

BOARD MEETING DATE: October 4, 2019

AGENDA NO. 25

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a meeting on Friday, September 13, 2019. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Judith Mitchell, Chair
Legislative Committee

DJA:LTO:PFC:jns

Committee Members

Present: Mayor Judith Mitchell/Chair
Council Member Joe Buscaino/Vice Chair (videoconference)
Dr. William A. Burke (videoconference)
Senator Vanessa Delgado (Ret.) (videoconference)
Supervisor Janice Rutherford (videoconference)
Supervisor V. Manuel Perez (videoconference)

Call to Order

Chair Mitchell called the meeting to order at 9:00 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.

Ms. Amelia Jenkins of Cassidy & Associates reported that Congress returned from their August recess on September 9. The following day, the House of Representatives voted to approve H.R. 1768 to reauthorize the Diesel Emissions Reduction Act (DERA). Ms. Jenkins also stated that Congress has significant work to complete the Appropriations bills and that it is likely that there will be a

Continuing Resolution (CR) to fund the federal government through December or possibly through March of 2020. Additionally, she reported that there was approximately 9 weeks left before election season begins.

Mr. Mark Kadesh of Kadesh & Associates reported that before Congress left for their August recess, they completed a deal with the Administration to waive the U.S. debt ceiling until after elections and increase the discretionary spending budget for FY 2020. The Senate Interior Appropriations Subcommittee would be taking action in the next two weeks on the FY 2020 Interior, Environment and other Agencies Appropriations bill which funds the U.S. EPA including DERA, Targeted Airshed Grants and Section 103/105 funding programs.

Mr. Gary Hoitsma of Carmen Group reported that U.S. EPA Acting Deputy Administrator Henry Darwin would be leaving his post in Washington, D.C. to become an Assistant Deputy Administrator in U.S. EPA's Phoenix office. Mr. Hoitsma further updated the Committee that U.S. EPA Region 8 Chief Doug Benevento will become the Senior Counselor for Regional Management and State Affairs.

2. Update on State Legislative Issues

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

Mr. Ross Buckley of California Advisors LLC reported that September 13 is the last day of the 2019 state legislative session in Sacramento. He stated that there are just over 100 bills left to be addressed by the legislature. However, since state law requires bills to be in print 72 hours prior to action, numerous bills are not eligible to be taken up until the evening of September 13. Mr. Buckley reported that the Governor will have until October 13 to sign or veto all bills sent to him that have been passed by the state legislature.

Mr. Paul Gonsalves of Joe A. Gonsalves & Son provided the Committee with an update on two pending bills. SB 633 (Stern) previously required the Office of Environmental Health Hazard Assessment (OEHHA), in coordination with other agencies, 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. However, this bill was amended on September 6 to completely delete that content and now requires the Department of Toxic Substances Control (DTSC) to impose additional cleanup standards for contaminated sites that are finalized after January 1, 2020. Mr. Gonsalves clarified that this is now a 2-year bill. Senator Stern would like to work with stakeholders to find a better approach for this bill.

Mayor Mitchell inquired as to whether the amended SB 633 still focused on the Santa Susana facility or whether it was more general for all toxic waste sites. Mr. Gonsalves stated that the bill is still focused on the Santa Susana facility. Mr. Philip Crabbe, Public Affairs Manager in Legislative, Public Affairs & Media (LPAM), added that the South Coast AQMD's previous position on the bill no longer applies and the new bill content will have to be reassessed.

SB 44 (Skinner) requires CARB to update the 2016 mobile source strategy to include the deployment of medium and heavy-duty vehicles. This bill recently passed off the Senate floor and will go to the Governor for consideration.

Mr. Sean Henschel of Quintana Watts and Hartmann provided an update regarding SB 1 (Atkins), and stated that it is likely to become a 2-year bill.

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

Mr. Derrick Alatorre, Deputy Executive Officer of LPAM, provided an update regarding the South Coast AQMD-sponsored Voting District Authorization for Clean Air bill, SB 732 (Allen). SB 732 is a 2-year bill and is not eligible to be acted upon again until January 2020. The bill will need to be passed by the Senate, its house of origin, by the end of January. Staff will continue to work with stakeholders in Sacramento and locally, from now until January in preparation for next year's legislative session and to ensure that the bill can move successfully through the legislative process.

4. Update on State Bills

Mr. Crabbe provided an update on the following state bills to the Committee:

SB 1 (Atkins), which requires CARB and other state agencies to act, generally through rulemaking, if Federal standards are weakened to be less protective, including those relating to air quality. Mr. Crabbe explained that the South Coast AQMD has a Support position on the bill, but is currently seeking amendments to clarify that local air districts, rather than CARB, are the primary authority regarding stationary source rulemaking. The bill is currently pending in the Assembly; however, it is likely to become a 2-year bill.

SB 210 (Leyva) requires CARB to develop and implement a program for the inspection and maintenance of heavy-duty vehicles. The South Coast AQMD has a Support position on the bill, and was able to secure an amendment exempting zero-emission vehicles from the program. Staff is currently seeking an amendment allowing penalties from the program, to be used to assist local air districts in mitigating heavy-duty truck emissions, with monies distributed based on where the penalty originated. This bill is currently pending in the Senate.

SB 216 (Galgiani) would, until January 1, 2023, add a used heavy-duty truck exchange program as an eligible project for funding under the Carl Moyer Program. Prior amendments ensured that the truck exchange is optional for air districts. The South Coast AQMD has a Support If Amended position on the bill. Staff was having productive conversations with the bill's sponsor in order to secure amendments, however, this bill remained on the Suspense file in Assembly Appropriations and is now a 2-year bill.

AB 1714 (Aguiar-Curry) is a last-minute bill that was “gut and amended” two weeks ago and sponsored by the wine industry, which was similar to last year's late-session efforts. AB 1714 would require air districts to make various findings when they adopt a rule or issue a permit requiring air pollution control technology on wine fermentation tanks, including that the control equipment will not affect the quality, style, or marketability of the wine. Staff worked with the California Air Pollution Control Officers Association (CAPCOA), who is opposing the bill, and the bill is now a two-year bill.

