

BOARD MEETING DATE: May 3, 2019

AGENDA NO. 22

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a meeting on Friday, April 12, 2019. The following is a summary of the meeting.

Agenda Item	Recommendation/Action
*AB 836 (Wicks) Bay Area <u>Wildfire Smoke Clean Air Centers for Vulnerable Populations Incentive Program</u>	Support
AB 1500 (Carrillo) Hazardous substances	Support with Amendments
*SB 44 (Skinner) Medium-duty and heavy-duty vehicles: comprehensive strategy	Support with Amendments
SB 633 (Stern) Santa Susana Field Laboratory: monitoring program	Support
S 747 (Carper) To Reauthorize the Diesel Emissions Reduction Program, and for Other Purposes	Support

*The bill title and language of AB 836 (Wicks) and SB 44 (Skinner) were amended.

RECOMMENDED ACTION:

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

Judith Mitchell, Chair
Legislative Committee

Committee Members

Present: Mayor Judith Mitchell/Chair

Council Member Joe Buscaino/Vice Chair (videoconference)

Dr. William A. Burke (videoconference)

Dr. Clark E. Parker, Sr. (videoconference)

Supervisor V. Manuel Perez (videoconference)

Supervisor Janice Rutherford (videoconference)

Call to Order

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

DISCUSSION ITEMS:

1. Update on Federal Legislative Issues

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

Mr. Dave Ramey of Kadesh & Associates reported on the Congressional process to set spending levels through a budget resolution and the ensuing appropriations bills. He reported that the Appropriations Committees are likely to begin work on their spending bills in anticipation that agreement will be reached on the overall budget caps.

Mr. Gary Hoitsma of Carmen Group reported that President Trump and House Speaker Pelosi are supposed to meet in the next few weeks to discuss a potential infrastructure bill. He also reported that U.S. EPA Administrator Andrew Wheeler has indicated that the rule for Corporate Average Fuel Economy standards is undergoing changes based on comments received and may be out in mid-June.

Council Member Joe Buscaino asked how the infrastructure bill would impact South Coast AQMD. He further inquired if the border wall proposed by the Administration would have an impact on the infrastructure bill.

Mr. Hoitsma responded that there is no infrastructure bill yet, so impacts are unknown. He added that the border wall would not likely affect an infrastructure bill as they are separate issues. The challenge is how to fund the estimated \$1 to \$2 trillion infrastructure bill as it is not likely that action on a federal gas tax would occur before the 2020 election.

Ms. Amelia Jenkins of Cassidy & Associates added that the House Ways and Means Committee is beginning to look at funding mechanisms, but that it is early in the discussions. An infrastructure bill will likely include issues such as how to tax electric vehicles and heavy-duty trucks. She said there is also discussion on whether cleaner trucks should be taxed differently.

Mayor Mitchell asked if the infrastructure bill would rely on the initial concept of heavy leveraging with matching local funding. Mr. Hoitsma replied that it would more likely be a federal funding approach.

Ms. Jenkins concluded her report as the information was included in the previous discussion and in written format.

2. Update on State Legislative Issues

South Coast AQMD's state legislative consultants (Joe A. Gonsalves & Son, Quintana, Watts and Hartman, and California Advisors, LLC) each provided written reports on various key issues in Sacramento.

Mr. Paul Gonsalves of Joe A. Gonsalves & Son stated that the state legislative spring recess began on April 11, with legislators returning to Sacramento on Monday, April 22. The deadline for fiscal bills to be passed out of policy committees to the appropriations committees is April 26, and the deadline for all non-fiscal bills to be passed out of policy committees to the floor is May 3.

Ms. Caity Maple of Quintana of Watts and Hartman informed the Committee that SB 1 (Atkins) has passed through two policy committees and has most recently been referred to the Senate Judiciary Committee. Further, AB 210 (Voepel) was set for hearing, but the author pulled it from Committee and has made it a two-year bill due to opposition.

Mr. Ross Buckley of California Advisors LLC reported that the budget process is in progress with budget subcommittee meetings taking place. This effort is in anticipation of the Governor's May Revise Budget which will be released next month with updated revenue forecasts. This overall process leads up to the June 15th budget passage deadline.

3. Update on Legislation Regarding Voting District Authorization for Clean Air

Mr. Philip Crabbe, Public Affairs Manager, provided an update regarding the South Coast AQMD-sponsored Voting District Authorization for Clean Air bill.

SB 732 (Allen) was amended from its spot bill form into more substantive content on March 27. Consequently, the bill was referred to the Senate Governance and Finance Committee and was set for an April 24 hearing.

Mr. Crabbe informed the Committee that as staff has continued to communicate with interested stakeholders regarding this effort, negative feedback continued, particularly from local governments and transportation agencies regarding concerns about diverting sales tax revenue from other interests.

As a result, staff believes it is best to put a pause on the bill, and focus more on collaboration and education with stakeholders regarding the air quality problem and the dire need for funding, weigh pros and cons and build more consensus on how this problem can be addressed. Staff has asked Senator Allen to pull the bill from Committee and are currently awaiting confirmation regarding this course of action.

Supervisor Rutherford stated that she is providing bill language regarding the inclusion of a tax oversight committee to staff and indicated that she is interested in having such language included in any future related legislation.

Mayor Mitchell directed staff to review and assess the provided bill language for possible inclusion in any future related bill, and provide recommendations to the Committee at the appropriate time. Dr. Burke expressed an interest in having staff review the proposed language, but has no objection to the language being added. Supervisor Perez also expressed support for adding the accountability language to the bill. Supervisor Perez also commended the staff for adjusting their approach to this effort based on feedback to the bill.

ACTION ITEMS:

4. Recommend Position on State and Federal Bills:

AB 836 (Wicks) Bay Area Clean Air Incentive Program

Ms. Denise Peralta Gailey, Public Affairs Manager, presented AB 836 to the Committee. The bill would establish a statewide program that would identify ventilation spaces which the bill refers to as “clean air centers” – public centers like schools, community centers, senior centers, etc. - that would be accessible to the public during wildfires or other smoke events. This would be done through an incentive program that provides funding for these facilities to improve their indoor air filtration systems. This bill aligns with the goals of South Coast AQMD in protecting public health during wildfires.

Mayor Mitchell commented that the bill was originally going to target the Bay Area and has now been expanded to be statewide.

Mr. Wayne Nastri, Executive Officer, commented that with regard to clean air centers, South Coast AQMD has, through the IQAir Program, installed a number of clean air filtration systems for schools. The intent of the legislation is consistent with what South Coast AQMD has been working on and why staff supports.

Mayor Mitchell commented that wildfires will continue to be a concern and there is good reason to think about clean air centers especially for vulnerable communities.

Staff recommended a position of SUPPORT on this item.

Moved by Perez; seconded by Parker; unanimously approved

Ayes: Burke, Buscaino, Mitchell, Parker, Perez, Rutherford

Noes: None

Abstain: None

Absent: None

AB 1500 (Carrillo) Hazardous substances

Ms. Peralta Gailey presented AB 1500 to the Committee. The bill would expand the authority of a Certified Unified Program Agency or Local Health Officer to temporarily suspend the permit, including the shutdown of a facility, if conditions at the facility pose an imminent or substantial endangerment to public health and safety. Under AB 1132, South Coast AQMD has the authority to take immediate action on air quality issues when an imminent and substantial danger to the public has been identified. She added that staff recommends the addition of amendments to ensure that AB 1500 does not conflict with South Coast AQMD's existing authority.

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

Moved by Burke; seconded by Parker; unanimously approved

Ayes: Burke, Buscaino, Mitchell, Parker, Perez, Rutherford

Noes: None

Abstain: None

Absent: None

SB 44 (Skinner) Medium-duty and heavy-duty vehicles: comprehensive strategy

Mr. Crabbe presented SB 44 to the Committee. This bill would require that CARB develop a comprehensive strategy for the deployment of medium- and heavy-duty vehicles in the state in order to bring the state into compliance with federal air quality standards, and to reduce motor vehicle greenhouse gas (GHG) emissions by 40 percent by 2030, and by 80 percent by 2050.

Recent amendments altered this bill. Rather than requiring a 10% allocation of Greenhouse Gas Reduction Funds (GGRF), the bill now provides for funding upon appropriation by the Legislature, from the GGRF and other sources to CARB for the California Clean Truck, Bus, and Off-Road Vehicle Program to support commercialization and deployment of medium- and heavy-duty vehicles that reduce GHG emissions.

This bill is aligned with South Coast AQMD's priorities to reduce criteria pollutant and toxic emissions, facilitate attainment of federal air quality standards within the South Coast region, as well as reduce GHG emissions within the South Coast region and the state.

Staff would like to work with the author to suggest adjustments to the bill, as follows:

- Specifically reference “local air districts”;
- Seek a 20 percent allocation of GGRF funds rather than 10 percent; and
- Direct funds to support the commercialization and deployment of medium and heavy-duty vehicles that reduce criteria pollutant and toxic emissions, in addition to reducing GHG emissions.

Dr. Parker inquired about the funding source for the bill. Mr. Crabbe explained that the funding source was left flexible to include both the GGRF and other sources, subject to appropriation by the Legislature. Dr. Parker also inquired as to whether the goals of the bill were changed when the funding allocation language was amended. Mr. Crabbe responded that the purpose is the same.

Mr. Nastri commented that the biggest challenges with respect to air pollution are in the mobile source sector. The ability to commercialize and deploy clean trucks through investments is needed to reach attainment of federal air standards. This bill proposes actions that support implementation of the AQMP. Staff recommends seeking amendments to include reference to the reduction of criteria toxic pollutant emissions, along with GHG emissions, as well as adding back in a request for a specific funding allocation.

Mr. Harvey Eder with the Public Solar Power Coalition provided public comment regarding building decarbonization and expressed support for solar renewables. He also advocated for solar tax credits.

Staff recommended a position of SUPPORT on this item. After discussion the Committee recommended a position of SUPPORT WITH AMENDMENTS on this item.

Moved by Perez; seconded by Rutherford; unanimously approved

Ayes: Burke, Buscaino, Mitchell, Parker, Perez, Rutherford

Noes: None

Abstain: None

Absent: None

SB 633 (Stern) Santa Susana Field Laboratory: monitoring program

Mr. Crabbe presented SB 633 to the Committee. This bill would require the Office of Environmental Health Hazard Assessment, on or before July 1, 2020, in coordination with entities, including the South Coast AQMD, to develop and implement a monitoring program to collect data on contaminants from the Santa Susana Field Laboratory that could migrate to and pollute surrounding areas.

Mr. Crabbe explained that although the Santa Susana Field Laboratory is located primarily within Ventura County, it is near the border and may be upwind of Los Angeles County. Staff believes that there is a possibility of air impacts with respect to the West San Fernando and Santa Clarita Valley area.

Given the potential impact on the South Coast region, a technical consultation role by South Coast AQMD would be appropriate. This bill is in line with South Coast AQMD's mission to protect public health and air quality as it impacts communities within the South Coast region.

Staff recommended a position of SUPPORT on this item.

Moved by Perez; seconded by Parker; unanimously approved

Ayes: Burke, Buscaino, Mitchell, Parker, Perez, Rutherford

Noes: None

Abstain: None

Absent: None

S 747 (Carper) To Reauthorize the Diesel Emissions Reduction Program, and for Other Purposes

Ms. Lisa Tanaka O'Malley, Senior Public Affairs Manager, presented on S 747 to the Committee. The bill would reauthorize the Diesel Emissions Reduction Act (DERA) program for five years until 2024 at a level of \$100 million per year. The bill also would clarify that typical vehicles, engines, equipment and fleet use varies throughout the United States. Additionally, S 747 would reallocate unused state funds to the National Competitive DERA grant program.

Dr. Parker inquired if it would be possible to seek an amendment that would reallocate the unused state funds to areas with extreme or severe attainment issues.

