeship
4 opportunities in occupations related to the purposes of this chapter.

5 (11) Block grants or incentive programs administered by public
6 entities or not-for-profit technology entities for multiple projects,
7 education and program promotion within California, and
8 development of alternative and renewable fuel and vehicle
9 technology centers. The commission may adopt guidelines for
10 implementing the block grant or incentive program, which shall
11 be approved at a noticed public meeting of the commission.

12 (12) Life-cycle and multimedia analyses, sustainability and
13 environmental impact evaluations, and market, financial, and
14 technology assessments performed by a state agency to determine
15 the impacts of increasing the use of low-carbon transportation fuels
16 and technologies, and to assist in the preparation of the investment
17 plan and program implementation.

18 (13) A program to provide funding for homeowners who
19 purchase a plug-in electric vehicle to offset costs associated with
20 modifying electrical sources to include a residential plug-in electric
21 vehicle charging station. In establishing this program, the
22 commission shall consider funding criteria to maximize the public
23 benefit of the program.

24 (f) *Not less than 20 percent of funds appropriated for purposes*
25 *of this section shall be allocated for the deployment of medium-*
26 *and heavy-duty electric vehicle infrastructure.*

27 (~~f~~)

28 (g) The commission may make a single source or sole source
29 award pursuant to this section for applied research. The same
30 requirements set forth in Section 25620.5 of the Public Resources
31 Code shall apply to awards made on a single source basis or a sole
32 source basis. This subdivision does not authorize the commission
33 to make a single source or sole source award for a project or
34 activity other than for applied research.

35 (~~g~~)

36 (h) The commission may do all of the following:

37 (1) Contract with the Treasurer to expend funds through
38 programs implemented by the Treasurer, if the expenditure is
39 consistent with all of the requirements of this article and Article
40 1 (commencing with Section 44270).

- 1 (2) Contract with small business financial development
- 2 corporations established by the Governor’s Office of Business and
- 3 Economic Development to expend funds through the Small
- 4 Business Loan Guarantee Program if the expenditure is consistent
- 5 with all of the requirements of this article and Article 1
- 6 (commencing with Section 44270).
- 7 (3) Advance funds, pursuant to an agreement with the
- 8 commission, to any of the following:
- 9 (A) A public entity.
- 10 (B) A recipient to enable it to make advance payments to a
- 11 public entity that is a subrecipient of the funds and under a binding
- 12 and enforceable subagreement with the recipient.
- 13 (C) An administrator of a block grant program.
- 14 ~~(h)~~
- 15 (i) The commission shall collaborate with entities that have
- 16 expertise in workforce development to implement the workforce
- 17 development components of this section, including, but not limited
- 18 to, the California Workforce Development Board, the Employment
- 19 Training Panel, the Employment Development Department, and
- 20 the Division of Apprenticeship Standards.

SB 1260 (Jackson)
Fire prevention and protection: prescribed burns.

Summary: This bill is an omnibus fire prevention and forestry management bill that will promote long-term forest health and wildfire resiliency. This bill authorizes federal, state, and local agencies to engage in collaborative forestry management, and enhances the Department of Forestry and Fire Protection’s (CAL-FIRE) role in identifying wildfire hazards as local governments plan for new housing and neighborhoods.

Also, in coordination with local air districts, CAL-FIRE and CARB shall develop and fund a program to enhance air quality and smoke monitoring, and provide a public awareness campaign regarding prescribed burns. The program may include purchasing new, year-round air quality monitors. The program shall include adequate funding for local air pollution control and air quality management district participation and implementation costs.

Background: State law establishes CARB as the air pollution control agency in California and requires CARB, among other things, to control emissions from a wide array of mobile sources and implement the CAA. It also establishes local air districts to, among other things, control emissions from stationary sources.

CAL-FIRE, among other things, provides fire protection and prevention, controls pests, and manages and protects forest and range health. Under current law, CAL-FIRE may enter into an agreement, including a grant agreement, for prescribed burning or other hazardous fuel reduction.

In 2017, California experienced the largest and most destructive wildfire season in its history. Nearly 9,000 wildfires ignited across the state, burning 1.2 million acres of land, destroying more than 10,800 structures, and killing at least 44 people. Five of California’s most destructive wildfires on record occurred in 2017, including the Thomas Fire, which is now the largest recorded fire in California history.

Unfortunately, 2017 does not appear to be an abnormality. To the contrary, most of California’s largest wildfires have occurred within the past 30 years. Changing climate patterns have made our state more vulnerable to wildfire, with massive tree die-offs due to years of drought and widespread insect infestations, year-round fire weather conditions, and critical levels of fuels accumulation, all combining to create severe fire risks throughout the state. Indeed, the National Interagency Fire Center’s Predictive Outlook for 2018 is forecasting above normal large fire potential in California due to the persistence of dry fuels, frequent offshore winds, and generally unfavorable weather.

As the Little Hoover Commission concluded in its February 2018 report entitled “Fire on the Mountain: Rethinking Forest Management in the Sierra Nevada,” California’s forests are

reaching a breaking point. Poor management policies that interrupted natural forest lifecycles, combined with climate change, have left our forests vulnerable to catastrophic wildfires.

Status: 5/30/2018 - Read third time. Passed. (Ayes 34. Noes 0.) Ordered to the Assembly.

Specific Provisions: Specifically, this bill would, among other things:

- 1) Require CARB, CAL-FIRE, in coordination with local air districts, to develop and fund a program to enhance air quality and smoke monitoring and to provide a public awareness campaign regarding prescribed burns. The program may include, but not be limited to, purchasing new, year-round air quality monitors. The program shall include adequate funding, upon appropriation by the Legislature, for local air district participation and implementation costs.
- 2) State legislative intent to develop a mechanism to help homeowners remove hazardous trees in areas affected by tree mortality and in high fire hazard severity zones.
- 3) State legislative intent to create a program to help homeowner's self-finance retrofits to their homes to improve resistance to wildfire.
- 4) Amends the liability provision for prescribed fires that escape to provide that a prima facie case of due diligence is established when a prescribed burn is in compliance with all provisions of law and the terms and conditions imposed by an agreement with CAL-FIRE.
- 5) Directs CAL-FIRE to cooperate with private and public landowners in prescribed fire activities including site preparation, preburn planning, and other activities.