AB 1299 (Salas) is another last-minute bill that was “gut and amended” on September 10. This bill would exempt petroleum refineries located in the state with less than 3,000 people living within one mile of the facility, and with a crude oil capacity of not more than 55,000 barrels per day, from state statutory requirements to install and operate community air and fence-line monitoring systems by January 1, 2020. Staff is working with CAPCOA, who is opposing the bill, and this bill is currently pending on the Senate Floor.

Ms. Denise Peralta Gailey, Public Affairs Manager in LPAM, provided an update on the following state bills to the Committee:

AB 142 (C. Garcia) would increase the lead-acid battery fee from \$1 to \$2 and would provide that the fee continues indefinitely. Ms. Peralta Gailey explained that monies generated by the fee will be used for activities relating to the clean-up of contamination caused by lead-acid batteries throughout the state. South Coast AQMD has a Support position on this bill, which is now going to the Governor's office.

AB 836 (Wicks) would establish a grant program, upon appropriation, to provide funding to retrofit ventilation systems and create “clean air centers” at schools, recreation centers, senior centers, etc. These centers would be accessible to the public during wildfires or other smoke events. South Coast AQMD has a Support position on this bill, which has no opposition, and the bill is now going to the Governor's office.

AB 1500 (Carillo) would expand the authority of a Certified Unified Program Agency (CUPA) or Local Health Officer to temporarily shut down a facility if conditions at the facility pose an imminent and substantial endangerment to public health and safety. South Coast AQMD's original position was Support With Amendments, with a requested amendment to confirm that the bill does not restrict or limit in any way the authority of an air district. That amendment was accepted by the author and added to the bill. The bill is now a two-year bill.

OTHER MATTERS:

5. Other Business

There was no other business.

6. Public Comment Period

There was no public comment.

7. Next Meeting Date

The next regular Legislative Committee meeting is scheduled for Friday, October 11, 2019 at 9:00 a.m.

Adjournment

The meeting adjourned at 9:22 a.m.

Attachments

1. Attendance Record
2. Update on Federal Legislative Issues – Written Reports
3. Update on State Legislative Issues – Written Reports
4. Report from the South Coast AQMD Home Rule Advisory Group

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT LEGISLATIVE COMMITTEE MEETING ATTENDANCE RECORD – September 13, 2019

Dr. William A. Burke (videoconference).....	South Coast AQMD Board Member
Council Member, Joe Buscaino (videoconference)	South Coast AQMD Board Member
Senator Vanessa Delgado (Ret.) (videoconference)	South Coast AQMD Board Member
Mayor Judith Mitchell.....	South Coast AQMD Board Member
Supervisor V. Manuel Perez (videoconference)	South Coast AQMD Board Member
Supervisor Janice Rutherford (videoconference).....	South Coast AQMD Board Member
Thomas Gross	Board Consultant (Benoit)
Ron Ketcham	Board Consultant (McCallon)
Andy Silva	Board Consultant (Rutherford)
Gary Hoitsma (teleconference)	Carmen Group, Inc.
Amelia Jenkins (teleconference).....	Cassidy & Associates
Mark Kadesh (teleconference)	Kadesh & Associates
Sean Henschel (teleconference).....	Quintana, Watts and Hartmann
Ross Buckley (teleconference).....	California Advisors, LLC
Paul Gonsalves (teleconference).....	Joe A. Gonsalves & Son
Jennifer Cohen	Port of Los Angeles
Eli Lipmen	Move LA
Bill LaMarr	California Small Business Alliance
Erick Martell	Port of Los Angeles
David Rothbart.....	Los Angeles County Sanitation Districts
Susan Stark.....	Marathon Petroleum Corporation
Derrick Alatorre	South Coast AQMD Staff
Barbara Baird	South Coast AQMD Staff
Naveen Berry	South Coast AQMD Staff
Philip Crabbe	South Coast AQMD Staff
Amir Dejbakhsh	South Coast AQMD Staff
Philip Fine	South Coast AQMD Staff
Denise Peralta Gailey.....	South Coast AQMD Staff
Stacy Garcia	South Coast AQMD Staff
Sujata Jain	South Coast AQMD Staff
Wayne Nastri	South Coast AQMD Staff
Robert Paud.....	South Coast AQMD Staff
Sarah Rees.....	South Coast AQMD Staff
Lisa Tanaka O'Malley	South Coast AQMD Staff
Jeanette Short	South Coast AQMD Staff
Todd Warden	South Coast AQMD Staff
Fabian Wesson.....	South Coast AQMD Staff
Kim White.....	South Coast AQMD Staff
Jill Whynot.....	South Coast AQMD Staff
William Wong.....	South Coast AQMD Staff
Paul Wright	South Coast AQMD Staff

ATTACHMENT 2

CASSIDY&ASSOCIATES

733 Tenth Street, N.W., Suite 400
Washington, DC 20001-4886

(202) 347-0773
www.cassidy.com

To: South Coast Air Quality Management District

From: Cassidy & Associates

Date: September 4, 2019

Re: Federal Update

Look Ahead

On Monday, September 9th, the House and Senate will return to tackle a myriad of issues in the roughly 40 days both chambers are in session between now and the end of the year. The first looming deadline is October 1st, when government funding runs out. The Senate Appropriations Committee has indicated they could start voting on legislation on September 12th and are planning to combine and pass a portion of spending bills for the Pentagon and for the departments of Labor, Education, Health and Human Services, and potentially Energy and Water development funding. However, even if the Senate could pass legislation before the beginning of October, they will still need to move into a broader agreement with the House. This sets up the almost certainty of a short-term continuing resolution (CR) that would temporarily extend current spending levels. House Leader Steny Hoyer has stated that the CR would likely be “no more than 60 days”, teeing up the real government funding fight for early December.