Mr. Nastri responded that in order to garner Congressional passage for the original authorization of DERA, there was a broad coalition of stakeholders from all over the nation. In order to maintain support for the program the approach has been to maintain the nationwide coalition of interests.

Staff recommended a position of SUPPORT on this item.

Moved by Parker; seconded by Rutherford; unanimously approved

Ayes: Burke, Buscaino, Mitchell, Parker, Perez, Rutherford

Noes: None

Abstain: None

Absent: None

OTHER MATTERS:

5. Other Business

There was no other business.

6. Public Comment Period

Mr. Eder expressed support for an equitable and just solar transition as soon as possible. He recommended that all relevant legislation should require solar and be equitable for people with low income. He also expressed opposition to the use of natural gas in vehicles.

7. Next Meeting Date

Mayor Mitchell mentioned that there is no meeting in May. The next regular Legislative Committee meeting is scheduled for Friday, June 14, 2019 at 9:00 a.m.

Adjournment

The meeting adjourned at 9:51 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 Bills

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT LEGISLATIVE COMMITTEE MEETING ATTENDANCE RECORD – April 12, 2019

Mayor Judith Mitchell.....	SCAQMD Board Member
Council Member Joe Buscaino (videoconference)	SCAQMD Board Member
Dr. William A. Burke (videoconference).....	SCAQMD Board Member
Dr. Clark E. Parker, Sr. (videoconference).....	SCAQMD Board Member
Supervisor V. Manuel Perez (videoconference)	SCAQMD Board Member
Supervisor Janice Rutherford (videoconference).....	SCAQMD Board Member
Ron Ketcham	Board Consultant (McCallon)
Andy Silva	Board Consultant (Rutherford)
Gary Hoitsma (teleconference)	Carmen Group, Inc.
Amelia Jenkins (teleconference).....	Cassidy & Associates
Dave Ramey (teleconference).....	Kadesh & Associates
Caity Maple (teleconference).....	Quintana, Watts and Hartman
Ross Buckley (teleconference).....	California Advisors, LLC
Paul Gonsalves (teleconference).....	Joe A. Gonsalves & Son
Curtis Coleman	Southern California Air Quality Alliance
Harvey Eder	Public Solar Power Coalition
Thomas Gross	Southern California Edison
Bill LaMarr	California Small Business Alliance
Rita Loof	RadTech
Bridget McCann.....	Western States Petroleum Association
David Rothbart.....	Los Angeles County Sanitation Districts
Tammy Yamasaki	Southern California Edison
Derrick Alatorre	SCAQMD Staff
Barbara Baird.....	SCAQMD Staff
Philip Crabbe	SCAQMD Staff
Amir Dejbakhsh	SCAQMD Staff
Philip Fine.....	SCAQMD Staff
Denise Peralta Gailey.....	SCAQMD Staff
Stacy Garcia	SCAQMD Staff
Jack Cheng	SCAQMD Staff
Monika Kim.....	SCAQMD Staff
Matt Miyasato	SCAQMD Staff
Nahal Mogharabi	SCAQMD Staff
Ron Moskowitz.....	SCAQMD Staff
Wayne Nastri	SCAQMD Staff
Robert Paud.....	SCAQMD Staff
Sarah Rees.....	SCAQMD Staff
Mary Reichert	SCAQMD Staff
Jeanette Short.....	SCAQMD Staff
Lisa Tanaka O'Malley	SCAQMD Staff
Todd Warden	SCAQMD Staff
Kim White.....	SCAQMD Staff
Jill Whynot.....	SCAQMD Staff
Paul Wright	SCAQMD Staff

ATTACHMENT 2

SCAQMD Report for the April 2019 Legislative Meeting covering March 2019 Kadesh & Associates

Overview-

March was focused on follow-up to the trip to Washington by the SCAQMD Board and senior staff and the release of the Administration's Fiscal Year 2020 Federal Budget.

Federal Budget for Fiscal Year 2020-

The Trump Administration released its Fiscal Year (FY) 2020 Budget for the Federal government the week of March 10, a six-week delay from the planned original release date. The Administration rolled out its FY20 budget request over the course of two weeks; top line numbers and skeletal information was released on March 4, followed by a deeper dive on March 11. Technically, the President's budget request adheres to the Budget Control Act or "BCA11" sequester spending limits for FY20: \$576 billion for defense and \$542 billion for non-defense discretionary. If enacted, this would mean cuts of 11 percent to defense and 9.2 percent to non-defense accounts. The budget request, however, proposes using about \$165 billion in the Overseas Contingency Operations account to increase defense spending to \$750 billion while at the same time holding non-defense accounts to the BCA11 level. The House and Senate appropriations committee have started their FY20 hearings, but no clear path forward in terms of spending levels for FY20 have been established.

Congressional Action on the FY20 Budget-

As of the close of March, lawmakers continue to put off decisions about FY 2020 spending levels, as the Senate's budget resolution effectively takes no stance on the matter and House Budget Chairman John Yarmuth (D-Ky.) delayed a decision on whether to produce his own resolution.

The Senate Budget Committee advanced Chairman Mike Enzi's (R-Wyo.) budget resolution on a party-line 11-9 vote, punting on the question of discretionary spending levels. The resolution lists the Budget Control Act (Public Law 112-25) spending levels, though Enzi has said he expects a deal to raise the caps to significantly higher levels. Senator Patty Murray (D-Wash.) unsuccessfully pushed for a measure in the resolution calling for a roughly equal increase in defense and non-defense discretionary spending, making explicit the committee's support for a caps deal that lawmakers in both parties say they want. That measure was rejected in a 9-11 vote. Without a caps deal, non-defense discretionary spending would be cut 9 percent and defense spending would be cut 11 percent.

Senate lawmakers did agree to add 18 nonbinding measures calling for additional legislation on health care, taxes, defense spending and disaster response, among other topics. Fourteen of those amendments had bipartisan support. The amendments added deficit-neutral reserve funds into the budget resolution. These non-binding measures could make it easier to pass legislation, if the budget resolution is adopted, by exempting the bills from points of order on the floor. They mostly serve as a messaging document.

Senate Budget Committee members agreed to add deficit-neutral reserve funds calling for the following legislation:

- Health-care coverage for those with pre-existing conditions;

- Funds for Homeland Security to address an influx of families at the southern border;
- Prescription drugs cost reduction;
- A requirement for the Defense Department to pass an audit;
- An analysis of climate threats to military installations, among others;
- A block on the use of crime-victim grant money for unrelated purposes;
- Establishment of a federal debt-to-GDP goal;
- Permission for Senators to opt out of the pension plan while using a Senate health-care plan;
- The promotion of affordable housing;
- Ensured access to safe and healthy housing for military service members and families;
- A requirement for more cooperation among agencies with state governments in responding to disasters, and a call for a greater focus on Missouri River flooding;
- Restoration of the Everglades, which Senator Rick Scott (R-Fla.) said he hoped would lead to a bill to provide \$200 million.

House Budget Outlook-

House Budget Chairman Yarmuth's decision on whether to produce his own budget resolution will wait until the first week of April. Chairman Yarmuth told reporters he hopes to mark up the budget and take it to the House floor a week later, because the Appropriations Committee wants to mark up its bills soon after the next congressional recess, which begins the week of April 15. Lawmakers return from that break April 29. Democrats agree a non-defense spending increase should be larger than for defense spending, Chairman Yarmuth said, but are divided over how much. Yarmuth said he's proposed calling for an additional \$2 trillion in revenue over the next 10 years, but some moderate Blue Dog Democrats don't want to vote for a tax increase.

Air Quality and Environmental Budget News-

Climate Policy Costs: Republicans tried — and failed — to require the House Select Committee on the Climate Crisis to include cost analysis alongside any policy recommendations it makes. But the back-and-forth, during the first meeting of the new Committee, were the opening shots in a fight likely to persist between Republicans and Democrats on the panel over the cost of climate policies versus the cost of inaction on climate change. The panel is tasked with making policy and other recommendations related to climate change by March 31, 2020.

Senate Democrats say they'll create their own informal panel on climate change that will hear from witnesses and do other work to put a focus on greenhouse gas emissions. The group will be chaired by Democratic Senator Brian Schatz of Hawaii and its more than half-dozen members will include Jeff Merkley, Tina Smith, Ed Markey, Michael Bennet and others. The group is part of an effort by Minority Leader Schumer to let Democrats support an initiative after most of them voted "present" on a political vote forced by Senate Majority Leader Mitch McConnell on the Green New Deal. The informal climate committee will have no staff or ability to use hearing rooms or other official resources, so it's work will be messaging opportunities.

Washington, DC Advocacy Trip follow up-

Follow up on three days of successful meetings both on and off Capitol Hill that were carried out by three members of the SCAQMD Board, the Executive Officer and leadership staff in February included scoping out possible site visits and field hearings as well as legislative issues in conjunction with SCAQMD staff.

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MEMORANDUM

To: South Coast AQMD Legislative Committee

From: Carmen Group

Date: March 28, 2019

Re: Federal Update -- Executive Branch

Trump's Proposed Budget Cuts at EPA, DOE and DOT: In a repeat scenario from last year and the year before, the release in March of the President's annual budget proposal -- including drastic proposed budget cuts to agencies such as the Environment Protection Agency, the Department of Energy and the Department of Transportation -- was not met with enthusiasm on Capitol Hill where there is full knowledge that in almost all cases, nothing of the kind is going to be approved, especially in the current divided Congress. This includes the \$2.7 billion (31 percent) cut to the EPA's budget -- the largest cut to any agency -- incorporating drastic cuts to DERA and the elimination of the Targeted Airshed Grant program, for example. It also includes a \$2 billion proposed cut to the DOE's Energy Efficiency and Renewable Energy (EERE) office, the proposed elimination of the ARPA-E program and the complete elimination of the tax credit for electric vehicles. In all these cases and more, Congress will be working throughout the year in the appropriations cycle to put its own very different stamp on all these programs and more.

FTA Announces Funding Opportunity for "Low-No" Transit Buses: In a Federal Register notice on March 20, the US Department of Transportation's Federal Transit Administration (FTA) announced that \$85 million will be available in FY 2019 for the Low or No-Emission (Low-No) Bus Program. The program helps fund bus fleet turnovers to low- and no-emission buses and related charging infrastructure, and has helped bus programs in cities across the country (including several in California) over the past few years. Projects are evaluated by criteria that include the applicant's demonstration of need, the project's benefits, the project implementation strategy, and capacity for implementing the project. Proposals are due on May 14, 2019.

EPA Issues Proposed Rule on Year-Round E15: On March 12, the EPA proposed regulatory changes to allow gasoline blended with up to 15 percent ethanol (E15) to be sold year-round rather than just eight months of year as is currently the case. The action, which had been promised by President Trump largely to help the ethanol industry, puts the agency on schedule to finalize and implement the rule in time for this year's heavy summer months' driving season.

U.S. Driving and Freight Volumes Setting Records: The U.S. Department of Transportation's Federal Highway Administration (FHWA) released new data in March showing that total U.S. driving in 2018 surged to a record-setting 3.225 trillion vehicle-miles traveled (VMT), which is more than 12 billion miles over the previous year. The data also show that demand for cargo and delivery services are also setting records. In 2017 and 2018, the U.S. saw more demand for freight than ever before. In December 2018, the Freight Transportation Services Index (TSI) was up 2.9 percent from December 2017 and up 9.8 percent from December 2016, according to the Bureau of Transportation Statistics. The new data published in FHWA's latest "Traffic Volume Trends" report – a monthly estimate of U.S. road travel—show that, combined, all miles driven on public roads and highways in 2018 is the highest on record. It is also the fifth year in a row to top 3 trillion miles traveled.