Impacts on AQMD's Mission, Operations or Initiatives: This bill is in line with SCAQMD's goals in reducing air pollution from wildfires and protecting public health. The bill would enhance air quality and smoke monitoring and provide a public awareness campaign regarding prescribed burns. The program could include, but would not be limited to, purchasing new air quality monitors and will include adequate funding for local air district program participation and implementation costs.

SUGGESTED AMENDMENTS:

- 1) SCAQMD staff recommends an amendment to clarify that the Air Quality and Prescribed Burns Program created through the bill should include purchasing new, "rapidly deployable air quality monitors" rather than "year-round air quality monitors."
- 2) SCAQMD staff also recommends an amendment to the bill to address an issue that currently complicates the granting of controlled burn permits at the local level. Currently, Section 41812 of the California Health and Safety Code states:

“The air pollution control officer of any district in a county with a population of 6,000,000 or less, upon authorization of the district board, may authorize, by permit, open outdoor fires for the purpose of disposing of agricultural wastes, or wood waste from trees, vines, bushes, or other wood debris free of nonwood materials, in a mechanized burner such that no air contaminant is discharged into the atmosphere for a period or periods aggregating more than 30 minutes in any eight-hour period....”

Unfortunately, this provision prohibits SCAQMD from having the authority to issue controlled burn permits for fire hazard mitigation within Los Angeles County which has a population that exceeds 6,000,000.

Staff would propose an addition to the bill to amend Section 41812 to remove the phrase, “in a county with a population of 6,000,000 or less,” so that SCAQMD would have authority to issue controlled burn permits for fire hazard mitigation within Los Angeles County.

Recommended Position: SUPPORT WITH AMENDMENTS

SUPPORT:

Big Sur Land Trust
California Association of Resource Conservation Districts
County of Ventura
Fire Safe Council of San Diego County
Little Hoover Commission
Nature Conservancy
Pacific Forest Trust
Palomar Mountain Fire Safe Council
San Diego Gas and Electric
Save the Redwoods League
Sierra Forest Legacy
Sonoma County Agricultural Preservation and Open Space District
Sonoma County Water Agency
Southern California Association of Governments
Wildlands Conservancy

OPPOSITION: Unknown.

AMENDED IN SENATE MAY 25, 2018

AMENDED IN SENATE MAY 16, 2018

AMENDED IN SENATE APRIL 9, 2018

SENATE BILL

No. 1260

Introduced by Senator Jackson

February 15, 2018

An act to amend Sections 51179, 65302.5, 65352, and 66474.02 of the Government Code, to amend Sections 13008 and 13055 of the Health and Safety Code, and to amend Sections 4475, 4476, and 4479 of, to amend the heading of Article 2 (commencing with Section 4475) of Chapter 7 of Part 2 of Division 4 of, to add Sections 4114.3, 4482, and 4483 to, to add Article 4 (commencing with Section 4495) to Chapter 7 of Part 2 of Division 4 of, to add and repeal Section 4481 of, to repeal Sections 4475.1, 4475.5, 4478, and 4480 of, and to repeal and add Section 4477 of, the Public Resources Code, relating to fire prevention.

LEGISLATIVE COUNSEL'S DIGEST

SB 1260, as amended, Jackson. Fire prevention and protection: prescribed burns.

(1) Existing law requires a local agency to designate, by ordinance, very high fire hazard severity zones in its jurisdiction, as provided in connection with a state program for fire prevention.

This bill would require the local agency to transmit a copy of the adopted ordinance to the State Board of Forestry and Fire Protection within 30 days of adoption. By imposing a new duty on a local agency, the bill would impose a state-mandated local program.

(2) Existing law requires each planning agency to prepare, and the legislative body of each county and city to adopt, a comprehensive,

long-term general plan, including a safety element, for the physical development of the county or city, as provided. Existing law requires, before a legislative body takes action to adopt or substantially amend a general plan, the planning agency to refer the proposed action to specified entities.

This bill would also require the planning agency to refer the proposed action to the State Board of Forestry and Fire Protection and every local agency that provides fire protection to territory in the city or county, as provided. By requiring a higher level of service from a local agency with respect to the referral of the proposed action, the bill would impose a state-mandated local program.

(3) The Subdivision Map Act vests the authority to regulate and control the design and improvement of subdivisions in the legislative body of a local agency, and sets forth procedures governing the local agency's processing, approval, conditional approval, or disapproval, and filing of tentative, final, and parcel maps, and the modification thereof. The act generally requires a subdivider to file a tentative map or vesting tentative map with the local agency, as specified, and the local agency, in turn, to approve, conditionally approve, or disapprove the map within a specified time period. Before approving a tentative map, or a parcel map for which a tentative map was not required, for an area located in a state responsibility area or a very high fire hazard severity zone, existing law requires the local agency to make specified findings, including that the design and location of each lot in the subdivision and the subdivision as a whole are consistent with any regulations adopted by the State Board of Forestry and Fire Protection relating to buildings or structures in hazardous fire areas or mountainous, forest, brush, and grass-covered lands, as specified.

This bill would instead require a finding that the subdivision is consistent with any regulations adopted by the board relating to buildings or structures in the areas described above. The bill would require the local agency, upon approval of the tentative map in specified situations, to transmit a copy of the findings and maps to the board, thereby imposing a state-mandated local program.

The act also requires the local agency to make a finding that, to the extent practicable, ingress and egress for the subdivision meet regulations regarding road standards for fire equipment access, as provided.

This bill would delete this provision.

(4) Existing law authorizes the Director of Forestry and Fire Protection to enter into an agreement, including a grant agreement, for prescribed burning operations or other hazardous fuel reduction efforts, with either the owner or any other person who has legal control of any property, any public agency with regulatory or natural resource management authority over any property that is included within any wildland, or any nonprofit organization for specified purposes. Existing law provides that a person who allows a fire upon his or her property to escape to the public or private property of another, without exercising due diligence to control the fire, is liable to the owner of the property for the damages to the property caused by the fire.