Another issue at the top of the list for Congress is gun control. After the shooting massacres that occurred over the recess in El Paso, Texas, and Dayton, Ohio, lawmakers have proposed a number of legislative responses. The House will mark up three gun related measures in the Judiciary Committee next week related to banning high-capacity magazines, incentivizing states to establish a process to prevent people deemed "a risk to themselves or others" from obtaining a firearm and prohibiting those convicted of misdemeanor hate crimes from possessing guns. These will be considered on the House floor later in September, however most of the focus will be what measures can pass a Republican controlled Senate and garner a presidential signature. Senate Majority Leader Mitch McConnell has formed a working group of three Senators on this issue – Wicker, Graham, and Alexander. Senator Graham has voiced support for “red flag” laws, which allows law enforcement to temporarily block certain individuals from buying or owning a gun. Meanwhile, Senators Murphy, Toomey, and Manchin are heading up discussions with the White House to attempt a deal on expanding background checks.

The National Defense Authorization Act is also viewed as a must-pass item this fall. Before the August recess, the House and Senate both passed separate versions of the bill. Because the Democrats control the House and Republicans control the Senate, there are significant policy differences between the two bills, such as the House version including provisions blocking emergency arms sales to Saudi Arabia, repealing the 2002 authorization for

the use of military force (AUMF), and preventing President Trump from using any Pentagon funds for a border wall.

Trade is another potential heavy lift item that could come together, depending on how the United States – Mexico - Canada negotiations between House Democrats and the White House unfold. Congress has previously agreed to fast track trade deals following passage of Trade Promotion Authority in 2015. It is likely that Democrats will hold out for stronger and more enforceable labor protections, as well as environmental protection changes before agreeing to move forward.

Smaller items to be considered immediately when the House returns in September are three drilling bills - [H.R. 1941](#), introduced by Rep. Joe Cunningham (D-SC) on Mar. 28th, would amend the Outer Continental Shelf Lands Act to keep the US Interior secretary from authorizing additional oil and gas activity on the OCS off the Atlantic and Pacific coasts. [H.R. 205](#), introduced by Rep. Francis Rooney (R-Fla.) on Jan. 3rd, would make the eastern Gulf of Mexico drilling moratorium—enacted in 2006—permanent. Finally, [H.R. 1146](#), introduced by Rep. Jared Huffman (D-CA) on Feb. 11th, would prohibit the Bureau of Land Management from administering an oil and gas leasing, development, production, and transportation program in and from the Coastal Plain of the Arctic National Wildlife Refuge in Alaska.

[H.R. 2328](#), the “Community Health, Investment, Modernization, and Excellence Act of 2019”, introduced by Reps. Tom O’Halloran (D-AZ) and Elise Stefanik (R-NY), will also be considered by the House later in September. This bill will reauthorize and extend funding for the Community Health Center Fund and the National Health Service Corps.

Other potential House items for the fall are National Flood Insurance Policy reauthorization (expires Sept 30th), Export – Import Bank reauthorization (expires Sept 30th), [HR 2203 – Escobar CBP bill](#) (pulled from schedule in July), [HR 1423 - Arbitration](#), a [Two-State Solution Res](#), legislation related to election security, drug pricing/surprise billing (unclear if together or separate), and energy “green” tax extenders.

Additionally, the Senate will likely force a vote this month on a resolution related to arms sales and U.S. security assistance to Saudi Arabia. The Murphy-Young resolution would allow Congress to vote to request human rights information on Saudi Arabia from the State Department. Once the State Department has provided their report, Senators could then vote to limit or stop security assistance, including arms sales.

House Democrats have been watching how Customs and Border Protection as well as Immigration and Customs Enforcement spend the \$4.6 billion Congress allocated to them in the emergency supplemental bill passed in late June. Worsening conditions on the border or an escalation of the Trump administration’s hardline immigration policy could mean House Democrats, especially progressives and the Congressional Hispanic Caucus, return in no mood for compromise on any Homeland Security funding bill, setting up another intra-party battle among Democrats seen in the fight over the emergency funding bill.

Summary of Congressional Activities in July

Before leaving for the August recess, lawmakers inked a two-year spending deal and debt limit package. However, this is just the beginning for Congress taking care of fiscal 2020 priorities. When lawmakers return from recess, there will be a flurry of activity to finish all 12 appropriations bills. The House has passed 10

spending bills for FY 2020, whereas the Senate hasn't started marking up or voting on any of the appropriations bills. House lawmakers will still need to reduce nondefense and increase defense accounts to match the new spending levels, and eventually make the legislation palatable to the Senate. Leaders in both chambers have talked about prioritizing a package made up of the Defense and Labor-HHS-Education bills. On the other end, the Homeland Security measure looks to cause the most trouble.

Throughout July, House Democrats continued to highlight the impacts of climate change through a series of committee hearings.

- House Select Committee on the Climate Crisis held a hearing on diesel-reduction policies for heavy-duty vehicles, along with a hearing on related business costs associated with climate change.
 - The House Select Committee on the Climate Crisis also held a field hearing in Boulder, Colorado on the state's clean-energy plans. Colorado Governor Jared Polis signed into law a set of bills in May that aim to put the state on a path to 100 percent renewable energy by 2040. Among other things, the new laws require utilities to pare down emissions.
- A House Natural Resources Committee subpanel held a hearing on oil and gas development linked to climate change and adverse health impacts.
- A House Science, Space, and Technology Committee subpanel investigated controversial Environmental Protection Agency science-advisory bodies under the Trump Administration.
- The House Budget Committee will hold a hearing Wednesday on the broad costs of climate change. On Thursday, the House Select Committee on the Climate Crisis will hold a hearing on climate change-related business costs. And a House Energy and Commerce subcommittee will host a hearing Wednesday on decarbonization of the U.S. economy.
- The House Budget Committee held a hearing on the broad costs of climate change.
- A House Energy and Commerce subcommittee hosted a hearing on decarbonization of the U.S. economy.

Infrastructure and Transportation Activities

House Committee on Transportation and Infrastructure - The Committee on Transportation and Infrastructure continues to work on and draft text for their version of the Surface Transportation reauthorization bill. They will likely introduce the bill early next year. According to staff, Members are operating in good faith to get something passed despite the pressures of the presidential election cycle.