EPA and Customs Announce Vehicle Emission Enforcement Actions at CA Ports:

In March, the U.S. Environmental Protection Agency (EPA) and U.S. Customs and Border Protection (CBP) announced major enforcement actions at the Ports of Los Angeles and Long Beach targeting over 10,000 engines and vehicles being imported into the United States that lacked proper emissions controls. Under the joint initiative, EPA cited companies that had imported engines and vehicles without certification or proper emissions controls, including five companies being fined a total of \$363,000 and an additional 19 companies paying fines totaling an additional \$168,000 for importing almost 5,000 illegal products from China, including motorcycles, scooters, marine engines, ATVs, generators, engines and jackhammers. The EPA has been conducting regular inspections with CBP at California ports of entry since 2014. The Clean Air Act prohibits the importation or sale of any new engines or vehicles unless they are certified by EPA to meet federal emission standards.

Fiat Chrysler Agrees to Major Emissions Recall: Fiat Chrysler Automobiles (FCA) has voluntarily agreed to recall over 800,000 vehicles in the United States as a result of in-use emissions investigations conducted by the EPA and by FCA as required by EPA regulations. Due to the large number of vehicles involved and the need to supply replacement components—specifically to the vehicle's catalytic converter—the recall will be implemented in phases during 2019 beginning with the oldest vehicles first. EPA and car manufacturers conduct routine testing of vehicles that are approximately one year old and four years old to look for potential defects that could lead to excess emissions. In 2017, manufacturers conducted 85 emissions recalls covering over 5.3 million vehicles.

Recent Administration Personnel Changes of Special Interest:

EPA: Anne Idsal will be **Principal Deputy Assistant Administrator for Air and Radiation**, transferring from her post as EPA Regional Administrator for Region 6. She previously served as chief clerk and deputy land commissioner for the Texas General Land Office.

FHWA: Nicole Nason was confirmed by the Senate to be **Administrator of the Federal Highway Administration** on a vote of 95-1. She previously served as Administrator of the National Highway Traffic Safety Administration in the GWBush Administration.

CASSIDY&ASSOCIATES

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To: South Coast Air Quality Management District

From: Cassidy & Associates

Date: March 27, 2019

Re: Federal Update

New Legislation:

Rep. Doris Matsui (D-Calif.), joined by three other lawmakers, introduced legislation to reauthorize the Diesel Emissions Reduction Act (DERA) through Fiscal Year 2024. Like S. 747, a Senate version introduced by Sen. Tom Carper (D-Del.) earlier this week, Matsui's H.R. 1768 would authorize up to \$100 million in annual spending for the program, which provides funding to replace or retrofit locomotives, school buses and other diesel-powered equipment with cleaner-burning models. Unlike the Senate bill, however, it would not seek to change application guidelines nor address the issue of unspent state funds.

Appropriations:

The White House's proposed fiscal year 2020 budget would reduce the Environmental Protection Agency's spending by 31%. Among reductions, the administration would decrease funding for the DERA grant program, which provides money to retrofit or replace diesel-powered vehicles with cleaner models, from \$87 million to \$10 million.

The House Appropriations Committee FY2020 EPA Budget hearing is scheduled for April 2.

Committee Activity:

House Science, Space, and Technology Committee

House Science, Space, and Technology Committee issued a letter to EPA Administrator Wheeler, requesting information related to the decision-making process that prevented NASA from measuring air quality particulate matter in the aftermath of Hurricane Harvey.

Representative Paul Tonko, who chairs the Energy and Commerce Subcommittee on Environment and Climate Change, introduced a climate action plan that urges Congress to set "certain and enforceable" targets for net zero greenhouse gas emissions by mid-century. It calls for the creation of a clean energy economy with new green jobs and strong labor standards. It also demands that the federal government invest in energy efficiency, research and development in clean energy technologies such as carbon capture, increased electrification across all sectors of the economy and a cleaner transportation sector.

House Transportation and Infrastructure Committee

On February 26, the House Committee on Transportation and Infrastructure held a full committee hearing examining how the federal infrastructure policy could help mitigate and adapt to the impacts of climate change. The hearing featured testimony from nine climate experts, including Dr. Daniel Sperling who represented the California Air Resources Board. Dr. Sperling touted the good work being done to reduce greenhouse gas (GRG) emissions in the State of California. This hearing signaled a significant shift for the Committee, which has largely ignored greenhouse gas emissions from the transportation and aviation sectors. Chairman DeFazio indicated in his written statement that the Committee will work to mitigate emissions and provide funding for resilient infrastructure this Congress. We presume that he intends to address GRG and carbon mitigation in the upcoming infrastructure bill and with the highways reauthorization in 2020.

On March 27, the Transportation and Infrastructure Committee held a legislative markup and passed a bill to require a report on the impacts of climate change on the U.S. Coast Guard. While a minor bill, it signals a commitment from the Committee to examine its role in addressing climate change, mitigation, and resilient infrastructure in all areas under its jurisdiction.

House Select Committee on the Climate Crisis

On March 28 the House Select Committee on the Climate Crisis had the first meeting to establish the organization and rules of the Select Committee. At this organization meeting, the Chair of the Select Committee, Kathy Castor (D-FL) announced the first hearing would be the week of April 2nd.

Senate Democrats' Special Committee on the Climate Crisis

On March 27, in the wake of the Green New Deal vote, Senate Democratic Leader Schumer established the Senate Democrats' Special Committee on the Climate Crisis. The purpose of the Senate Democrats' Special Committee on the Climate Crisis is to examine how climate change is affecting the country and the planet and to mobilize action and support for bold climate solutions. The Special Committee's duties are to:

- Prioritize oversight and investigation of the efforts of special interests to foster climate denial;
- Convene meetings and conduct outreach with frontline communities impacted by climate change, as well as experts from the environmental, national security, and finance and economic development communities; and,
- Hold a series of hearings through 2019 and 2020, including expert witnesses and testimonials.

The members of this Senate Democrats' Special Committee on the Climate Crisis are Schatz (HI), Baldwin (WI), Bennet (CO), Cortez Masto (NV), Duckworth (IL), Heinrich (NM), Markey (MA), Merkley (OR), Smith (MN), and Whitehouse (DE).

Senate Committee on Environment and Public Works

On March 13, the Environment and Public Works Committee examined the Diesel Emissions Reduction Act of 2019. The legislation would reauthorize DERA through Fiscal Year 2024. The hearing panel consisted of representatives from the American Association of Port Authorities, Corning Incorporated, and the Krapf School Bus Company (via the National School Transportation Association) in support of reauthorizing the law. The committee also noted its support for reauthorization of the law from the DERA Coalition and the Diesel

Technology Forum. The hearing was characterized by a range of positive statements from Chairman Barrasso, Ranking Member Carper, and Senators Whitehouse. The positive hearing sets the stage for the Environment and Public Works Committee

On March 6, the Environment and Public Works Committee heard from state air officials (Craig Segal with CARB, Becky Keogh with the Arkansas Department of Air Quality, and Dave Glatt with the North Dakota Department of Health). Among other items, Segal focused his remarks on the “contempt” which the Trump Administration has treated California’s ability to exercise its right under the Clean Air Act related to enact stricter air pollution standards for motor vehicles.

Senate Committee on Energy and Natural Resources

On March 5, the Senate Committee on Energy and Natural Resources held a hearing on the intersection of the electricity sector and climate change. Chairman Murkowski focused her remarks on the impact climate change is having on communities in Alaska. Senator Manchin, the new ranking member of the Committee, noted his interest in working to support rural communities and seek to use this Committee as a means of identifying and legislating pathways to ensure those communities have a role in the cleaner energy future.

ATTACHMENT 3



Joe A. Gonsalves & Son

Anthony D. Gonsalves

Jason A. Gonsalves

Paul A. Gonsalves

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TO: South Coast Air Quality Management District

FROM: Anthony, Jason & Paul Gonsalves

SUBJECT: Legislative Update – March 2019

DATE: Friday, March 29, 2019

February 22, 2019 marked the deadline for the Legislature to introduce bills for this legislative year. The Legislature introduced over 2100 bills between the Assembly and Senate, with a majority of them being introduced as spot bills. All bills must be in print for 30-days before they can be heard in a Legislative Committee. Both houses have begun hearing bills in their policy Committee's, which will require spot bills to be substantially amended in order to be heard.

Over the next few weeks, many bills will be amended prior to and coming out of Committee's. We will continue to monitor all bills and amendments of interest to the District and keep you apprised as they progress.

CAP AND TRADE

The California Air Resources Board (CARB) recently released a new report details how cap-and-trade investments are reducing climate-changing emissions while pumping money into local economies and improving public health and the environment across the state, especially in disadvantaged and low-income communities.

Roughly \$1.4 billion in funding in 2018 went to projects across all of California's 58 counties, almost double the \$720 million spent in 2017. Projects ranged from creating more fire-resilient communities and ecosystems to installing water-efficient irrigation systems on farms to building more affordable housing and new public transit lines.

The state's cap-and-trade program was renewed in 2017 to ensure California continues to meet its ambitious climate change goals and that billions of dollars in auction proceeds keep flowing to communities across the state through California Climate Investments. To date, \$9.3 billion in cap-and-trade proceeds has been appropriated to 20 state agencies that have distributed \$3.4 billion to projects that are either completed or under way across the state.

Projects funded to date are achieving the overall goal of California Climate Investments by reducing greenhouse gas emissions by more than 36.5 million metric tons, roughly equivalent to taking eight million cars off the road for a year. Nearly \$2 billion of the \$3.3 billion (57%) in implemented investments is benefiting the state's Disadvantaged Communities, exceeding the 35% investment minimum required under SB 535.

LEGISLATION

AB 142 (C. GARCIA)

AB 142 extends the Manufacturer Battery Fee indefinitely and increases the fee from \$1 to \$2 on April 1, 2022. Specifically, the bill allows an out-of-state lead-acid battery manufacturer, not subject to the Manufacturer Battery Fee, to pay the fee on behalf of an importer and claim the associated credits to offset potential hazardous waste liability.

The bill exempts new motor vehicle dealers that sell or lease a used vehicle containing a lead-acid battery from the California Battery Fee and requires the California Department of Tax and Fee Administration (CDTFA) to report to the Legislature by January 1, 2021, relating to out-of-state manufacturers who opted to pay the Manufacturer Battery fee.

AB 142 specifies the repayment of the \$176.6 million General Fund loan or any other loan provided to the Department of Toxic Substance Control (DTSC) to cleanup the Exide remediation site will not be paid back until the cleanup of Exide and all other areas of the state contaminated by lead-acid batteries is completed.

Our office attended the March 12, 2019, Assembly Environmental Safety and Toxic Materials Committee where we testified in support of the bill on behalf of the District. The bill passed out of Committee on a 5-2 vote. The bill is currently in the Assembly Appropriations Committee on the suspense file.

SB 210 (LEYVA) Heavy-Duty Vehicle Inspection and Maintenance Program.

This bill directs CARB to work in coordination with multiple state agencies in order to develop and implement a Heavy-Duty Inspection and Maintenance Program for non-gasoline, heavy-duty, on-road trucks.

The purpose of of this bill is to reduce pollution from the big diesel trucks that travel on the roads and highways across California by applying similar responsibilities to truck operators to maintain their emission controls, just like the state already requires for everyone else. As new trucks with modern technology hit the roads, it creates a unique opportunity to ensure long lasting air quality improvements.

SB 210 was heard in the Senate Environmental Quality Committee on March 20, 2019. Our office attended the hearing and testified in support on behalf of the district. The bill passed out of Committee on a 5-2 vote. SB 210n was double referred and will be heard next in the Senate Transportation Committee.