This bill would provide that compliance with the provisions of law relating to prescribed burning-operation agreements with the director shall constitute prima facie evidence of due diligence with respect to the above provision relating to fire liability. The bill would require the Department of Forestry and Fire Protection to cooperate with private and public landowners in prescribed fire activities, as provided. The bill would require, to the extent feasible, the State Board of Forestry and Fire Protection's Vegetation Treatment Program Programmatic Environmental Impact Report, when certified, to serve as the programmatic environmental document for prescribed burns in the Sierra-Cascade, central coast, and north coast regions of the state, as provided.

Existing law requires any contract entered into pursuant to the above provisions to clearly state the obligations of each party, specify the value assigned, as provided, and specify the total costs of the prescribed burning operation or other hazardous fuel reduction, as provided. Existing law provides that in certain situations, the amount of moneys due to the state shall become a lien upon the property and that any money recovered shall be credited to the department's current support appropriation as a reimbursement. Existing law authorizes the director, in certain circumstances, to enter into an agreement with private consultants or contractors or with other public agencies for furnishing all or a part of the state's share of the responsibility for a burning operation, as provided.

This bill would delete these provisions.

Existing law authorizes the department to purchase 3rd-party liability policy of insurance, as provided. Existing law provides that if the department elects not to purchase insurance, the department shall agree to indemnify and hold harmless the person or public agency contracting

with the department with respect to liability arising out of performance of the contract.

This bill would also give the department the option, if it elects not to purchase insurance, to determine proportionate share of liability, as provided.

The bill would require the agreements described above to provide that the department shall be fully responsible for prescribed burns initiated at the department's request, with the consent of the landowner, for training or other purposes on lands owned by a nonprofit organization or other public agencies.

(5) Existing law authorizes a person, firm, corporation, or a group or combination thereof, that owns or controls brush-covered land, forest land, woodland, grassland, shrubland, or any combination thereof, within a state responsibility area to apply to the Department of Forestry and Fire Protection for permission to utilize prescribed burning operations for specified public purposes. Existing law authorizes various public agencies to use fire to abate fire hazards.

This bill would provide that a person, firm, corporation, or a group or combination thereof, that owns or controls brush-covered land, forest land, woodland, grassland, shrubland, or any combination thereof, within a state responsibility area authorized by the department to utilize prescribed burning operations for specified public purposes is also authorized to use fire to abate a fire hazard. This bill would authorize a person, until January 1, 2039, with a valid fire boss certificate, as provided, to apply for the prescribed burning permit on behalf of the person or entities described above, and would authorize the department, in specified situations, to appoint a burn boss.

The bill would require the department and the State Air Resources Board, in coordination with local air pollution control and air quality management districts, to develop and fund a program, upon appropriation, to enhance air quality and smoke monitoring, and to provide a public awareness campaign regarding prescribed burns, among other things.

(6) Existing law requires the State Fire Marshal to establish a program of fire prevention training for fire prevention inspectors employed by local fire protection agencies.

This bill would require the State Fire Marshal, on or before January 1, 2021, with the involvement of the Statewide Training and Education Advisory Committee, to develop a curriculum, or amend an existing curriculum, for a certification program for fire bosses, as provided.

The bill would require the Department of Forestry and Fire Protection to develop a training program for prescribed fire users to certify professionals in any agency or organization as fire bosses. The bill would require the department to certify these individuals to a common standard.

(7) Existing law requires the Department of Forestry and Fire Protection to do certain things, including, but not limited to, providing fire prevention and firefighting implements and apparatus.

This bill would require the department, by working with specified entities, to enhance the department's education efforts regarding fire prevention and public safety. The bill would authorize the department to establish a grant program, upon appropriation by the Legislature, for these purposes.

(8) Existing law authorizes the state to assume a proportionate share of the costs of site preparation, prescribed burning operations, or other hazardous fuel reduction efforts conducted on wildlands other than wildlands under the jurisdiction of the federal government. Existing law requires the State Board of Forestry and Fire Protection to establish regulations establishing standards to be used by the Director of Forestry and Fire Protection in determining the state's share of the cost. Existing law authorizes the director to accept grants and donations of equipment, materials, or funds from any source for the purpose of supporting or facilitating prescribed burning or other hazardous fuels reduction work, as provided. Existing law authorizes the director to enter into a master agreement with federal land management agencies to conduct joint prescribed burning operations on wild lands and federal lands, as provided.

This bill would delete these provisions.

(9) This bill would make legislative findings and declarations as to the necessity of a special statute for the Sierra-Cascade, central coast, and north coast regions of the state.

(10) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

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

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

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) For millennia, fire has shaped and renewed the ecosystems
4 of California's forest lands. In many parts of the state, historical
5 fire regimes were frequent, with fires occurring as often as every
6 five to 15 years. Some of these fires were naturally ignited by
7 lightning, but fire was also an important tool for Native Americans,
8 who used it to promote the growth of certain plants they relied on
9 for food, medicine, and materials to make baskets, string, and
10 shelter, and which limited the build-up of fuels in forest lands.

11 (b) For more than a century, states and the federal government
12 have adopted fire suppression policies that have resulted in high
13 fuel accumulations and significant ecological impacts on forest
14 lands. This has been reflected in the increasingly severe fire seasons
15 in recent years with more acres burned at high intensity, increased
16 numbers of large-scale catastrophic fires, significant carbon dioxide
17 and other emissions, problematic and dangerous containment and
18 suppression efforts, increased financial costs, and reductions in
19 resiliency and biodiversity of California's fire-adapted ecosystems.
20 In addition, implementation of fire suppression policies has
21 impacted tribal communities throughout the state, and continues
22 to threaten cultural resources, practices, ceremonies, and cultural
23 identity.