Senate Committee on Energy and Public Works- On July 30th, the Senate Committee on Energy and Public Works unanimously passed S.2302, the America's Transportation Infrastructure Act of 2019 (ATIA). This bipartisan surface transportation reauthorization bill authorizes \$287 billion over five years, including \$259 billion for formula programs to maintain and repair America's roads and bridges. The total represents an increase of over 27 percent from FAST Act levels.

The bill contains a few items of interest:

Congestion Mitigation and Air Quality Program (CMAQ). Sec. 1115 of the bill amends [23 U.S.C. §149](#) to make the following new kinds of projects CMAQ-eligible, if functionally connected to the Federal-aid

system and if the Secretary determines it is likely to contribute to Clean Air Act attainment or maintenance: modernization or rehab of a lock and dam, or marine highway corridor, connector or crossing projects (including inland waterway corridors) – but a state may use no more than 10 percent of its annual CMAQ apportionment on such projects. And §149(m) (operating assistance) is amended to strike “no imposed time limitation” and instead specify that there may be time limitation on operating assistance in urbanized areas above 200,000 in population. Also, sec. 1520 of the bill requires a new GAO study of the CMAQ program and its effectiveness.

And sec. 1127 of the bill amends [49 U.S.C. §70201](#) (state freight advisory committees) to add MPOs, local governments, state environmental agencies, state air resources boards, and state economic development agencies to the freight advisory committees and establishing qualifications for advisory committee members.

Summary of Outreach

- ❖ Preparation and execution of Hill briefing on Clean Air Attainment – Energy and Commerce Committee staff, Environment and Public Works staff, Energy and Water Appropriations Subcommittee Staff and House Leadership.
- ❖ Weekly calls with SCAQMD staff.
- ❖ Preparation for postponed August visit.
- ❖ Preparation for September visit.
- ❖ Working with key Congressional staff on potential avenues for future federal funding as part of an infrastructure package.
- ❖ Monitoring Clean Trucks Initiative and ongoing Heavy Duty NOx rulemaking.
- ❖ Monitoring Congressional hearings related to the California waiver

South Coast AQMD Report for the September 2019 Legislative Meeting
Months of July and August 2019

Kadesh & Associates

July:

Congressionally, July was dominated with the two-year budget Deal. For South Coast AQMD, July was also focused on briefing the Congressional audiences on attainment of the 1997 8-hour Ozone Standard. Beyond those two events July was also used to plan potential Washington, D.C. trips for the South Coast AQMD leadership in August and/or September/October.

Budget deal:

On August 1, the Senate sent President Donald Trump H.R. 3877, legislation to extend the debt limit and allow more government spending until after next year's election -- a bipartisan deal that drew opposition from some who expressed concern about the deficit. President Trump signed the plan, which passed 67-28 in the Senate. The bill was backed by 30 Republicans and 37 Democrats, while 23 Republicans and five Democrats voted against it.

The House voted 284-149 for the measure the prior week with most Republicans in opposition even though the President had urged them to support it. The measure suspends the debt limit through July 31, 2021, eliminating the risk of a default until then. It also sets budget caps for two years that will permit \$324 billion in additional domestic and defense spending above the current cap levels.

Congress will still need to pass spending bills in September adhering to the new \$1.3 trillion spending cap to avoid a government shutdown when the next fiscal year (FY) begins on October 1. Because the Senate had not written any of the 12 spending bills (as of July), a short-term measure extending current funding is likely for at least some government agencies. The deal reaps just \$77 billion in savings over 10 years by extending entitlement cuts a decade from now and raising customs user fees. Democrats praised the increases for domestic programs, which will rise by \$103 billion over current spending. (The amount is \$150 billion over the spending caps that were imposed -- and since then regularly lifted -- by a deal to resolve a 2011 fiscal showdown.)

Congressional briefing:

On July 18, southern California Congressional offices received a briefing on attainment issues related to the 1997 8-hour Ozone Standard. Considerable preparation of message, materials and the staff in Congressional offices was undertaken. The call was conducted by South Coast AQMD Executive staff. It, and the delivery of preparatory and post-call materials, went well.

Future visits to DC:

The Kadesh team met with South Coast AQMD executive leadership in California to plan next steps, including in-person Congressional briefings in DC by the executive staff for August, September and/or October.

Contacts included staff with all 23 House Members within South Coast AQMD's jurisdiction and both Senate offices as well as House Speaker Nancy Pelosi's office:

- Office of U.S. Representative Pete Aguilar
- Office of U.S. Representative Nanette Barragán
- Office of U.S. Representative Karen Bass
- Office of U.S. Representative Ken Calvert
- Office of U.S. Representative Tony Cardenas
- Office of U.S. Representative Judy Chu
- Office of U.S. Representative Paul Cook
- Office of U.S. Representative Lou Correa
- Office of U.S. Representative Katie Hill
- Office of U.S. Representative Ted Lieu
- Office of U.S. Representative Alan Lowenthal
- Office of U.S. Representative Grace Napolitano
- Office of U.S. Representative Harley Rouda
- Office of U.S. Representative Lucille Roybal-Allard
- Office of U.S. Representative Gil Cisneros
- Office of U.S. Representative Raul Ruiz
- Office of U.S. Representative Linda Sanchez
- Office of U.S. Representative Adam Schiff
- Office of U.S. Representative Brad Sherman
- Office of U.S. Representative Mark Takano
- Office of U.S. Representative Norma Torres
- Office of U.S. Representative Katie Porter
- Office of U.S. Representative Maxine Waters
- Office of U.S. House of Representatives Speaker Nancy Pelosi
- Office of U.S. Senator Dianne Feinstein
- Office of U.S. Senator Kamala Harris

August:

Both Houses of Congress were adjourned for the month of August. Pursuant the two-year budget deal reached at the end of July, appropriations work began in the Senate in earnest. Reaction to the Congressional briefing was monitored and Washington trips for the South Coast AQMD leadership in September were scoped out and planned. In August, four auto manufacturers announced their commitment to more stringent air quality standards than the Trump Administration has been advocating.