2019 LEGISLATIVE CALENDAR

- Feb. 22 Last day for bills to be introduced
- Apr. 11 Spring Recess begins upon adjournment
- Apr. 22 Legislature reconvenes from Spring Recess
- Apr. 26 Last day for policy committees to meet and report to fiscal committees fiscal bills introduced in their house
- May 3 Last day for policy committees to meet and report to the floor non-fiscal bills introduced in their house
- May 10 Last day for policy committees to meet prior to June 3
- May 17 Last day for fiscal committees to meet and report to the floor bills introduced in their house. Last day for fiscal committees to meet prior to June 3
- May 28-31 Floor session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to A.R. 77.2, and Conference Committees
- May 31 Last day for each house to pass bills introduced in that house
- June 3 Committee meetings may resume
- June 15 Budget Bill must be passed by midnight
- July 10 Last day for policy committees to hear and report fiscal bills to fiscal committees
- July 12 Last day for policy committees to meet and report bills. Summer Recess begins upon adjournment
- Aug. 12 Legislature reconvenes from Summer Recess
- Aug. 30 Last day for fiscal committees to meet and report bills
- Sept. 3-13 Floor session only. No committees may meet for any purpose, except Rules Committee, bills referred pursuant to A.R. 77.2, and Conference Committees
- Sept. 6 Last day to amend bills on the floor
- Sept. 13 Last day for any bill to be passed. Interim Recess begins upon adjournment



March 28, 2019

TO: South Coast Air Quality Management District
FROM: Quintana, Watts & Hartmann
RE: February 2019 Report

GENERAL UPDATE:

- April 11th – Spring Legislative Recess Begins
- April 26th – Last Day for Policy Committees to Pass Fiscal Bills
- May 3rd – Last Day for Policy Committees to Pass Non-Fiscal Bills

LEGISLATIVE UPDATE:

- **Senate Bill 1 (Atkins)** passed through the Senate Environmental Quality Committee with a 5-2 vote. It is now headed to the Senate Natural Resources and Water Committee on April 9th. Quintana, Watts & Hartmann is communicating with the author and staff to ensure that SCAQMD's questions and concerns are addressed.
- **Assembly Bill 210 (Voepel)** was set to be heard in Assembly Transportation Committee on March 25th, but was then pulled from the agenda and postponed at the author's request. Quintana, Watts & Hartmann has submitted SCAQMD's opposition and is communicating with the author, committee members and staff on that position.



CALIFORNIA ADVISORS, LLC

SCAQMD Report
California Advisors, LLC
April 12, 2019 Legislative Committee Hearing

General Update

On Tuesday, March 26th, special primary elections were held in Senate District 1, where two Assembly Republicans are vying for the seat Ted Gaines vacated to join the Board of Equalization, and in Senate District 33, which was left open after Ricardo Lara was elected Insurance Commissioner. The elections are not likely to change the partisan makeup of the Senate.

In Senate District 1, GOP Assemblymembers Brian Dahle and Kevin Kiley are projected to advance to the general election. According to the Secretary of State's website, Dahle received 28.9 percent of the vote and Kiley received 28.3 percent. The sole Democrat in the race garnered 25.8 percent. In Senate District 33, Democrat Lena Gonzalez and Republican Jack Guerrero were first and second respectively atop a field of 12 candidates. For this contest, the Secretary of State's website shows Gonzalez with 30.6 percent and Guerrero with 14.9 percent. As Democratic voters outnumber Republicans by a ratio of more than 4 to 1 in this district, Gonzalez is considered the frontrunner. The general elections are scheduled for June 4th.

In the Legislature, the Assembly and Senate budget committees have started working on the budget proposal that must be adopted by June 15th. We will continue to work with the appropriate committee staff to ensure that the district's priorities are reflected in the final budget.

New appointments

Serena McIlwain (D-Sacramento): Was appointed as the Undersecretary of the California Environmental Protection Agency. McIlwain has been director of the Office of Continuous Improvement at the U.S Environmental Protection Agency since 2017.

Val Dolcini (D-Washington, D.C.): Was appointed as the Deputy Secretary for Agriculture at the California Environmental Protection Agency. Dolcini has been president and chief executive officer at Pollinator Partnership since 2017.

2019 Legislative Update

Voting District Authorization for Clean Air Legislation

California Advisors continues to work on SCAQMD's priority legislation in 2019 related to a voting district authorization. SB 732 (Allen) was recently amended and is currently pending referral to the appropriate policy committees. We will continue to build support for this legislation and work to advance this priority.

AB 40 (Ting) would require by January 1, 2021 the Air Resources Board to develop a comprehensive strategy to ensure that the sale of new motor vehicles and new light-duty trucks in the state have transitioned fully to zero-emission vehicles by 2040.

AB 126 (Cooper) would require the state board, for the purposes of the Clean Vehicle Rebate Project and until January 1, 2022, to offer rebates only to applicants who purchase an eligible vehicle and have a specified maximum gross annual income, to increase rebate payments by \$500 for low-income applicants, and to only offer rebates for plug-in hybrids that have an electric range of at least 20 miles.

AB 142 (Garcia, C) would increase the amount of the manufacturer battery fee from \$1 to \$2 and would provide that the fee would continue indefinitely.

AB 210 (Voepel) would exempt from the smog check program all motor vehicles manufactured prior to the 1983.

AB 254 (Quirk-Silva) would authorize the Joint Legislative Committee on Climate Change Policies to recommend that the Air Resources Board provide education and support to local government regarding their local government climate action plans, such as ensuring the use of E85 in flexible fuel vehicles, expanding infrastructure for zero-emission vehicles, and enabling active transportation. The bill would also require the Air Resources Board to develop a simple, factual summary on the distribution of E85 and flexible fuel vehicle registration by April 1, 2020 and would require them to post that summary on their website. The bill also requires the state board to develop policy recommendations to maximize the use of E85 in flexible fuel vehicles.

AB 285 (Friedman) would require the Department of Transportation to address in the California Transportation Plan how the state will achieve maximum feasible emissions reductions in order to attain a statewide reduction of greenhouse gas emission of 40% below 1990 levels by the end of 2030 and attain the air quality goals required by the federal Clean Air Act.

AB 293 (Garcia, E) would require the Compliance Offsets Protocol Task Force to consider the development and adoption of additional offset protocols, including, but not limited to,

protocols for the enhanced management or conservation of agricultural and natural lands, and for the enhancement and restoration of wetlands.

AB 296 (Cooley) would establish the Climate Innovation Grant Program which would award grants in the form of matching funds for the development and research of new innovations and technologies to address issues related to emissions of greenhouse gases and impacts caused by climate change.

AB 315 (Garcia, C) would require the State Air Resources Board, as appropriate, to require a stationary source to verify or certify the accuracy of its annual emissions reports by a 3rd-party verifier or certifier that is accredited by the state board.

AB 352 (Garcia, E) would require state agencies administering competitive grant programs that allocate moneys from the Greenhouse Gas Reduction Fund to give specified communities preferential points during application scoring for programs intended to improve air quality, to allow applicants from Counties of Imperial and San Diego to include daytime population numbers in their grant applications.

AB 409 (Limon) would establish a competitive grant program to include planning tools for adapting to climate change in the agricultural sector for three pilot programs in the state.

AB 423 (Gloria) would require the San Diego County Air Pollution Control District to expand their membership to include members from various city councils and the public.

AB 464 (Garcia, C) would indefinitely define district to mean an air pollution control or air quality management district under The California Global Warming Solutions Act of 2006.

AB 470 (Limon) would establish the California Green Business Program within the California Environmental Protection Agency. The bill would require sector specific environmental standards for programs operated by local governments. The bill would also certify small and medium sized businesses and public agencies for voluntarily adopting environmentally preferable business practices.

AB 639 (Cervantes) would authorize the Infrastructure and Economic Development Bank to develop criteria and guidelines for harbor agencies to purchase and install equipment that would reduce carbon emissions at seaports.

AB 661 (McCarty) would require air districts to prepare a wildfire smoke air pollution emergency plan as an informational source for local agencies and the public during a wildfire smoke air pollution emergency, as specified. The bill would authorize air districts to conduct

public education, marketing, demonstration, monitoring, research, and evaluation programs or projects with respect to wildfire smoke impact control measures.

AB 735 (Melendez) would require the Air Resources Board to require a manufacturer of a vehicle eligible under the Clean Vehicle Rebate Projects to certify in writing that the vehicle's supply chain is free of materials acquired using child labor.

AB 745 (Petrie-Norris) would exempt from sales and use taxes the gross receipts for the storage, use, or other consumption of retail hydrogen vehicle fuel.

AB 753 (Garcia, E) would require the state board to allocate at least 30% of the moneys available for allocation as part of the Alternative and Renewable Fuel and Vehicle Technology Program for projects to produce alternative and renewable low-carbon fuels in the state and to projects to develop stand-alone alternative and renewable fuel infrastructure, fueling stations, and equipment.

AB 836 (Wicks) would establish the Bay Area Clean Air Incentive Program to be administered by the Bay Area Air Quality Management District to provide funding through a grant program to retrofit ventilation systems to create a network of clean air centers.

AB 839 (Mullin) would require the Secretary of the Natural Resources Agency, no later than July 1, 2021, to develop, adopt, and implement a comprehensive, coordinated, and proactive strategy for the state to adapt to the unavoidable impacts of climate change, with the intent to ensure the state is prepared for climate change impacts modeled for 2050 and beyond, as specified.

AB 935 (Rivas) would define the term "sensitive production facility" for those purposes to mean a production facility that is located within certain areas, including, among others, an area containing a building intended for human occupancy that is located within 2,500 feet of the production facility. The bill would require the division, on or before January 1, 2021, to review and evaluate, and update as appropriate, its existing regulations regarding sensitive production facilities, as specified.

AB 938 (Rivas) would exclude from the terms "gross receipts" and "sales price" the value of a qualified trade-in motor vehicle that is traded in for a qualified motor vehicle, as defined, if the value of the qualified trade-in motor vehicle is separately stated on the invoice or bill of sale or similar document provided to the purchaser.

AB 939 (Frazier) would require the California Environmental Protection Agency and any department, board, commission, or office within the EPA to provide to the public, not later than

72 hours prior to involvement of the public through workshops or any other proceedings, all material and presentations relevant to a complex or large proposal.

AB 1038 (Muratsuchi) would authorize an air district to impose a charge equal to the costs the air district expends in contracting with a third party to review the scientific or engineering information provided to the air district at the air district's request by a facility regulated pursuant to specified provisions in order to verify the information provided is accurate

AB 1115 (Quirk-Silva) would require the state board to amend the Low-Carbon Fuel Standard regulations to consider the attainment of standards under the federal Clean Air Act, consider specified climate goals, complement existing oxides of nitrogen reductions programs to ensure value-added support to meet 2023 and 2031 federal nonattainment deadlines, and apply performance-based metrics.

AB 1195 (O'Donnell) would require the state board to recognize as generating an innovative crude production method credit under the Low-Carbon Fuel Standard regulations the use of renewable natural gas to displace the existing use of natural gas by oil and natural gas companies that are otherwise eligible to opt in to the innovative crude provisions of the regulations.

AB 1237 (Aguiar-Curry) would require an agency that receives an appropriation from the Greenhouse Gas Reduction Fund to post on its internet website the agency's guidelines, as specified, for how moneys from the fund are allocated.

AB 1406 (O'Donnell) would require the State Energy Resources Conservation and Development Commission, for the moneys available for allocation as part of the program, to allocate no less than 20% for alternative fuel production and no less than 25% for alternative fuel and advanced technology vehicles.

AB 1445 (Gloria) would declare that that it is the policy of the State to restore an optimal safe climate and to provide maximum protection to all people and species. It would declare that it is the intent of the Legislature to undertake immediate and large-scale efforts to reduce greenhouse gas emissions and immediately phaseout fossil fuels.