24 (c) The 2013 Rim Fire demonstrated the dangers and cost of
25 high fuel accumulations on forest lands. The Rim Fire burned more
26 than 250,000 acres over a period of 69 days, caused at least
27 hundreds of millions of dollars in economic and environmental
28 damage, destroyed significant habitats for a number of California's
29 rarest animals, blanketed large swaths of northern California and
30 northern Nevada with thick smoke impacting 7 million people per
31 day with poor air quality, threatened reservoirs, such as Hetch
32 Hetchy, and demanded more than \$125 million in firefighting
33 costs. The fire caused the Governor to declare states of emergency
34 in the Counties of Mariposa, San Francisco, and Tuolumne, and
35 the President of the United States to make a major disaster

1 declaration. According to federal forest ecologists, the Rim Fire’s
2 exponential growth was tied to a century’s worth of fuel left behind
3 due to historic policies of fire suppression and fire exclusion. The
4 lack of fire over the years had led to overgrown and unhealthy
5 forests. In fact, the fire slowed only after hitting areas that had
6 burned in the past two decades due to prescribed and natural burns.

7 (d) Many states and the federal government have been taking
8 measures to increase the use of prescribed burning as a vegetation
9 management tool to reduce the naturally occurring buildup of
10 vegetative fuels on forest lands, thereby reducing the risk and
11 severity of wildfires and lessening the loss of life and property.
12 The United States Fish and Wildlife Service, Bureau of Indian
13 Affairs, National Park Service, United States Forest Service, United
14 States Bureau of Land Management, and United States Fire
15 Administration are part of an interagency strategy that has adopted
16 direction and guidance for prescribed burn planning and
17 implementation. These agencies have created a formal prescribed
18 fire plan template as part of this effort. Moreover, several states
19 have laws that promote prescribed burning, and approximately
20 one-half of the states in the country have prescribed fire councils.

21 (e) Prescribed burning is recognized as an important tool in the
22 Department of Forestry and Fire Protection’s 2010 Strategic Fire
23 Plan for California. This plan includes the objective of increasing
24 “public education and awareness in support of ecologically
25 sensitive and economically efficient vegetation management
26 activities, including prescribed fire, forest thinning and other fuels
27 treatment projects.”

28 (f) In addition to reducing the frequency and severity of
29 wildfires, prescribed burning of forest lands helps to prepare sites
30 for replanting and natural seeding, to control insects and diseases,
31 and to increase productivity. It is also an important tool for
32 increasing the fire resilience and heterogeneity of California’s
33 diverse landscapes, and for creating, restoring, and maintaining
34 critical habitats, resources, and ecosystem services. Importantly,
35 prescribed burning also supports public health by reducing
36 emissions associated with more catastrophic wildfires.

37 (g) Prescribed burning is often the most cost-effective, efficient
38 fuel treatment option for forest lands. This is especially true in
39 areas dominated by steep terrain or lack of vehicular access. In
40 some circumstances, costs may be a challenge when preburn

1 thinning is required to avoid fire escape during burns. In California,
2 some of these costs may be offset through existing timber harvest
3 permit exemptions (for example, the Forest Fire Prevention Pilot
4 Project Exemption) that allow landowners to harvest timber to
5 offset the cost of thinning or burning.

6 (h) While prescribed burning inherently creates wood smoke,
7 this smoke pales in comparison to the air quality issues created by
8 catastrophic wildfires. Therefore, by reducing the threat of
9 catastrophic wildfires, prescribed burning can have net air quality
10 benefits that are significant to protecting public health.

11 (i) California needs to develop a training curriculum for
12 firefighters to become proficient in prescribed fire and should use
13 certified professionals as fire bosses even while the training
14 curriculum is enhanced.

15 (j) Forest ecosystems are crucial for absorbing and storing
16 atmospheric carbon; however, catastrophic wildfires impede the
17 forest's ability to sequester carbon. Accelerating the pace and scale
18 of prefire treatments, such as prescribed fire, promises to help
19 modify future wildfire impacts and thus protect our forests' ability
20 to sequester carbon.

21 (k) Though prescribed burning is widely recognized as an
22 effective, powerful management tool, it is complex in nature and
23 highly regulated. Despite the fact that prescribed fire is often the
24 only option in portions of California, successful implementation
25 of prescribed burning requires careful planning, specific weather
26 conditions, qualified crews, funding, public support, and
27 compliance with various laws and regulations. These variables can
28 make it difficult for managers to utilize prescribed burning.

29 (l) To limit the threat of catastrophic wildfires and to improve
30 forest health, it is a priority of the state to have an effective
31 prescribed burning program that is developed collaboratively with
32 federal agencies and crafted by prescribed burning experts at state
33 public universities, public agencies, nonprofit entities, private
34 landowners, and other relevant organizations. It is also a priority
35 of the state that a prescribed burning program should assist forest
36 landowners in exercising due diligence to control prescribed
37 burning so as to prevent fire escape. By promoting due diligence,
38 the state will be protecting the public, reducing the risk of
39 landowner liability, and taking steps to encourage more responsible
40 prescribed burning.

1 (m) Considerable expertise exists in universities, resource
2 conservation districts, fire safe councils, and other entities that
3 should be employed more widely and more strategically to provide
4 nonregulatory information to property owners, homeowners, and
5 local governments. This information could relate to defensible
6 space around homes, restoring prescribed fires on a regularized
7 basis to the landscape, information about smoke monitoring from
8 prescribed fires, hardening residences to improve resistance to
9 wildfires, evacuation routes, land management that improves fire
10 resiliency or carbon sequestration, and activities or programs that
11 improve public safety, among other things.

12 SEC. 2. It is the intent of the Legislature to enact legislation
13 that would fund the removal of dead trees that may cause a public
14 safety concern from private homes in areas affected by tree
15 mortality and in high fire hazard severity zones. This may be
16 undertaken in conjunction with local governments, resource
17 conservation districts, and fire safe councils. It is not the intent
18 that this change the responsibility of homeowners to undertake
19 defensible space measures as required by state law and many local
20 ordinances. This incentive to homeowners should be accompanied
21 with greater enforcement of defensible space requirements.