Appropriations Update:

Congress was on its annual recess for the entire month of August and is not scheduled to return until September 9. Prior to adjourning, Congress passed a two-year budget deal increasing the spending caps for FY20 and FY21. While the House passed most of its spending bills prior to the deal, the Senate was waiting for the deal before moving forward. As a result, Senate leadership wants to move all 12 annual Appropriations bills in September. This probably will not happen, but work on most of the bills at the committee level has started. The first three – and the ones with the highest likelihood

of being considered on the floor – will be Defense, Labor-Health and Human Services, and Energy-Water. These bills have not been scheduled, but they are expected the first or second week after recess. Discussions have already started on the need for a continuing resolution (CR). The Office of Management and Budget transmitted a list of appropriations and authorization anomalies going into mid-December. While the House and Senate have not yet announced or agreed to a final date for the CR, we have heard that the committees could be considering one through late November or mid-December. The Congressional schedule as announced and published calls for lawmakers to be in recess during the week of November 25 with a target adjournment date for the year of December 12 for the House and December 13 for the Senate.

The budget negotiations will likely be the main legislative accomplishments for the balance of the year and we will keep staff posted on new developments.

Contacts included staff with the House and Senate Appropriations Committees.

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

MEMORANDUM

To: South Coast AQMD Legislative Committee

From: Carmen Group

Date: August 29, 2019

Re: Federal Update -- Executive Branch

EPA Finalizes “Affordable Clean Energy” Rule: In July, the Environmental Protection Agency published the final Affordable Clean Energy (ACE) rule – replacing the prior administration’s “Clean Power Plan” (CPP) to regulate emissions from stationary power plants. According to the EPA, the new rule will be more in conformance with the Clean Air Act while giving the states more authority and the regulatory certainty they need to continue to reduce emissions and provide Americans with a dependable and diverse supply of affordable electricity. The Trump Administration projects that when fully implemented the new rule will see U.S. power sector CO₂ emissions fall by as much as 25 percent below 2005 levels. The ACE rule establishes guidelines for states to use when developing plans to limit CO₂ at their coal-fired power plants. States will have 3 years to submit plans. The guidelines will inform states as they set unit-specific standards of performance that have more flexibility than under the previous rule which was never implemented since having become tied up in litigation. Several state attorneys general are now challenging the new rule, including those in California, New York and Massachusetts.

CAFÉ Rule Under Final Review: In early August, the Administration’s pending SAFE rule on fuel efficiency standards for cars and light trucks was submitted to the White House Office of Management & Budget for final interagency reviews and approvals. Assuming a conventional review period of about 60-90 days for a rule of this magnitude, expectations are that the final rule could be published in the October-November timeframe. Meanwhile attempts by some auto manufacturers and others to force or encourage a further negotiation for a compromise deal with California that would avoid litigation appear to have fallen on deaf ears inside the Administration. A June letter plea by 17 auto manufacturers urging more talks was quickly rejected, and an August announcement by several manufacturers that they had agreed to their own compromise on the issue with California was denounced by the Administration as a meaningless stunt. Also noteworthy was the June 20 hearing of a joint subcommittee of the House Energy & Commerce Committee at which then-EPA Assistant Administrator Bill Wehrum and then-National Highway Traffic Safety Acting Administrator Heidi King defended the Trump administration’s approach to the rulemaking, while at the same time California Air Resources Board Chairman Mary Nichols testified with sharp criticism of the rule and of how the EPA and DOT leadership has dealt with the issue. While Nichols appealed for the federal government to resume negotiations with California before the

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rule is finalized, EPA Administrator Andrew Wheeler – in a letter to the Subcommittee chairmen shortly before the hearing started - accused Nichols of not being “a good faith negotiator.” Then within mere weeks immediately following the hearing, both Wehrum and King had announced their separate plans to leave the Administration. (*See Key Personnel Changes below.*)

EPA Announces Priorities for Enforcement and Compliance Assurance: The EPA in June announced six National Compliance Initiatives (NCIs) for Fiscal Years 2020-2023 to be overseen by the EPA’s Office of Enforcement and Compliance Assurance (OECA). Among these were three in the category of “Improving Air Quality”:

- *Creating Cleaner Air for Communities by Reducing Excess Emissions of Harmful Pollutants from Stationary Sources* – This NCI will focus on reducing emissions of volatile organic compounds (VOCs) and hazardous air pollutants.
- *Reducing Hazardous Air Emissions from Hazardous Waste Facilities* – This existing NCI will continue to focus on improving compliance with regulations that require effective control and monitoring of organic air emissions from certain hazardous waste management activities.
- *Stopping Aftermarket Defeat Devices for Vehicles and Engines* – This NCI will focus on stopping the manufacture, sale, and installation of aftermarket defeat devices on vehicles and engines used on public roads as well as on nonroad vehicles and engines.

USDOT Announces INFRA Grants: In July, the Department of Transportation announced the distribution of \$856 million in FY 2019 INFRA grants to 20 projects (ten large and 10 small) across the country for the improvement of major highways, bridges, ports and railroads. Large projects receive at least \$25 million, small projects receive at least \$5 million, and at least 25 percent of projects are reserved for rural areas. Among these, one project was selected in California: \$50 million was awarded to the City of Temecula, CA, to construct a two-lane collector/distributor system along I-15.

FTA Announces “Low-No” Grants for Advanced Bus Technologies: In July, the Federal Transit Administration (FTA) announced the distribution of \$85 million to 38 projects in 38 states through the FY 2019 Low- or No-Emission (Low-No) Bus Grant program. Eligible projects included the purchase or lease of buses powered by modern efficient technologies including hydrogen fuel cells, battery-electric engines, and related infrastructure such as charging stations.

EPA Releases Annual Report on Air Quality: In July, the Environmental Protection Agency put out its annual report on air quality, “Our Nation’s Air: Status and Trends Through 2018.” The report showed that between 2016 and 2018, there was decline in a variety of key air pollutants including NO_x—down 8.7 percent; PM 2.5—down 1.9 percent; PM 10—down 1.2 percent; SO₂—down 7.8 percent; CO—down 7.2 percent; and volatile organic compounds (VOC)—down 3.3 percent.