AB 1500 (Carrillo) would authorize a unified program agency to suspend, revoke, or withhold issuance of a unified program facility permit if conditions exist at the unified program facility that the unified program agency considers an imminent or substantial threat to public health, safety, or the environment. The bill would require the permittee to immediately discontinue operating that facility or function of the facility to which the permit or permit element applies until the threat is abated and the permit or permit element is issued, reinstated or reissued.

AB 1589 (Salas) would authorize as an eligible project under the Carl Moyer Memorial Air Quality Standards Attainment Program equipment powered by a diesel engine certified to the cleanest available emission level to replace the baseline equipment for a heavy-duty off-road equipment replacement project that involves farm equipment and the baseline equipment is powered by an uncontrolled gasoline engine.

AB 1594 (Bauer-Kahan) would require the state board to ensure at least 2 electric vehicle charging stations for heavy-duty vehicles are installed at each of the Ports of Long Beach, Los Angeles, and Oakland.

AB 1744 (Salas) would require the state board to develop and implement an emissions reduction credit program, as specified, for any regulation to reduce emissions of diesel particulate matter, oxides of nitrogen, and other criteria air pollutants from in-use, heavy-duty diesel-fueled vehicles.

SB 1 (Atkins) would require specified agencies to take prescribed actions regarding certain federal requirements and standards pertaining to air, water, and protected species

SB 43 (Allen) would require the Air Resources Board to submit a report to the Legislature on the results of a study, to propose, and to determine the feasibility and practicality of a system to replace the tax imposed pursuant to the Sales and Use Tax Law with an assessment on retail products sold or used in the state based on the carbon intensity of the product. The bill would require the state board to revise their 2017 scoping plan to reflect the carbon emission reduction benefits that may be realized through this assessment based on carbon intensities of products.

SB 210 (Leyva) would authorize the state board to develop and implement a Heavy-Duty Vehicle Inspection and Maintenance Program for nongasoline heavy-duty onroad motor vehicles.

SB 216 (Galgiani) would add as an eligible project under the Carl Moyer Memorial Air Quality Standards Attainment Program a used heavy-duty truck exchange.

SB 535 (Moorlach) would require the state board to include greenhouse gas emissions from wildfires and forest fires, as specified, in the scoping plan.

SB 629 (McGuire) would require hearing board under The State Air Resources Board to send a notice of the hearing not less than 72 hours before the hearing to any person who requests the notice.

AB 836 (Wicks)
Bay Area Clean Air Incentive Program

Summary: This bill would establish the Bay Area Clean Air Incentive Program, to be administered by the Bay Area Air Quality Management District (BAAQMD), to provide funding through a grant program to retrofit ventilation systems to create a network of clean air centers within the boundaries of the Bay Area District in order to mitigate the adverse public health impacts due to wildfires and other smoke events.

Background: Existing law generally designates air pollution control and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources. Existing law establishes the BAAQMD which is vested with the authority to regulate air emissions located in the boundaries of the Counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara and portions of the Counties of Solano and Sonoma.

Status: 3/25/2019 - In Assembly Natural Resources Comm.: Hearing postponed by committee.

Specific Provisions: Specifically, this bill would:

Establish the Bay Area Clean Air Incentive Program to be administered by the BAAQMD to provide funding through a grant program to retrofit ventilation systems to create a network of clean air centers within the boundaries of the BAAQMD in order to mitigate the adverse public health impacts due to wildfires and other smoke events. Moneys for the program shall be available upon appropriation by the Legislature. Qualified applicants shall include, but need not be limited to:

- (1) Schools;
- (2) Community centers;
- (3) Senior centers;
- (4) Sports centers; and,
- (5) Libraries.

The BAAQMD shall develop guidelines for the program in consultation with the cities, counties, public health agencies, school districts, and other stakeholders located within the boundaries of the BAAQMD. The guidelines shall address:

- (1) Location of the applicant;
- (2) Size of the applicant's facility; and,
- (3) Facility ventilation characteristics that could provide healthier indoor air quality in the event of a localized smoke impact.

Impacts on SCAQMD’s Mission, Operations or Initiatives: This bill is in line with SCAQMD’s goals to protect public health during wildfires. However, the bill does not directly affect SCAQMD’s jurisdiction.

Recommended Position: SUPPORT

AMENDED IN ASSEMBLY APRIL 11, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 836

Introduced by Assembly Member Wicks
(Principal coauthor: Assembly Member Kalra)
(Coauthor: Assembly Member Chiu)

February 20, 2019

An act to add Article 6 (commencing with Section 40280) to Chapter 4 of Part 3 of Division 26 Chapter 9.5 (commencing with Section 39960) to Part 2 of Division 26 of the Health and Safety Code, relating to the Bay Area Air Quality Management District, *nonvehicular air pollution*.

LEGISLATIVE COUNSEL'S DIGEST

AB 836, as amended, Wicks. *Bay Area Wildfire Smoke Clean Air Centers for Vulnerable Populations* Incentive Program.

~~(1) Existing~~

Existing law generally designates the State Air Resources Board as the state agency with the primary responsibility for the control of vehicular air pollution and air pollution control and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources. Existing law establishes the Bay Area Air Quality Management District, which is vested with the authority to regulate air emissions located in the boundaries of the Counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara and portions of the Counties of Solano and Sonoma.

This bill would establish the *Bay Area Wildfire Smoke Clean Air Centers for Vulnerable Populations* Incentive Program, to be administered by the ~~district~~, *state board*, to provide funding through a

grant program to retrofit ventilation systems to create a network of clean air centers ~~within the boundaries of the district~~ in order to mitigate the adverse public health impacts due to wildfires and other smoke events, as specified. The bill would specify that moneys for the program would be available upon appropriation. ~~By adding to the duties of the Bay Area Air Quality Management District, the bill would impose a state-mandated local program.~~

(2) ~~This bill would make legislative findings and declarations as to the necessity of a special statute for the Bay Area Air Quality Management District.~~

(3) ~~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, if the Commission on State Mandates determines that the bill contains costs 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~~-no.

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

1 ~~SECTION 1. Article 6 (commencing with Section 40280) is~~
2 ~~added to Chapter 4 of Part 3 of Division 26 of the Health and Safety~~
3 ~~Code, to read:~~

4
5 ~~Article 6. Bay Area Clean Air Incentive Program~~
6
7 ~~40280.—~~

8 ~~SECTION 1. Chapter 9.5 (commencing with Section 39960)~~
9 ~~is added to Part 2 of Division 26 of the Health and Safety Code,~~
10 ~~to read:~~

11
12 ~~CHAPTER 9.5 WILDFIRE SMOKE CLEAN AIR CENTERS FOR~~
13 ~~VULNERABLE POPULATIONS INCENTIVE PROGRAM~~
14

15 ~~39960. (a) (1) The Bay Area Wildfire Smoke Clean Air~~
16 ~~Centers for Vulnerable Populations Incentive Program is hereby~~
17 ~~established to be administered by the bay district state board to~~
18 ~~provide funding through a grant program to retrofit ventilation~~

1 systems to create a network of clean air centers ~~within the~~
2 ~~boundaries of the bay district~~ in order to mitigate the adverse public
3 health impacts due to wildfires and other smoke events.

4 (2) Moneys for the program shall be available upon
5 appropriation by the Legislature.

6 (b) Qualified applicants shall include, but need not be limited
7 to, all of the following:

8 (1) Schools.

9 (2) Community centers.

10 (3) Senior centers.

11 (4) Sports centers.

12 (5) Libraries.

13 (c) ~~The bay district~~ *state board* shall develop guidelines for the
14 program in consultation with ~~the districts, cities, counties, public~~
15 ~~health agencies, school districts, and other stakeholders located~~
16 ~~within the boundaries of the bay district.~~ *stakeholders.* The
17 guidelines shall address all of the following:

18 (1) Location of the applicant.

19 (2) Size of the applicant's facility.

20 (3) Facility ventilation characteristics that could provide
21 healthier indoor air quality in the event of a localized smoke
22 impact.

23 (d) *The state board shall prioritize applications to the program*
24 *where the project is located in an area with a high cumulative*
25 *smoke exposure burden.*

26 ~~SEC. 2. The Legislature finds and declares that a special statute~~
27 ~~is necessary and that a general statute cannot be made applicable~~
28 ~~within the meaning of Section 16 of Article IV of the California~~
29 ~~Constitution because of the unique circumstances that the Bay~~
30 ~~Area was significantly affected by smoke impacts during the~~
31 ~~wildfires of the last several years.~~

32 ~~SEC. 3. If the Commission on State Mandates determines that~~
33 ~~this act contains costs mandated by the state, reimbursement to~~
34 ~~local agencies and school districts for those costs shall be made~~
35 ~~pursuant to Part 7 (commencing with Section 17500) of Division~~
36 ~~4 of Title 2 of the Government Code.~~

AB 1500 (Carrillo) **Hazardous substances**

Summary: This bill would expand the authority of a Certified Unified Program Agency (CUPA) and local health officer as it pertains to hazardous materials. This bill would allow for the immediate suspension of activities that these local entities determine are an imminent or substantial threat to public health, safety or the environment.

Background: Existing law requires the Secretary for Environmental Protection to implement a unified hazardous waste and hazardous materials management regulatory program, known as the unified program. Existing law requires every county to apply to the secretary to be certified to implement the unified program, and authorizes a city or local agency that meets specified requirements to apply to the secretary to be certified to implement the unified program, as a Certified Unified Program Agency, or CUPA. Existing law authorizes a state or local agency that has a written agreement with a CUPA to implement or enforce one or more of the unified program elements as a participating agency.

Status: 3/28/2019 - Read second time and amended.

Specific Provisions: Specifically, this bill would:

- 1) Authorize a CUPA to suspend, revoke, or withhold issuance of a unified program facility permit if conditions exist at the facility that the CUPA considers an imminent or substantial threat to public health, safety, or the environment;
- 2) Require the owner or operator of a unified program facility to be liable for a civil or administrative penalty of not less than \$500 or more than \$5,000 per day for failure to obtain or keep a permit as required by the provisions governing the unified program; and
- 3) Require the director or local health officer, if taking an action against a facility causing an imminent or substantial endangerment to public health, to consult with the state or local regulatory agency that has primary jurisdiction to regulate the entity that caused the release, spill, escape, or entry, in order to ensure that efforts are coordinated.

Impacts on SCAQMD's Mission, Operations or Initiatives: The bill is sponsored by the County of Los Angeles and the California Association of Health Administrators. Under, AB 1132 (C. Garcia), SCAQMD has the authority to take immediate action on air quality issues when an imminent and substantial danger to the public has been identified. Staff recommends clarifying amendments to ensure that AB 1500 does not conflict with existing SCAQMD authority.

Recommended Position: SUPPORT WITH AMENDMENTS

SCAQMD Proposed Amendment:

SCAQMD suggests the following amendments:

(o) This section does not do any of the following:

- Add new Section 25404.1.1 subdivision (o) paragraph (3): “Restrict or limit in any way the authority of an air district as defined in section 39025 of this code.”

Renumber existing paragraphs (3) and (4) as (4) and (5).

AMENDED IN ASSEMBLY MARCH 28, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 1500

Introduced by Assembly Member Carrillo

February 22, 2019

An act to amend Sections 25404.1.1 and 25510 of, and to add Section 101080.1 to, the Health and Safety Code, relating to hazardous substances.

LEGISLATIVE COUNSEL’S DIGEST

AB 1500, as amended, Carrillo. Hazardous substances.

(1) Existing law requires the Secretary for Environmental Protection to implement a unified hazardous waste and hazardous materials management regulatory program, known as the unified program. Existing law requires every county to apply to the secretary to be certified to implement the unified program, and authorizes a city or local agency that meets specified requirements to apply to the secretary to be certified to implement the unified program, as a certified unified program agency, or CUPA. Existing law authorizes a state or local agency that has a written agreement with a CUPA, and is approved by the secretary, to implement or enforce one or more of the unified program elements as a participating agency. Existing law defines “unified program agency,” or UPA, to mean the CUPA or its participating agencies, as provided.