22 SEC. 3. It is the intent of the Legislature to enact legislation
23 to create a cost-share program, a revolving loan program, or a
24 subordinate debt financing mechanism to help homeowners,
25 especially those with limited incomes, who live in high fire hazard
26 zones, state responsibility areas, or areas in which there is a high
27 degree of tree mortality, to retrofit their homes to improve
28 resistance to wildfire. Eligible improvements would include, but
29 would not be limited to, retrofitting windows, vents, soffits, eaves,
30 roofs, decks, and other structural components of a structure. These
31 improvements would be cost effective in that not only would the
32 structures become more fire resistant, but the state's fire
33 suppression costs may be reduced significantly, including the
34 potential elimination of the need to put a fire engine in the driveway
35 of the houses that have been retrofitted. It is the intent that
36 retrofitting pursuant to this section would occur on all structures
37 in the state, including those within homeowners' associations.

38 SEC. 4. Section 51179 of the Government Code is amended
39 to read:

1 51179. (a) A local agency shall designate, by ordinance, very
2 high fire hazard severity zones in its jurisdiction within 120 days
3 of receiving recommendations from the director pursuant to
4 subdivisions (b) and (c) of Section 51178. The local agency shall
5 transmit a copy of the adopted ordinance to the State Board of
6 Forestry and Fire Protection within 30 days of adoption. A local
7 agency shall be exempt from these requirements if ordinances of
8 the local agency, adopted on or before December 31, 1992, impose
9 standards that are equivalent to, or more restrictive than, the
10 standards imposed by this chapter.

11 (b) A local agency may, at its discretion, exclude from the
12 requirements of Section 51182 an area identified as a very high
13 fire hazard severity zone by the director within the jurisdiction of
14 the local agency, following a finding supported by substantial
15 evidence in the record that the requirements of Section 51182 are
16 not necessary for effective fire protection within the area.

17 (c) A local agency may, at its discretion, include areas within
18 the jurisdiction of the local agency, not identified as very high fire
19 hazard severity zones by the director, as very high fire hazard
20 severity zones following a finding supported by substantial
21 evidence in the record that the requirements of Section 51182 are
22 necessary for effective fire protection within the area.

23 (d) Changes made by a local agency to the recommendations
24 made by the director shall be final and shall not be rebuttable by
25 the director.

26 (e) The State Fire Marshal shall prepare and adopt a model
27 ordinance that provides for the establishment of very high fire
28 hazard severity zones.

29 (f) Any ordinance adopted by a local agency pursuant to this
30 section that substantially conforms to the model ordinance of the
31 State Fire Marshal shall be presumed to be in compliance with the
32 requirements of this section.

33 (g) A local agency shall post a notice at the office of the county
34 recorder, county assessor, and county planning agency identifying
35 the location of the map provided by the director pursuant to Section
36 51178. If the agency amends the map, pursuant to subdivision (b)
37 or (c) of this section, the notice shall instead identify the location
38 of the amended map.

39 SEC. 5. Section 65302.5 of the Government Code is amended
40 to read:

1 65302.5. (a) At least 45 days prior to adoption or amendment
2 of the safety element, each county and city shall submit to the
3 California Geological Survey of the Department of Conservation
4 one copy of a draft of the safety element or amendment and any
5 technical studies used for developing the safety element. The
6 division may review drafts submitted to it to determine whether
7 they incorporate known seismic and other geologic hazard
8 information, and report its findings to the planning agency within
9 30 days of receipt of the draft of the safety element or amendment
10 pursuant to this subdivision. The legislative body shall consider
11 the division's findings prior to final adoption of the safety element
12 or amendment unless the division's findings are not available
13 within the above prescribed time limits or unless the division has
14 indicated to the city or county that the division will not review the
15 safety element. If the division's findings are not available within
16 those prescribed time limits, the legislative body may take the
17 division's findings into consideration at the time it considers future
18 amendments to the safety element. Each county and city shall
19 provide the division with a copy of its adopted safety element or
20 amendments. The division may review adopted safety elements
21 or amendments and report its findings. All findings made by the
22 division shall be advisory to the planning agency and legislative
23 body.

24 (b) (1) The draft element of or draft amendment to the safety
25 element of a county or a city's general plan shall be submitted to
26 the State Board of Forestry and Fire Protection and to every local
27 agency that provides fire protection to territory in the city or county
28 at least 90 days prior to either of the following:

29 (A) The adoption or amendment to the safety element of its
30 general plan for each county that contains state responsibility areas.

31 (B) The adoption or amendment to the safety element of its
32 general plan for each city or county that contains a very high fire
33 hazard severity zone as defined pursuant to subdivision (i) of
34 Section 51177.

35 (2) The State Board of Forestry and Fire Protection shall, and
36 a local agency may, review the draft or an existing safety element
37 and recommend changes to the planning agency within 60 days
38 of its receipt regarding both of the following:

39 (A) Uses of land and policies in state responsibility areas and
40 very high fire hazard severity zones that will protect life, property,

1 and natural resources from unreasonable risks associated with
2 wildland fires.

3 (B) Methods and strategies for wildland fire risk reduction and
4 prevention within state responsibility areas and very high fire
5 hazard severity zones.

6 (3) Prior to the adoption of its draft element or draft amendment,
7 the board of supervisors of the county or the city council of a city
8 shall consider the recommendations, if any, made by the State
9 Board of Forestry and Fire Protection and any local agency that
10 provides fire protection to territory in the city or county. If the
11 board of supervisors or city council determines not to accept all
12 or some of the recommendations, if any, made by the State Board
13 of Forestry and Fire Protection or local agency, the board of
14 supervisors or city council shall communicate in writing to the
15 State Board of Forestry and Fire Protection or the local agency,
16 its reasons for not accepting the recommendations.

17 (4) If the State Board of Forestry and Fire Protection's or local
18 agency's recommendations are not available within the time limits
19 required by this section, the board of supervisors or city council
20 may act without those recommendations. The board of supervisors
21 or city council shall take the recommendations into consideration
22 the next time it considers amendments to the safety element.

23 SEC. 6. Section 65352 of the Government Code is amended
24 to read:

25 65352. (a) Before a legislative body takes action to adopt or
26 substantially amend a general plan, the planning agency shall refer
27 the proposed action to all of the following entities:

28 (1) A city or county, within or abutting the area covered by the
29 proposal, and any special district that may be significantly affected
30 by the proposed action, as determined by the planning agency.

31 (2) An elementary, high school, or unified school district within
32 the area covered by the proposed action.

33 (3) The local agency formation commission.