EPA Fines Two Auto-Parts Manufacturers for Emissions-Related Violations: In August, two automotive parts manufacturers (one based in Orange, CA, and the other based in North Las Vegas, NV) were fined a total of \$15,000 for violations of the Clean

Air Act. The companies manufactured or sold “defeat devices” that bypassed required emissions control systems on either gas-powered vehicles or diesel-powered trucks.

DOE Announces Truck Technology Research: In July, the Department of Energy announced \$50 million for new and innovative research of technologies for trucks, off-road vehicles, and the fuels that power them. The selections highlight DOE’s focus on gaseous fuels research, including natural gas, biopower, and hydrogen; heavy-duty freight electrification, hydrogen infrastructure and fuel cell technologies for heavy duty applications; and energy efficient off-road vehicles.

DOE Announces Advanced Vehicle Technologies Research: In August, the Department of Energy announced \$59 million for 43 projects for advanced vehicle technologies research, including advanced lithium-metal solid state batteries, novel materials and designs for advanced electric motors, and new powertrain materials to significantly improve fuel economy.

Key Personnel Changes at EPA and NHTSA:

- **EPA:** Effective July 1, Bill Wehrum has been replaced as Assistant Administrator for Air and Radiation, a key Senate-confirmed post overseeing the Administration’s principle clean air regulatory policies and programs. He is succeeded in an “Acting” capacity by **Anne Idsal**, who had been serving as Principal Deputy Assistant Administrator since April after serving slightly over a year as EPA Region 6 Administrator.
- **NHTSA:** Effective September 1, Heidi King has been replaced as “Acting” Administrator by **James Owens**, who was previously deputy general counsel at the U.S. Department of Transportation.
- **EPA:** In July, **Peter Wright** was confirmed by the Senate to be EPA Assistant Administrator for Land and Emergency Management. He was Special Counsel to the Administrator and previously environmental counsel at Dow Chemical Co.

Meetings with Elected Officials/Stakeholders: Following are meetings/discussions held by Carmen Group consultants in June/July/August on behalf of SCAQMD with the offices of elected officials, committees, agencies or other stakeholders:

- **Sen. James Inhofe (R-OK) and staff** (*Member, Senate Environment & Public Works Committee*) – Discussed developments on infrastructure.
- **Environmental Protection Agency** – Discussed current issues with Clint Woods, DAA, Office of Air and Radiation.
- **Office of Rep. Mike Simpson (R-ID)** (*Member, House Interior, Environment Appropriations Subcommittee*) – Discussed DERA appropriations issues.
- **Office of Rep. Chris Stewart (R-UT)** (*Member, House Interior, Environment Appropriations Subcommittee*) -- Discussed DERA appropriations issues.
- **Cummins, Inc.** – Discussed DERA appropriations issues with Traci Kraus.
- **Diesel Technology Forum** – Discussed DERA issues with Ezra Finkin.
- **NGV America** – Discussed DERA and alternative fuel tax credit issues with Allison Cunningham.

###



ATTACHMENT 3

CALIFORNIA ADVISORS, LLC

SCAQMD Report
California Advisors, LLC
September 13, 2019 Legislative Committee Hearing

General Update

The Legislature returned from their month-long summer recess on August 12th for the final five weeks of session. Fiscal committees will have approximately three weeks, from August 12th to August 30th, to hear and pass all fiscal bills to the Floor. The remaining two weeks of the session, from September 3rd to 13th, will be restricted to Floor session only. The Legislature adjourns the first year of the two-year session at on September 13th.

At the end of August, the Senate and the Assembly Appropriations Committees will meet to hear bills that have been placed on the “Suspense File.” In doing so, the committee will decide the fate on hundreds of bills. Each house has a financial threshold for the bills that will be referred to their respective Suspense Files and hundred qualify each year. At the hearings, the chair of each committee will announce which bills will come off the Suspense File and ultimately move to the floor of either house. It should be noted that unlike other committee hearings, there will be no presentation on the bills. Rather, the Chair will go through the lengthy list of suspense items and simply state which bills have passed and which bills were held.

On August 27th, a special primary election was held in Assembly District 1. Five candidates were vying for the seat former Assemblymember Brian Dahle vacated following his recent election to the State Senate. The latest results show that Elizabeth Betancourt, the only Democrat in the race, and Megan Dahle, a Republican and the Senator’s wife, garnered the most votes. Betancourt led all candidates with 39.1 percent of the vote, and Dahle had 36.2 percent of the vote. The two will compete in a special run-off election on November 5th.

Appointments:

Caroline Godkin (Sacramento) appointed as deputy secretary for environmental policy and emergency response at the California Environmental Protection Agency.

Amelia Yana Garcia Gonzalez (Oakland) appointed as deputy secretary for environmental justice, tribal affairs and border relations at the California Environmental Protection Agency.

Elected Officials Contacted on Behalf of SCAQMD:

California Advisors met with the following legislators or their offices on behalf of South Coast Air Quality Management District:

Senate:

Toni Atkins (SB 732), Ben Allen (SB 732)

Assembly:

Aguiar-Curry (AB 1714), Laura Friedman (AB 285), Luz Rivas (AB 1578), and Buffy Wicks (AB 836).

2019 Legislative Update

Voting District Authorization for Clean Air Legislation

SB 732 (Allen) was pulled from Senate Appropriations Committee at the request of the author on May 13th.