Existing law authorizes the UPA, if the UPA determines that a person has committed, or is committing, a violation of any law, regulation, permit, information request, order, variance, or other requirement that the UPA is authorized to enforce or implement, to issue an administrative enforcement order requiring that the violation be

corrected and imposing an administrative penalty. Existing law authorizes a ~~unified program agency~~ UPA to suspend or revoke any unified program facility permit, or an element of a unified program facility permit, for not paying the permit fee or a fine or penalty associated with the permit in accordance with specified procedures. Existing law authorizes a ~~unified program agency~~, UPA, if a permittee does not comply with a written notice from the ~~unified program agency~~ UPA to the permittee to make those payments by a specified date, to suspend or revoke the permit or permit element. Existing law requires the permittee, if the permit or permit element is suspended or revoked, to immediately discontinue operating that facility or function of the facility to which the permit element applies until the permit is reinstated, or reissued.

This bill would repeal the provision authorizing a UPA to suspend or revoke a unified program facility permit, or an element of a unified program facility permit, for not paying the permit fee or a fine or penalty associated with the permit. The bill would authorize the UPA, if a permittee does not comply with a written notice from the UPA to make those payments by the specified date, in addition to suspending or revoking the permit or permit element, to withhold issuance of the permit or permit element.

The bill would authorize a ~~unified program agency~~ UPA to suspend, revoke, or withhold issuance of a unified program facility permit if conditions exist at the unified program facility that the ~~unified program agency~~ UPA considers an imminent or substantial threat to public health, safety, or the environment. The bill would require the permittee to immediately discontinue operating that facility or function of the facility to which the permit or permit element applies until the threat is abated and the permit or permit element is issued, ~~reinstated~~ *reinstated*, or reissued.

The bill would require the owner or operator of a unified program facility to be liable for a civil or administrative penalty of not less than \$500 or more than \$5,000 per day for failure to obtain or keep a permit as required pursuant to the provisions governing the unified program.

The bill would provide that the provisions authorizing a UPA to issue an administrative enforcement order or to withhold issuance, or to suspend or revoke, a permit do not prevent the UPA from issuing an administrative enforcement order for the release of a hazardous substance, as defined, for any violation of specified provisions relating

to, among other things, business and area plans and risk management plans.

(2) Existing law requires a business that handles a hazardous material, or an employee, authorized representative, agent, or designee of that business, to, upon discovery, immediately report any release or threatened release of a hazardous material, or an actual release of a hazardous substance, as defined, to the UPA and the Office of Emergency Services, as provided.

This bill would require that reporting of the release or threatened release to the UPA and the Office of Emergency Services only if the release or threatened release results in an emergency response.

(3) Under existing law, whenever a release, spill, escape, or entry of waste occurs, as specified, and the Director of Health Care Services or the local health officer makes specified determinations as to that waste, the director is authorized to declare a health emergency and the local health officer is authorized to declare a local health emergency in the jurisdiction or any area thereof affected by the threat to the public health.

This bill would authorize the director or local health officer, if a release, spill, escape, or entry of hazardous waste or of a hazardous substance occurs, which the director or local health officer reasonably determines poses an imminent or substantial endangerment to public health due to specified factors, to take ~~specified actions~~ *actions, in consultation with certain state or local regulatory agencies*, to protect the health and safety of the public, including, among others, issuing an order to the responsible party to immediately suspend or discontinue the activity causing or contributing to the release, spill, escape, or entry of the hazardous waste or hazardous substance. The bill would require a responsible party to be liable for the costs incurred by the local health officer pursuant to these provisions.

(4) Because the bill would make changes to provisions enforced by unified program agencies, the bill would impose a state-mandated local program.

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 no reimbursement is required by this act for a specified reason.

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

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

SECTION 1. Section 25404.1.1 of the Health and Safety Code is amended to read:

25404.1.1. (a) If the unified program agency determines that a person has committed, or is committing, a violation of any law, regulation, permit, information request, order, variance, or other requirement that the UPA is authorized to enforce or implement pursuant to this chapter, the UPA may issue an administrative enforcement order requiring that the violation be corrected and imposing an administrative penalty, in accordance with the following:

(1) Except as provided in paragraph (5), if the order is for a violation of Chapter 6.5 (commencing with Section 25100), the violator shall be subject to the applicable administrative penalties provided by that chapter.

(2) If the order is for a violation of Chapter 6.7 (commencing with Section 25280), the violator shall be subject to the applicable civil penalties provided in subdivisions (a), (b), (c), and (e) of Section 25299.

(3) If the order is for a violation of Article 1 (commencing with Section 25500) of Chapter 6.95, the violator shall be subject to a penalty that is consistent with the administrative penalties imposed pursuant to Section 25515.2.

(4) If the order is for a violation of Article 2 (commencing with Section 25531) of Chapter 6.95, the violator shall be subject to a penalty that is consistent with the administrative penalties imposed pursuant to Section 25540 or 25540.5.

(5) If the order is for a violation of Section 25270.4.5, the violator shall be liable for a penalty of not more than five thousand dollars (\$5,000) for each day on which the violation continues. If the violator commits a second or subsequent violation, a penalty of not more than ten thousand dollars (\$10,000) for each day on which the violation continues may be imposed.

(b) In establishing a penalty amount and ordering that the violation be corrected pursuant to this section, the UPA shall take into consideration the nature, circumstances, extent, and gravity of the violation, the violator's past and present efforts to prevent, abate, or clean up conditions posing a threat to the public health or safety or the environment, the violator's ability to pay the

1 penalty, and the deterrent effect that the imposition of the penalty
2 would have on both the violator and the regulated community.

3 (c) Any order issued pursuant to this section shall be served by
4 personal service or certified mail and shall inform the person served
5 of the right to a hearing. If the UPA issues an order pursuant to
6 this section, the order shall state whether the hearing procedure
7 specified in paragraph (2) of subdivision (e) may be requested by
8 the person receiving the order.

9 (d) Any person served with an order pursuant to this section
10 who has been unable to resolve any violation with the UPA, may
11 within 15 days after service of the order, request a hearing pursuant
12 to subdivision (e) by filing with the UPA a notice of defense. The
13 notice shall be filed with the office that issued the order. A notice
14 of defense shall be deemed filed within the 15-day period provided
15 by this subdivision if it is postmarked within that 15-day period.
16 If no notice of defense is filed within the time limits provided by
17 this subdivision, the order shall become final.

18 (e) Except as provided in subparagraph (B) of paragraph (2), a
19 person requesting a hearing on an order issued by the UPA under
20 this section may select the hearing officer specified in either
21 paragraph (1) or (2) in the notice of defense filed with the UPA
22 pursuant to subdivision (d). If a notice of defense is filed but no
23 hearing officer is selected, the UPA may select the hearing officer.
24 Within 90 days of receipt of the notice of defense by the UPA, the
25 hearing shall be scheduled using one of the following:

26 (1) An administrative law judge of the Office of Administrative
27 Hearings of the Department of General Services, who shall conduct
28 the hearing in accordance with Chapter 4.5 (commencing with
29 Section 11400) of Part 1 of Division 3 of Title 2 of the Government
30 Code, and the UPA shall have all the authority granted to an agency
31 by those provisions.

32 (2) (A) A hearing officer designated by the UPA, who shall
33 conduct the hearing in accordance with Chapter 4.5 (commencing
34 with Section 11400) of Part 1 of Division 3 of Title 2 of the
35 Government Code, and the UPA shall have all the authority granted
36 to an agency by those provisions. When a hearing is conducted by
37 a UPA hearing officer pursuant to this paragraph, the UPA shall
38 issue a decision within 60 days after the hearing is conducted. Each
39 hearing officer designated by a UPA shall meet the requirements

1 of Section 11425.30 of the Government Code and any other
2 applicable restriction.

3 (B) A UPA, or a person requesting a hearing on an order issued
4 by a UPA, may select the hearing process specified in this
5 paragraph in a notice of defense filed pursuant to subdivision (d)
6 only if the UPA has, as of the date the order is issued pursuant to
7 subdivision (c), selected a designated hearing officer and
8 established a program for conducting a hearing in accordance with
9 this paragraph.

10 (f) The hearing decision issued pursuant to paragraph (2) of
11 subdivision (e) shall be effective and final upon issuance by the
12 UPA. A copy of the decision shall be served by personal service
13 or by certified mail upon the party served with the order, or their
14 representative, if any.

15 (g) Any provision of an order issued under this section, except
16 the imposition of an administrative penalty, shall take effect upon
17 issuance by the UPA if the UPA finds that the violation or
18 violations of law associated with that provision may pose an
19 imminent and substantial endangerment to the public health or
20 safety or the environment. A request for a hearing shall not stay
21 the effect of that provision of the order pending a hearing decision.
22 However, if the UPA determines that any or all provisions of the
23 order are so related that the public health or safety or the
24 environment can be protected only by immediate compliance with
25 the order as a whole, the order as a whole, except the imposition
26 of an administrative penalty, shall take effect upon issuance by
27 the UPA. A request for a hearing shall not stay the effect of the
28 order as a whole pending a hearing decision.

29 (h) A decision issued pursuant to paragraph (2) of subdivision
30 (e) may be reviewed by a court pursuant to Section 11523 of the
31 Government Code. In all proceedings pursuant to this section, the
32 court shall uphold the decision of the UPA if the decision is based
33 upon substantial evidence in the record as a whole. The filing of
34 a petition for writ of mandate shall not stay any action required
35 pursuant to this chapter or the accrual of any penalties assessed
36 pursuant to this chapter. This subdivision does not prohibit the
37 court from granting any appropriate relief within its jurisdiction.

38 (i) All administrative penalties collected from actions brought
39 by a UPA pursuant to this section shall be paid to the UPA that
40 imposed the penalty, and shall be deposited into a special account

1 that shall be expended to fund the activities of the UPA in enforcing
2 this chapter.

3 (j) The UPA shall consult with the district attorney, county
4 counsel, or city attorney on the development of policies to be
5 followed in exercising the authority delegated pursuant to this
6 section as it relates to the authority of the UPA to issue orders.

7 (k) (1) A permittee shall pay a permit fee and any fine or penalty
8 associated with the permit in accordance with the procedures
9 specified in this subdivision.

10 (2) If a permittee does not comply with a written notice from
11 the ~~unified program agency~~ UPA to the permittee to make the
12 payments specified in paragraph (1) by the required date provided
13 in the notice, the ~~unified program agency~~ UPA may withhold
14 issuance, or may suspend or revoke, the permit or permit element.

15 (l) (1) If the permittee does not have a valid unified program
16 facility permit or if the permit or permit element is suspended or
17 revoked, the permittee shall immediately discontinue operating,
18 as applicable, that facility or function of the facility to which the
19 permit or permit element applies until the permit is issued,
20 reinstated, or reissued.

21 (2) A permittee may request a hearing to appeal the withholding
22 of the issuance of, or the suspension or revocation of, a permit or
23 element of a permit pursuant to this subdivision by requesting a
24 hearing using the procedures provided in subdivision (d).

25 (m) The owner or operator of a unified program facility shall
26 be liable for a civil or administrative penalty of not less than five
27 hundred dollars (\$500) or more than five thousand dollars (\$5,000)
28 per day for failure to obtain or keep a permit as required pursuant
29 to this chapter.

30 (n) A ~~unified program agency~~ UPA may suspend, revoke, or
31 withhold issuance of any unified program facility permit, if
32 conditions exist at the unified program facility that the ~~unified~~
33 ~~program agency~~ UPA considers an imminent or substantial threat
34 to public health, safety, or the environment. The permittee shall
35 immediately discontinue operating that facility or function of the
36 facility to which the permit or permit element applies until the
37 threat is abated and the permit or permit element is issued,
38 reinstated, or reissued.