34 (4) An areawide planning agency whose operations may be
35 significantly affected by the proposed action, as determined by the
36 planning agency.

37 (5) A federal agency, if its operations or lands within its
38 jurisdiction may be significantly affected by the proposed action,
39 as determined by the planning agency.

1 (6) (A) The branches of the United States Armed Forces that
2 have provided the Office of Planning and Research with a
3 California mailing address pursuant to subdivision (d) of Section
4 65944, if the proposed action is within 1,000 feet of a military
5 installation, or lies within special use airspace, or beneath a
6 low-level flight path, as defined in Section 21098 of the Public
7 Resources Code, and if the United States Department of Defense
8 provides electronic maps of low-level flight paths, special use
9 airspace, and military installations at a scale and in an electronic
10 format that is acceptable to the Office of Planning and Research.

11 (B) Within 30 days of a determination by the Office of Planning
12 and Research that the information provided by the Department of
13 Defense is sufficient and in an acceptable scale and format, the
14 office shall notify cities, counties, and cities and counties of the
15 availability of the information on the Internet. Cities, counties, and
16 cities and counties shall comply with subparagraph (A) within 30
17 days of receiving this notice from the office.

18 (7) A public water system, as defined in Section 116275 of the
19 Health and Safety Code, with 3,000 or more service connections,
20 that serves water to customers within the area covered by the
21 proposal. The public water system shall have at least 45 days to
22 comment on the proposed plan, in accordance with subdivision
23 (b), and to provide the planning agency with the information set
24 forth in Section 65352.5.

25 (8) Any groundwater sustainability agency that has adopted a
26 groundwater sustainability plan pursuant to Part 2.74 (commencing
27 with Section 10720) of Division 6 of the Water Code or local
28 agency that otherwise manages groundwater pursuant to other
29 provisions of law or a court order, judgment, or decree within the
30 planning area of the proposed general plan.

31 (9) The State Water Resources Control Board, if it has adopted
32 an interim plan pursuant to Chapter 11 (commencing with Section
33 10735) of Part 2.74 of Division 6 of the Water Code that includes
34 territory within the planning area of the proposed general plan.

35 (10) The Bay Area Air Quality Management District for a
36 proposed action within the boundaries of the district.

37 (11) A California Native American tribe that is on the contact
38 list maintained by the Native American Heritage Commission and
39 that has traditional lands located within the city's or county's
40 jurisdiction.

1 (12) The Central Valley Flood Protection Board for a proposed
2 action within the boundaries of the Sacramento and San Joaquin
3 Drainage District, as set forth in Section 8501 of the Water Code.

4 (13) (A) The State Board of Forestry and Fire Protection and
5 every local agency that provides fire protection to territory in the
6 city or county, if the proposed action includes either of the
7 following:

8 (i) The adoption or amendment of the safety element of its
9 general plan for any county that contains a state responsibility
10 area.

11 (ii) The adoption or amendment of the safety element of its
12 general plan for any city or county that contains a very high fire
13 hazard severity zone, as defined in subdivision (i) of Section 51177.

14 (B) A referral made pursuant to this paragraph shall be made
15 no later than the date on which the county or city sends notice of
16 preparation pursuant to Section 21080.4 of the Public Resources
17 Code, if any, for the project.

18 (b) An entity receiving a proposed general plan or amendment
19 of a general plan pursuant to this section shall have 45 days from
20 the date the referring agency mails it or delivers it to comment
21 unless a longer period is specified by the planning agency.

22 (c) (1) This section is directory, not mandatory, and the failure
23 to refer a proposed action to the entities specified in this section
24 does not affect the validity of the action, if adopted.

25 (2) To the extent that the requirements of this section conflict
26 with the requirements of Chapter 4.4 (commencing with Section
27 65919), the requirements of Chapter 4.4 shall prevail.

28 SEC. 7. Section 66474.02 of the Government Code is amended
29 to read:

30 66474.02. (a) Before approving a tentative map, or a parcel
31 map for which a tentative map was not required, for an area located
32 in a state responsibility area or a very high fire hazard severity
33 zone, as both are defined in Section 51177, a legislative body of
34 a county shall, except as provided in subdivision (b), make the
35 following three findings:

36 (1) A finding supported by substantial evidence in the record
37 that the subdivision is consistent with applicable regulations
38 adopted by the State Board of Forestry and Fire Protection pursuant
39 to Sections 4290 and 4291 of the Public Resources Code.

1 (2) A finding supported by substantial evidence in the record
2 that structural fire protection and suppression services will be
3 available for the subdivision through any of the following entities:

4 (A) A county, city, special district, political subdivision of the
5 state, or another entity organized solely to provide fire protection
6 services that is monitored and funded by a county or other public
7 entity.

8 (B) The Department of Forestry and Fire Protection by contract
9 entered into pursuant to Section 4133, 4142, or 4144 of the Public
10 Resources Code.

11 (3) Upon approving a tentative map, or a parcel map for which
12 a tentative map was not required, for an area located in a state
13 responsibility area or a very high fire hazard severity zone, as both
14 are defined in Section 51177, a legislative body of a county shall
15 transmit a copy of the findings required in this subdivision and
16 accompanying maps to the State Board of Forestry and Fire
17 Protection.

18 (b) (1) Subdivision (a) does not apply to the approval of a
19 tentative map, or a parcel map for which a tentative map was not
20 required, that would subdivide land identified in the open space
21 element of the general plan for the managed production of
22 resources, including, but not limited to, forest land, rangeland,
23 agricultural land, and areas of economic importance for the
24 production of food or fiber, if the subdivision is consistent with
25 the open space purpose and if, for the subdivision of land that
26 would result in parcels that are 40 acres or smaller in size, those
27 parcels are subject to a binding and recorded restriction prohibiting
28 the development of a habitable, industrial, or commercial building
29 or structure. All other structures shall comply with defensible space
30 requirements described in Section 51182 of this code or Sections
31 4290 and 4291 of the Public Resources Code.

32 (2) Any later approval to remove a binding restriction placed
33 as a condition of a tentative map, or a parcel map for which a
34 tentative map was not required, that would allow the development
35 of a building or structure for a parcel that has previously been
36 exempted from the requirements of subdivision (a) pursuant to
37 paragraph (1) of this subdivision shall be subject to the
38 requirements of subdivision (a).