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. *Pending before the Senate Appropriations Committee.*

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. *Pending before the Senate Appropriations Committee.*

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. *Pending before the Senate Appropriations Committee.*

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. *Pending before Senate Appropriations Committee.*

SB 1 (Atkins) would require specified agencies to take prescribed actions regarding certain federal requirements and standards pertaining to air, water, and protected species. *Pending before Assembly Appropriations Committee.*

SB 44 (Skinner) would require the Air Resources Board to update the state board's 2016 mobile source strategy to include a comprehensive strategy for the deployment of medium- and heavy-duty vehicles in the state for the purpose of bringing the state into compliance with federal ambient air quality standards and reducing motor vehicle greenhouse gas emissions. *Pending before the Assembly Appropriations Committee.*

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. *Pending before the Assembly Appropriations Committee.*

SB 633 (Stern) would require the Office of Environmental Health Hazard Assessment 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. *Pending before the Assembly Appropriations Committee.*



Joe A. Gonsalves & Son

Anthony D. Gonsalves

Jason A. Gonsalves

Paul A. Gonsalves

PROFESSIONAL LEGISLATIVE REPRESENTATION

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Email: gonsalves@gonsalvi.com

TO: South Coast Air Quality Management District

FROM: Anthony, Jason & Paul Gonsalves

SUBJECT: Legislative Update – August 2019

DATE: Tuesday, September 3, 2019

The month of August begins the countdown to the end of the Legislative Session. The legislature returned from their summer recess on August 12, 2019. The Legislature has until September 13, 2019 to pass all 813 remaining bills to Governor Newsom for his consideration before they adjourn on September 13, 2019. Please note, due to the 72-hour in print rule, all amended bills must be in print by September 10, 2019 to be considered this year.

We will continue to monitor all bills and amendments of interest to the District and keep you apprised as they progress.

Climate Pollution Continues to Drop Below 2020 Target

On August 12, 2019, Governor Newsom announced that greenhouse gas (GHG) emissions in California continued to fall ahead of schedule in 2017 as the state's economy grew ahead of the national average, according to the California Air Resources Board's latest state inventory of climate-changing emissions.

The data also shows that for the first time since California started to track GHG emissions, the state power grid used more energy from zero-GHG sources like solar and wind power than from electrical generation powered by fossil fuels. In addition, the data demonstrates that emissions from the transportation sector did not rise as fast as in previous years.

In 2017, the California economy grew at 3.6%– 1.4% above the national average, according to the state Department of Finance. 2017 was also the second year in a row in which GHG emissions fell below the 2020 reduction target of 431 million metric tons established by the Global Warming Solutions Act of 2006 (AB 32). GHG emissions came in at 424 million metric tons of CO₂ equivalent in 2017, a decrease of 5 million metric tons from 2016.

In addition, the carbon intensity of the state's economy (the amount of carbon pollution produced per million dollars of economic output) also continued its decline, by 4.5% since 2016, and the per capita emissions continued to drop, by 2% to 10.7 tons of carbon dioxide equivalent per person (the national average is 19.9 tons of carbon dioxide equivalent per person.) The following will provide you with highlights from this year's full GHG Emissions Inventory:

Electricity

Emissions from electricity generation made up about 15% of 2017 statewide GHG emissions. In 2017, those emissions fell 9% from 2016, the largest decline of any economic sector. A large increase in zero-emission energy resources drove the reduction. Those clean sources powered 52% of all California's electricity consumed in 2017.

Transportation

Vehicle tailpipe emissions accounted for 37% of California's 2017 GHG emissions. Those emissions rose, but showed signs of leveling off. The 2017 increase was 0.7%, down from 2% the preceding year. Most of the GHG emissions increase came from passenger vehicles.

Industry

Industrial emissions over multiple sectors showed a slight reduction or remained flat. California's industrial sectors generated 21% of state GHGs in 2017. Oil and gas refineries and hydrogen production were responsible for 1/3 of those emissions. The rest came mostly from oil and gas extraction, cement plants, glass manufacturers and large food processors.

Agriculture

Livestock emit more than 50% of the methane in California. Methane has up to 25 times the heat-trapping capacity of CO₂ and is the most common short-lived climate pollutant in the state.

The California Department of Food and Agriculture is implementing programs that include incentivizing dairy manure digesters to reduce emissions from industrial dairies by replacing open waste lagoons. The digesters enable dairy operators to capture manure methane and either use it for onsite power generation or inject this renewable natural gas into a pipeline for use as transportation fuel.

Though some dairy methane emissions have declined, small annual increases in overall methane emissions have continued. Therefore, California has gone beyond just dairy digesters. CARB has adopted a regulation to reduce methane emissions from oil and gas production, processing and storage facilities, as well as regulating methane emissions from landfills and emissions of hydrofluorocarbons from commercial refrigeration equipment.

Super pollutants

Emissions continued to rise from other super pollutants, such as refrigerants used in automobile, commercial and residential air conditioners, as well as methane. This group of gases captures heat at many times the level of carbon dioxide, the most common climate pollutant.

Super pollutants provide an opportunity, too. They reach the atmosphere in small amounts compared to CO₂, but because they can have such a dramatic warming impact, reducing them can provide a proportionately larger benefit in the short term, giving us additional time to control the sources of carbon dioxide.

CALIFORNIA CLIMATE INVESTMENTS

On August 26, 2019, The California Air Resources Board (CARB) announced that the pace of implementation for programs funded by California Climate Investments has picked up significantly. State agencies implemented \$914 million in projects during the first six months of 2019, compared to \$1.4 billion for all of 2018 and \$720 million for all of 2017.

More than 20 state agencies are involved in program development, project selection, and implementation of 60 California Climate Investments programs that focus on reducing climate pollution and range from building affordable housing near transit to helping to protect communities from wildfires.

The first six months of the year saw a marked increase in implemented projects, with new investments in transportation, agriculture, and other sectors that decrease climate pollution and improve air quality in communities throughout the state. In total, California Climate Investments saw 32,700 new projects including 4,100 new affordable housing units under contract, and 40,000 new rebates for zero emission and plug-in hybrid vehicles.

The Transformative Climate Communities program has begun implementing community-driven projects to address local sources of pollution. Overall, more than 60% of investments now go toward projects that benefits low-income and environmentally disadvantaged communities.

And, in the wake of two of California's worst fire seasons on record, California Climate Investments is helping to pay for nearly 70 forest-health and wildfire-prevention projects, including many forest-adjacent communities in the wildland-urban interface.

Recent investments in the agriculture sector include supporting improvements to farming practices to create healthier soils that can capture and store carbon and reduce fertilizer application. In addition, the FARMER program – administered by CARB – provides incentives to replace on-farm vehicles and equipment with cleaner, upgraded models.

Forests are also a focus of California Climate Investments, with nearly a billion dollars invested into improving the resilience and health of California's forests, as well as providing support for CAL FIRE's outreach, prescribed burning and other programs to help reduce the risk of catastrophic wildfires.