39 (o) This section does not do any of the following:

1 (1) Otherwise affect the authority of a UPA to take any other
2 action authorized by any other provision of law, except the UPA
3 shall not require a person to pay a penalty pursuant to this section
4 and pursuant to a local ordinance for the same violation.

5 (2) Restrict the power of a city attorney, district attorney, county
6 counsel, or the Attorney General to bring, in the name of the people
7 of California, any criminal proceeding otherwise authorized by
8 law.

9 (3) Prevent the UPA from cooperating with, or participating in,
10 a proceeding specified in paragraph (2).

11 (4) Prevent the UPA from issuing an administrative enforcement
12 order for the release of a hazardous substance, as defined in
13 subdivision (b) of Section 374.8 of the Penal Code, for any
14 violation of Chapter 6.95 (commencing with Section 25500).

15 SEC. 2. Section 25510 of the Health and Safety Code is
16 amended to read:

17 25510. (a) Except as provided in subdivision (b), if a release
18 or threatened release of a hazardous material, or an actual release
19 of a hazardous substance, as defined in Section 374.8 of the Penal
20 Code, results in an emergency response, the handler, or an
21 employee, authorized representative, agent, or designee of the
22 handler, shall immediately report the release or threatened release
23 upon its discovery to the UPA, and to the office, in accordance
24 with the regulations adopted pursuant to this section. The handler
25 or an employee, authorized representative, agent, or designee of
26 the handler shall provide all state, city, or county fire or public
27 health or safety personnel and emergency response personnel with
28 access to the handler's facilities.

29 (b) Subdivision (a) does not apply to a person engaged in the
30 transportation of a hazardous material on a highway that is subject
31 to, and in compliance with, the requirements of Sections 2453 and
32 23112.5 of the Vehicle Code.

33 (c) On or before January 1, 2016, the office shall adopt
34 regulations to implement this section. In developing these
35 regulations, the office shall closely consult with representatives
36 from regulated entities, appropriate trade associations, fire service
37 organizations, federal, state, and local organizations, including
38 unified program agencies, and other interested parties.

39 (d) The UPA shall maintain one or more nonemergency contact
40 numbers for release reports that do not require immediate agency

1 response. The UPA shall promptly communicate changes to this
2 information to regulated facilities and to the office.

3 SEC. 3. Section 101080.1 is added to the Health and Safety
4 Code, to read:

5 101080.1. (a) (1) If a release, spill, escape, or entry of
6 hazardous waste or a hazardous substance, as defined in Section
7 25316, occurs and the director or local health officer reasonably
8 determines that the release, spill, escape, or entry poses an
9 imminent or substantial endangerment to public health, due to
10 factors including, but not limited to, carcinogenicity, acute toxicity,
11 chronic toxicity, bioaccumulative properties, or persistence in the
12 air or environment, the director or local health officer may take
13 the following actions to protect the health and safety of the public:

14 ~~(1)~~

15 (A) Issue an order to the responsible party to immediately
16 suspend or discontinue the activity causing or contributing to the
17 release, spill, escape, or entry of the hazardous waste or hazardous
18 substance. The order may be issued in coordination with the
19 appropriate regulatory agency, including the unified program
20 agency, as defined in Section 25404, if applicable, and shall remain
21 in effect until the director or local health officer determines that
22 the imminent or substantial endangerment to public health has
23 been abated.

24 ~~(2)~~

25 (B) Take any other action necessary to protect the public health,
26 including, but not limited to, environmental investigations and
27 temporary relief to, or relocation of, affected individuals.

28 (2) *The director or local health officer, if taking an action*
29 *pursuant to paragraph (1), shall consult with the state or local*
30 *regulatory agency that has primary jurisdiction to regulate the*
31 *entity that caused the release, spill, escape, or entry, in order to*
32 *ensure that efforts are coordinated.*

33 (b) A responsible party shall be liable for the costs incurred by
34 the local health officer pursuant to this section.

35 (c) Providing resident assistance and reimbursement for local
36 health officer expenses shall not relieve a responsible party from
37 liability for damages, and any responsible party shall not condition
38 assistance on, or request, a waiver of liability from a recipient of
39 assistance.

1 SEC. 4. No reimbursement is required by this act pursuant to
2 Section 6 of Article XIII B of the California Constitution because
3 a local agency or school district has the authority to levy service
4 charges, fees, or assessments sufficient to pay for the program or
5 level of service mandated by this act, within the meaning of Section
6 17556 of the Government Code.

O

SB 44 (Skinner)
Medium-duty and heavy-duty vehicles: comprehensive strategy

Summary: This bill would:

- 1) Require the CARB, no later than January 1, 2021, to develop a comprehensive strategy for the deployment of medium-duty and heavy-duty vehicles in the state that results in bringing the state into compliance with federal ambient air quality standards, and a reduction of motor vehicle greenhouse gas (GHG) emissions by 40% by 2030, and by 80% by 2050.
- 2) Provide that 10% of the annual proceeds of the Greenhouse Gas Reduction Fund (GGRF) be appropriated in each annual Budget Act through the 2024–25 fiscal year to CARB for the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program (Program) to support the commercialization and deployment of medium-duty and heavy-duty vehicles that reduce GHG emissions.

Background: The author states that decades after California passed the Clean Air Act, diesel trucks continue to pollute California’s communities. Diesel-fueled trucks are responsible for 33 percent of statewide oxides of nitrogen (NOx) emissions annually, 20 percent of statewide GHG emissions, and emit more particulate matter than all of the state’s power plants combined.

Since 1998, CARB has recognized particulate matter as a toxic air contaminant based on the relationship between diesel exhaust and lung cancer. California has 7 of the 10 geographic areas with the worst particulate matter pollution. Particulate matter from diesel-fueled vehicles can exacerbate asthma and other respiratory problems. Children are at particular risk, because they breathe faster than adults and therefore suffer from increased exposure to toxic air pollutants. Kids exposed to high levels of diesel exhaust are five times more likely than other children to have underdeveloped lungs.

The Program, upon appropriation from the GGRF, funds zero- and near-zero-emission truck, bus, and off-road vehicle and equipment technologies and related projects.

Status: 3/26/2019 - Set for hearing in Sen. E.Q. April 10.

Specific Provisions: Specifically, this bill would:

- 1) Require CARB, no later than January 1, 2021, to develop a comprehensive strategy for the deployment of medium-duty and heavy-duty vehicles in the state that results in bringing the state into compliance with federal ambient air quality standards, a reduction of motor vehicle GHG emissions by 40% by 2030, and reduction of motor vehicle GHG emissions by 80% by 2050.
- 2) Authorize CARB to establish a process to identify medium-duty and heavy-duty vehicle segments that can more quickly reduce motor vehicle emissions.

- 3) If CARB identifies such segments, the bill would require CARB to implement additional emissions reduction strategies and motor vehicle deployment goals consistent with the comprehensive strategy.
- 4) Provide that 10% of the annual proceeds of the GGRF will be appropriated in each annual Budget Act through the 2024–25 fiscal year to CARB for the Program to support the commercialization and deployment of medium-duty and heavy-duty vehicles that reduce GHG emissions.

Impacts on SCAQMD’s Mission, Operations or Initiatives: This bill would potentially establish a sustainable source of funding through the 2024-25 state fiscal year, from the GGRF, that appears to be a percentage of the overall monies in that fund, rather than just a part of the 40% discretionary portion of the fund that is debated each year.

This bill is aligned with SCAQMD’s priorities regarding reducing criteria pollutant and toxic emissions and protecting public health within the South Coast region, especially by reducing mobile sources of pollution. This bill would result in cleaner air by promoting the increased production and use of near-zero and zero-emission medium and heavy-duty vehicles (both of which are funded through the Program) within the South Coast region, which would support the 2016 AQMP and facilitate attainment of federal air quality standards. The bill also supports SCAQMD’s policy priority to significantly reduce GHG emissions within the South Coast region and the state.

SCAQMD Suggestions:

- 1) Page 4, line 14: Specifically reference “local air districts”;
- 2) Page 4, line 32: Seek a 20% allocation of GGRF funds rather than 10%; and
- 3) Page 5, line 1-2: Direct GGRF funds to support the commercialization and deployment of medium-duty and heavy-duty vehicles that reduce criteria pollutant and toxic emissions, in addition to GHG emissions.

Recommended Position: SUPPORT

AMENDED IN SENATE APRIL 11, 2019
AMENDED IN SENATE MARCH 21, 2019
AMENDED IN SENATE MARCH 7, 2019

SENATE BILL

No. 44

Introduced by Senator Skinner

December 3, 2018

An act to add Section 43024.2 to the Health and Safety Code, relating to vehicular air pollution.

LEGISLATIVE COUNSEL'S DIGEST

SB 44, as amended, Skinner. ~~Medium-duty~~ *Medium-* and heavy-duty vehicles: comprehensive strategy.

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.

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~~. *projects, including, but not limited to, medium- and heavy-duty truck technology.*

This bill would require the state board, no later than January 1, 2021, to develop a comprehensive strategy for the deployment of ~~medium-duty~~ *medium-* and heavy-duty vehicles in the state that results in bringing the state into compliance with federal ambient air quality standards, a reduction of motor vehicle greenhouse gas emissions by 40% by 2030, and a reduction of motor vehicle greenhouse gas emissions by 80% by 2050, as specified. The bill would authorize the state board to establish a process to identify ~~medium-duty~~ *medium-* and heavy-duty vehicle segments that can more quickly reduce motor vehicle emissions, consistent with the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program ~~and with a beachhead market analysis~~. The bill, if the state board does that identification, would require the state board to implement additional emissions reduction strategies and motor vehicle deployment goals consistent with the comprehensive strategy.

~~This bill would state that 10% of the annual proceeds of the Greenhouse Gas Reduction Fund will be appropriated in each annual Budget Act through the 2024-25 fiscal year to the state board for the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program to support the commercialization and deployment of medium-duty and heavy-duty vehicles that reduce greenhouse gas emissions.~~

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. The Legislature finds and declares all of the
- 2 following:
- 3 (a) Diesel-fueled trucks are responsible for 33 percent of
- 4 statewide oxides of nitrogen emissions annually. These same trucks
- 5 emit more particulate matter than all of the state's powerplants.
- 6 (b) People who live near freeways and busy roadways are at
- 7 high risk for exposure to these health-threatening air pollutants
- 8 emitted by these medium- and heavy-duty vehicles.
- 9 (c) In 1998, the State Air Resources Board identified diesel
- 10 particulate matter as a toxic air contaminant based on published
- 11 evidence of a relationship between diesel exhaust exposure and
- 12 lung cancer.

1 (d) Diesel particulate matter also contributes to noncancer health
2 effects, like premature death, hospitalizations, and emergency
3 department visits for exacerbated chronic heart and lung disease,
4 including asthma, increased respiratory symptoms, and decreased
5 lung function in children.

6 (e) Children are particularly vulnerable to the negative effect
7 of diesel because they have higher respiration rates than adults and
8 this can increase their exposure to air pollutants relative to their
9 body weight.

10 (f) Children exposed to high levels of diesel exhaust are five
11 times more likely than other children to have underdeveloped
12 lungs.

13 (g) Increased respiratory symptoms, such as cough wheeze,
14 runny nose, and doctor-diagnosed asthma, have been linked to
15 traffic exposure.

16 (h) Studies have shown that children who live in high-density
17 traffic areas have higher rates of doctor visits for asthma and
18 increased use of asthma medication than children who live near
19 low-density traffic areas.

20 (i) Reducing emissions of these pollutants can have an
21 immediate beneficial impact on air quality and on public health.

22 (j) The largest source of the state's greenhouse gas emissions
23 comes from the transportation sector, accounting for nearly 50
24 percent of statewide emissions.