39 (c) This section does not supersede regulations established by
40 the State Board of Forestry and Fire Protection or local ordinances

1 that provide equivalent or more stringent minimum requirements
2 than those contained within this section.

3 SEC. 8. Section 13008 of the Health and Safety Code is
4 amended to read:

5 13008. (a) A person who allows a fire burning upon his or her
6 property to escape to the property of another, whether privately or
7 publicly owned, without exercising due diligence to control the
8 fire, is liable to the owner of the property for the damages to the
9 property caused by the fire.

10 (b) Compliance with an agreement entered into pursuant to
11 Article 2 (commencing with Section 4475) of Chapter 7 of Part 2
12 of Division 4 of the Public Resources Code shall constitute prima
13 facie evidence of due diligence.

14 SEC. 9. Section 13055 of the Health and Safety Code is
15 amended to read:

16 13055. A public agency authorized to engage in fire protection
17 activities, including, but not limited to, a fire protection district,
18 city, city and county, or county fire department, the Department
19 of Forestry and Fire Protection, and the United States Forest
20 Service, or a person authorized pursuant to Article 3 (commencing
21 with Section 4491) of the Public Resources Code, may use fire to
22 abate a fire hazard.

23 SEC. 10. Section 4114.3 is added to the Public Resources Code,
24 to read:

25 4114.3. The department shall actively engage University of
26 California Extension Services, fire safe councils, resource
27 conservation districts, and any other entity with demonstrated
28 expertise to enhance its public education efforts regarding fire
29 prevention and public safety. These public education efforts shall
30 include, but are not limited to, educational activities regarding
31 community wildfire protection plans, community fire safe councils,
32 community and private chipping days, defensible space, prescribed
33 fires, hardened residences, compliance with building standards,
34 evacuation routes, activities that promote fire resiliency or achieve
35 carbon-sequestration benefits in the wildland-urban interface and
36 other forest lands, and activities that promote public safety. For
37 purposes of this section, the department shall establish a grant
38 program, upon appropriation by the Legislature, which may include
39 a cost-share program with local government.

1 SEC. 11. The heading of Article 2 (commencing with Section
2 4475) of Chapter 7 of Part 2 of Division 4 of the Public Resources
3 Code is amended to read:

4
5 Article 2. Department of Forestry Burning Agreements
6

7 SEC. 12. Section 4475 of the Public Resources Code is
8 amended to read:

9 4475. (a) The director may enter into an agreement, including
10 a grant agreement, for prescribed burning or other hazardous fuel
11 reduction that is consistent with this chapter and the regulations
12 of the board with either the owner or any other person who has
13 legal control of any property, any public agency with regulatory
14 or natural resource management authority over any property,
15 including the federal government, that is included within any
16 wildland, or any nonprofit organization for any of the following
17 purposes, or any combination of those purposes:

18 (1) Prevention of high-intensity wildland fires through reduction
19 of the volume and continuity of wildland fuels.

20 (2) Watershed management.

21 (3) Range improvement.

22 (4) Vegetation management.

23 (5) Forest improvement.

24 (6) Wildlife habitat improvement.

25 (7) Air quality maintenance.

26 (b) An agreement shall not be entered into pursuant to this
27 section unless the director determines that the public benefits
28 estimated to be derived from the prescribed burning or other
29 hazardous fuel reduction pursuant to the agreement will be equal
30 to or greater than the foreseeable damage that could result from
31 the prescribed burning or other hazardous fuel reduction.

32 SEC. 13. Section 4475.1 of the Public Resources Code is
33 repealed.

34 SEC. 14. Section 4475.5 of the Public Resources Code is
35 repealed.

36 SEC. 15. Section 4476 of the Public Resources Code is
37 amended to read:

38 4476. An agreement that is entered into pursuant to this article
39 shall do all of the following:

1 (a) Vest in the director the final authority to determine the time
2 during which wildland fuel and structural fire hazards may be
3 burned to minimize the risk of escape of a fire set in a prescribed
4 burning operation and to facilitate maintenance of air quality.

5 (b) Except as provided in subdivision (b) of Section 4481,
6 designate an officer of the department as the fire boss with final
7 authority to approve and amend the plan and formula applicable
8 to a prescribed burning operation, to determine that the site has
9 been prepared and the crew and equipment are ready to commence
10 the operation, and to supervise the work assignments of
11 departmental employees and all personnel furnished by the person
12 contracting with the department until the prescribed burning is
13 completed and all fire is declared to be out.

14 (c) Specify the duties of, and the precautions taken by, the
15 person contracting with the department and any personnel furnished
16 by that person.

17 (d) Provide that any personnel furnished by a person contracting
18 with the department to assist in any aspect of site preparation or
19 prescribed burning or other hazardous fuel reduction shall be an
20 agent of that person for all purposes of workers' compensation.
21 However, any volunteer recruited or used by the department to
22 suppress a wildland fire originating or spreading from a prescribed
23 burning operation is an employee of the department for all purposes
24 of workers' compensation.

25 (e) Provide that the department may, in its discretion, purchase
26 a third-party liability policy of insurance that provides coverage
27 against loss resulting from a wildland fire sustained by any person
28 or public agency, including the federal government. The amount
29 of the policy, if purchased, shall be determined by the director.
30 The policy shall name the person contracting with the department
31 and the department as joint policyholders. A certificate of
32 insurance, if purchased, covering each policy shall be attached to
33 or become a part of the agreements. If the department elects not
34 to purchase insurance, the department shall either (1) agree to
35 indemnify and hold harmless the person or public agency
36 contracting with the department with respect to liability arising
37 out of performance of the agreement or (2) in the agreement,
38 provide for the proportionate share of liability between the
39 department and the person or public agency contracting with the

1 department with respect to potential liability arising out of
2 performance of the agreement.

3 (f) Provide that the department shall be fully responsible for
4 prescribed burns initiated at the department's request, with the
5 consent of the landowner, for training or other purposes on lands
6 owned by a nonprofit organization or other public agencies.

7 SEC. 16. Section 4477 of the Public Resources Code is
8 repealed.

9 SEC. 17. Section 4477 is added to the Public Resources Code,
10 to read:

11 4477. (a) On or before January 1, 2021, the State Fire Marshal,
12 with the involvement of the Statewide Training and Education
13 Advisory Committee, shall develop a curriculum for, or amend
14 into in an existing curriculum, a certification program for fire
15 bosses, who, pursuant to Section 4476, possess authority to engage
16 in a prescribed burning operation and to enter into the necessary
17 contracts related to a prescribed burning operation. The curriculum
18 shall provide for the initial certification as well as the continuing
19 education of fire bosses. It is the intent of the Legislature that this
20 curriculum become a regular part of the training of firefighters
21 conducted by the Department of Forestry and Fire Protection and
22 all other appropriate accredited training providers.

23 (b) In addition to the curriculum and certification program
24 developed pursuant to subdivision (a), the department shall develop
25 a training program for prescribed fire users to certify professionals
26 in any agency or organization as fire bosses. The department shall
27 certify these individuals to a common standard. It is the intent of
28 the Legislature that the department use its discretion to ensure that
29 fire bosses are thoroughly qualified to engage in prescribed burning
30 operations prior to issuing certifications.

31 SEC. 18. Section 4478 of the Public Resources Code is
32 repealed.

33 SEC. 19. Section 4479 of the Public Resources Code is
34 amended to read:

35 4479. Liability for any costs incurred by the department in
36 suppressing any wildland fire originating or spreading from a
37 prescribed burning operation conducted pursuant to an agreement
38 entered into pursuant to this article shall be governed by
39 subdivision (b) of Section 13009 of the Health and Safety Code.

1 SEC. 20. Section 4480 of the Public Resources Code is
2 repealed.

3 SEC. 21. Section 4481 is added to the Public Resources Code,
4 to read:

5 4481. (a) A person possessing a valid fire boss certification
6 as approved by the California Incident Command Certification
7 System or the National Wildlife Coordinating Group may apply
8 for a permit pursuant to Section 4492 on behalf of a person or
9 entity listed in Section 4492.

10 (b) The director may appoint a fire boss with valid fire boss
11 certification, as described in subdivision (a), who is not an officer
12 of the department, for purposes of subdivision (b) of Section 4476.

13 (c) For purposes of this article, the terms “burn boss” and “fire
14 boss” are interchangeable.

15 (d) This section shall remain in effect only until January 1, 2039,
16 and as of that date is repealed.

17 SEC. 22. Section 4482 is added to the Public Resources Code,
18 to read:

19 4482. The department shall cooperate with private and public
20 landowners in prescribed fire activities including, but not limited
21 to, site preparation, and other preburn planning and activities. To
22 the extent feasible, the department shall also schedule its personnel,
23 including seasonal staff, to provide all appropriate services to assist
24 in prescribed burning operations. These activities shall utilize the
25 California Conservation Corps, local conservation corps, and
26 California minimum-custody inmates. The department may
27 consider establishing one or more separate units to assist with
28 annual prescribed burning operations. The department’s funding
29 for prescribed fires shall come from existing resources, and shall
30 not diminish the department’s fire suppression activities.

31 SEC. 23. Section 4483 is added to the Public Resources Code,
32 to read:

33 4483. (a) To the extent feasible, the board’s Vegetation
34 Treatment Program Programmatic Environmental Impact Report,
35 when certified, shall serve as the programmatic environmental
36 document for prescribed fires initiated by the department or by a
37 third party for a public purpose pursuant to Section 4491.

38 (b) The application of subdivision (a) shall be limited to
39 prescribed fires that occur in the Sierra-Cascade, central coast, and
40 north coast regions of the state.

1 (c) It is the intent of the Legislature that this section alleviate
2 the need for each prescribed fire project to independently comply
3 with the California Environmental Quality Act (Division 13
4 (commencing with Section 21050)), and instead only require
5 analysis and mitigation of those environmental impacts not
6 analyzed or mitigated in the programmatic environmental document
7 described in subdivision (a).

8 SEC. 24. Article 4 (commencing with Section 4495) is added
9 to Chapter 7 of Part 2 of Division 4 of the Public Resources Code,
10 to read:

11
12 Article 4. Air Quality and Prescribed Burns Program
13

14 4495. (a) In coordination with local air pollution control and
15 air quality management districts, the department and the State Air
16 Resources Board shall develop and fund a program, upon
17 appropriation by the Legislature, to enhance air quality and smoke
18 monitoring, and to provide a public awareness campaign regarding
19 prescribed burns. The program may include, but not be limited to,
20 purchasing new, year-round air quality monitors. The program
21 shall include adequate funding, upon appropriation by the
22 Legislature, for local air pollution control and air quality
23 management district participation and implementation costs.

24 ~~(b) The State Air Resources Board shall ensure that, to the~~
25 ~~maximum extent practicable, local air pollution control and air~~
26 ~~quality management districts are engaged and invited to participate~~
27 ~~in the development of the program pursuant to this section and~~
28 ~~that the funding needs of these local districts to implement this~~
29 ~~program are addressed.~~

30 SEC. 25. The Legislature finds and declares that a special
31 statute, pursuant to Section ~~22~~ 23 of this act, is necessary and that
32 a general statute cannot be made applicable within the meaning
33 of Section 13 of Article IV of the California Constitution because
34 of the unique urgency in the Sierra-Cascade, central coast, and
35 north coast regions relating to their wildfire risk due to tree
36 mortality issues affecting the regions.

37 SEC. 26. No reimbursement is required by this act pursuant to
38 Section 6 of Article XIII B of the California Constitution because
39 a local agency or school district has the authority to levy service
40 charges, fees, or assessments sufficient to pay for the program or

1 level of service mandated by this act, within the meaning of Section
2 17556 of the Government Code.
3 However, if the Commission on State Mandates determines that
4 this act contains other costs mandated by the state, reimbursement
5 to local agencies and school districts for those costs shall be made
6 pursuant to Part 7 (commencing with Section 17500) of Division
7 4 of Title 2 of the Government Code.

O