25 (k) While diesel-fueled trucks and buses make up just 3 percent
26 of the vehicles on the state's roads, they produce 23 percent of
27 greenhouse gas emissions from the transportation sector.

28 (l) The state can effectively reduce health-threatening criteria
29 air pollution and climate-threatening greenhouse gas emissions by
30 outlining a clear path to convert ~~medium-duty~~ *medium-* and
31 heavy-duty vehicle segments, as well as off-road equipment, to
32 cleaner technologies and fuels.

33 (m) Providing consistent, multiyear funding is imperative to
34 reduced emissions of criteria air pollutants and greenhouse gases
35 associated with ~~medium-duty~~ *medium-* and heavy-duty vehicles
36 where this technology is commercially available but still costs a
37 premium and to help support commercialization paths for new
38 technologies that are not currently market ready.

39 SEC. 2. Section 43024.2 is added to the Health and Safety
40 Code, to read:

1 43024.2. (a) No later than January 1, 2021, the state board
2 shall develop a comprehensive strategy for the deployment of
3 ~~medium-duty~~ *medium-* and heavy-duty vehicles in the state to meet
4 the following:

5 (1) Bringing the state into compliance with federal ambient air
6 quality standards.

7 (2) A reduction of motor vehicle greenhouse gas emissions by
8 40 percent by 2030.

9 (3) A reduction of motor vehicle greenhouse gas emissions by
10 80 percent by 2050.

11 (b) In developing the comprehensive strategy, the state board
12 shall do all of the following:

13 (1) Seek to maximize the reduction of criteria air pollutants.

14 (2) Identify regulation that could improve market acceptance,
15 spur technology advancements, and reduce technology costs.

16 (3) Identify research needs to address any data gaps.

17 (4) Identify areas where the state should coordinate with other
18 state agencies, districts, utilities providers, and technology
19 providers to implement measures identified as part of the
20 comprehensive strategy.

21 (5) Identify benefits to low-income communities and
22 communities disproportionately impacted by diesel pollution.

23 (6) Identify policies that provide advantages to fleets that reduce
24 greenhouse gas emissions early.

25 (c) (1) The state board, through a public process, may establish
26 a process to identify ~~medium-duty~~ *medium-* and heavy-duty vehicle
27 segments that can more quickly reduce motor vehicle emissions,
28 consistent with the state board's three-year heavy-duty vehicle
29 investment strategy required pursuant to the California Clean
30 Truck, Bus, and Off-Road Vehicle and Equipment Technology
31 Program, established pursuant to Section 39719.2, ~~and~~ with a
32 beachhead market analysis.

33 (2) Following the process described in paragraph (1), the state
34 board shall implement additional emissions reduction strategies
35 and motor vehicle deployment goals consistent with subdivision
36 (a).

37 ~~SEC. 3.—Ten percent of the annual proceeds of the Greenhouse~~
38 ~~Gas Reduction Fund, created pursuant to Section 16428.8 of the~~
39 ~~Government Code, shall be appropriated in the annual Budget Act~~
40 ~~beginning in the 2019–20 fiscal year through the 2024–25 fiscal~~

1 year, inclusive, to the State Air Resources Board for programs
2 established pursuant to the California Clean Truck, Bus, and
3 Off-Road Vehicle and Equipment Technology Program, established
4 pursuant to Section 39719.2 of the Health and Safety Code, to
5 support the commercialization and deployment of medium-duty
6 and heavy-duty vehicles that reduce greenhouse gas emissions.

7 *SEC. 3. Upon appropriation by the Legislature, moneys,*
8 *including, but not limited to, moneys from the Greenhouse Gas*
9 *Reduction Fund created pursuant to Section 16428.8 of the*
10 *Government Code, shall be available to the state board for*
11 *programs established pursuant to the California Clean Truck, Bus,*
12 *and Off-Road Vehicle and Equipment Technology Program*
13 *established pursuant to Section 39719.2 of the Health and Safety*
14 *Code to support the commercialization and deployment of medium-*
15 *and heavy-duty vehicles that reduce emissions of greenhouse gases.*

SB 633 (Stern)

Santa Susana Field Laboratory: monitoring program

Summary: This bill would require the Office of Environmental Health Hazard Assessment (OEHHA), on or before July 1, 2020, in coordination with specified entities, to develop and implement a monitoring program to collect data on contaminants from the Santa Susana Field Laboratory that could migrate to and pollute surrounding areas.

Background: Existing law authorizes the Department of Toxic Substances Control (DTSC) to compel a responsible party or parties to take or pay for appropriate removal or remediation action, as prescribed, necessary to protect public health and safety and the environment at the Santa Susana Field Laboratory site in the County of Ventura. Existing law prohibits the sale, lease, sublease, or other transfer of any land presently or formerly occupied by the Santa Susana Field Laboratory unless the DTSC certifies that the land has undergone complete remediation pursuant to specified protective standards.

Status: 3/15/2019 - Set for Sen. E.Q. Comm. Hearing April 24.

Specific Provisions: Specifically, this bill would require that on or before July 1, 2020, OEHHA, in coordination with the State Water Resources Control Board, relevant regional water boards, the South Coast Air Quality Management District, and DTSC, shall develop and implement a monitoring program to collect data on contaminants from the Santa Susana Field Laboratory that could migrate to and pollute surrounding areas.

Impacts on SCAQMD's Mission, Operations or Initiatives: One concern is that although the Santa Susana Field Laboratory is likely located primarily in Ventura County, it is near the border and may be downwind of Los Angeles County. Staff believes that this is more likely to be a groundwater contamination issue, however, there is a small possibility of air impacts with respect to the West San Fernando/Santa Clarita Valley area.

It may be appropriate for the Ventura Air Pollution Control District to be involved as well, however, given the potential impact on the South Coast region, a technical consultation role by SCAQMD would also be appropriate.

This bill is in line with SCAQMD's mission to protect public health and air quality in communities.

Recommended Position: SUPPORT

Introduced by Senator Stern

(Principal coauthors: Assembly Members Gabriel and Smith)

February 22, 2019

An act to amend the heading of Article 5.5 (commencing with Section 25359.20) of Chapter 6.8 of Division 20 of, and to add Section 25359.21 to, the Health and Safety Code, relating to hazardous materials.

LEGISLATIVE COUNSEL'S DIGEST

SB 633, as introduced, Stern. Santa Susana Field Laboratory: monitoring program.

Existing law authorizes the Department of Toxic Substances Control to compel a responsible party or parties to take or pay for appropriate removal or remediation action, as prescribed, necessary to protect public health and safety and the environment at the Santa Susana Field Laboratory site in the County Ventura. Existing law prohibits the sale, lease, sublease, or other transfer of any land presently or formerly occupied by the Santa Susana Field Laboratory unless the Director of Toxic Substances Control certifies that the land has undergone complete remediation pursuant to specified protective standards.

This bill would require the Office of Environmental Health Hazard Assessment, on or before July 1, 2020, in coordination with specified entities, to develop and implement a monitoring program to collect data on contaminants from the Santa Susana Field Laboratory that could migrate to and pollute surrounding areas.

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. The heading of Article 5.5 (commencing with
2 Section 25359.20) of Chapter 6.8 of Division 20 of the Health and
3 Safety Code is amended to read:

4
5 Article 5.5. ~~Cleanup of~~ Santa Susana Field Laboratory

6
7 SEC. 2. Section 25359.21 is added to the Health and Safety
8 Code, to read:

9 25359.21. On or before July 1 2020, the Office of
10 Environmental Health Hazard Assessment, in coordination with
11 the State Water Resources Control Board, relevant regional water
12 boards, the South Coast Air Quality Management District, and the
13 department, shall develop and implement a monitoring program
14 to collect data on contaminants from the Santa Susana Field
15 Laboratory that could migrate to and pollute surrounding areas.

S 747 (Carper)

To Reauthorize the Diesel Emissions Reduction Program, and for Other Purposes

Summary: This bill would reauthorize the Diesel Emissions Reduction Act (DERA) program through 2024 at the current level of \$100 million per year.

Background: The DERA program was first authorized in 2005 under the bi-partisan leadership of Senators George Voinovich (R-OH) and Tom Carper (D-DE). The DERA program provides grants and rebates through a national program and a state allocation. DERA funds are specifically utilized to improve air quality and protect public health through the reduction of diesel emissions. The U.S. EPA estimates that for every dollar of federal funding invested in DERA, an additional \$3 is matched by local, private or non-profit organizations to finance the voluntary replacement of or installation of retrofits for existing heavy-duty diesel vehicles and engines. Additionally, the U.S. EPA cites that every dollar spent on diesel emissions reduction returns \$13 in health benefits.

Status: Introduced on 03/12/19.

Specific Provisions: This bill would reauthorize the DERA program through Fiscal Year (FY) 2024 at a level of \$100 million per year. The bill also recognizes differences in “typical vehicles, engines, equipment and fleet use throughout the United States” under the National Grant, Rebate and Loan programs that prioritizes projects. The bill further redirects funds that states are unable to expend back to the National program rather than reallocate the unused monies back to the State program.

Impacts on SCAQMD’s Mission, Operations or Initiatives: SCAQMD receives DERA funding on an annual basis for replacement of older more polluting diesel heavy-duty trucks and recently switch locomotives. The total amount received from the DERA program from FY 2016 through FY 2018 is approximately \$4 million. The application process for the current year has been extended to close on March 26, 2019.

Recommended Position: SUPPORT

116TH CONGRESS
1ST SESSION

S. 747

To reauthorize the diesel emissions reduction program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 12, 2019

Mr. CARPER (for himself, Mr. INHOFE, Mr. BARRASSO, Mr. WHITEHOUSE, Mr. SULLIVAN, Mr. BOOKER, Mrs. CAPITO, Mrs. GILLIBRAND, Mr. CRAMER, and Mr. VAN HOLLEN) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

A BILL

To reauthorize the diesel emissions reduction program, and
for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Diesel Emissions Re-
5 duction Act of 2019”.

1 **SEC. 2. REAUTHORIZATION OF DIESEL EMISSIONS REDUC-**
 2 **TION PROGRAM.**

3 Section 797(a) of the Energy Policy Act of 2005 (42
 4 U.S.C. 16137(a)) is amended by striking “2016” and in-
 5 serting “2024”.

6 **SEC. 3. RECOGNIZING DIFFERENCES IN DIESEL VEHICLE,**
 7 **ENGINE, EQUIPMENT, AND FLEET USE.**

8 (a) NATIONAL GRANT, REBATE, AND LOAN PRO-
 9 GRAMS.—Section 792(c)(4)(D) of the Energy Policy Act
 10 of 2005 (42 U.S.C. 16132(c)(4)(D)) is amended by insert-
 11 ing “, recognizing differences in typical vehicle, engine,
 12 equipment, and fleet use throughout the United States”
 13 before the semicolon.

14 (b) STATE GRANT, REBATE, AND LOAN PRO-
 15 GRAMS.—Section 793(b)(1) of the Energy Policy Act of
 16 2005 (42 U.S.C. 16133(b)(1)) is amended—

17 (1) in subparagraph (B), by striking “; and”
 18 and inserting a semicolon; and

19 (2) by adding at the end the following:

20 “(D) the recognition, for purposes of im-
 21 plementing this section, of differences in typical
 22 vehicle, engine, equipment, and fleet use
 23 throughout the United States, including ex-
 24 pected useful life; and”.

1 **SEC. 4. REALLOCATION OF UNUSED STATE FUNDS.**

2 Section 793(c)(2)(C) of the Energy Policy Act of
3 2005 (42 U.S.C. 16133(c)(2)(C)) is amended beginning
4 in the matter preceding clause (i) by striking “to each re-
5 maining” and all that follows through “this paragraph”
6 in clause (ii) and inserting “to carry out section 792”.

○