Proceeds from the state's Cap-and-Trade carbon allowance auctions fund the California Climate Investments program. Once the Legislature appropriates funds, the administering agencies evaluate project types in their specific area of responsibility (housing, transportation, forest health, wildfire prevention) and design programs that further the state's climate goals. The implementation stage begins when the funds are formally committed or delivered to those projects.

The administering agencies send reports to CARB at all stages of this process, and at the end of the year the Department of Finance delivers an annual report to the Legislature using those reported data.

LEGISLATION

The following will provide you with a status update on the bills our firm is taking the lead on for the SCAQMD:

- AB 142 (C. Garcia) Lead-Acid Batteries – Senate Floor
- SB 210 (Leyva) Heavy Duty Vehicle Inspection and Maintenance Program – Assembly Floor
- SB 44 (Skinner) Medium and Heavy Duty Vehicles: Comprehensive Strategy – Assembly Floor
- SB 633 (Stern) Santa Susana Field Laboratory: Monitoring Program – Assembly Floor

LEGISLATIVE CALENDAR

- 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



September 5, 2019

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

General Update:

September 3-13, 2019 – Floor Session Only
September 6, 2019 – Deadline to Amend
September 13, 2019 – Legislature Adjourns

Legislative Update:

SB 1 (Atkins) Passed Assembly Appropriations. On Assembly Third Reading.

Amendments proposed to Senate Leadership and verbally accepted, but have not been seen in print. This bill is coming under increasing opposition by water districts, out of concern it will affect their ability to study and construct the Delta tunnel. Their coalition opposing the bill is growing by the day.

SB 216 (Galgiani) Two Year Bill.

AB 1500 (Carrillo) Two Year Bill.

Elected Officials Contacted on Behalf of SCAQMD:

ProTem Toni Atkins
Senator Ben Hueso
Senator Cathleen Galgiani
Assemblymember Wendy Carrillo



South Coast

Air Quality Management District

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ATTACHMENT 4

HOME RULE ADVISORY GROUP

Wednesday, May 8, 2019

MEETING MINUTES

MEMBERS PRESENT:

Marc Carrel (Breathe California of Los Angeles County); Mike Carroll (Regulatory Flexibility Group); Curt Coleman (Southern California Air Quality Alliance); Carlo De La Cruz (Sierra Club); Martin Hansberger (Holliday Rock Company); Bill LaMarr (California Small Business Alliance); Bridget McCann (Western States Petroleum Association); Dan McGivney (Southern California Gas); Art Montez (AMA International); David Rothbart (Los Angeles County Sanitation District); and TyRon Turner (Dakota Communications).

The following members participated by conference call: Brian Clerico (CARB); Larry Rubio (Riverside Transit Agency); and Janet Whittick (California Council for Environmental & Economic Balance).

MEMBERS ABSENT:

Ben Benoit, Vice Chair (South Coast AQMD Governing Board Member); Michael Downs (Downs Energy); Jaclyn Ferlita (Air Quality Consultants); Rongsheng Luo (SCAG); and Amy Zimpfer (EPA).

OTHER ATTENDEES:

Dr. David Edwards (CARB) and Rita Loof (RadTech).

The following attendee participated by conference call: John Ungvarsky (EPA).

SOUTH COAST AQMD STAFF:

Jacob Allen (Senior Administrative Secretary); Mark Bassett (Air Quality Specialist); Philip Fine (Deputy Executive Officer); Denise Gailey (Public Affairs Manager); Jill Whynot (Chief Operating Officer); and William Wong (Principal Deputy District Counsel).

OPENING COMMENTS AND SELF-INTRODUCTIONS

Ben Benoit, Vice Chair was not available, so the meeting was called to order at 10:00 a.m. and led by Dr. Philip Fine.

APPROVAL OF JULY 2018 MEETING MINUTES

Dr. Fine asked for comments on the January 9, 2019 meeting minutes. Bill La Marr requested additional clarity on the Rules 219 and 222 discussion at the bottom of page two. David Edwards clarified that the regulation is for permitted sources only and remove registered sources. Bridget McCann commented on possible changes to her comments on page eight, and a follow-up email would be sent to Dr. Fine. With these changes, the minutes were approved.

EPA AND FEDERAL ACTIVITIES

John Ungvarsky provided updates on recent U.S. Environmental Protection Agency (EPA) and federal activities.

- Diesel Emissions Reduction Act (DERA) update, with the anticipation of awarded funds in summer or early fall 2019.
- Targeted Air Shed Program.
- Safer Affordable Fuel Efficient (SAFE) rule.
- Cleaner Trucks Initiative.
- Notice of Proposed Rulemaking on the South Coast AQMD 2016 AQMP Ozone Plan.

Discussion

Art Montez asked about the availability of the \$10M through DERA and the timeline. Mr. Ungvarsky indicated that these funds are already allocated through grants and the application window has closed for this year. Mr. Montez further inquired if there are other funds available at the local level for schools or other entities. Mr. Ungvarsky and Dr. Fine indicated that they could provide information on possible future funding opportunities and a contact person at the South Coast AQMD and other funding programs at EPA.

CARB REGULATORY ACTIVITIES

Brian Clerico provided updates on proposed and recent regulatory activities.

- Proposed amendments to the Suggested Control Measures for Architectural Coating.
- Proposed Community Air Protection Incentive Funds Guidelines.
- Proposed alternative certification requirements for zero emission power trains.
- Regulation proposed for zero emission airport shuttle buses.
- Vapor recovery certification for above ground storage tanks.

Discussion

Marc Carrel inquired about AB 617 community air grants for Year 2, and when proposals can be submitted. Dr. Fine responded that CARB is working on the solicitation now and should be out in about a month.

Carlo De La Cruz inquired about the potential overlap from a regulation on zero emission airport shuttles and the South Coast AQMD’s indirect source rule with airports, and the impact expectations. Mr. Clerico indicated that this information could be provided.

Provided by Zorik Pirveysian, South Coast AQMD - New purchases of shuttles buses operating at airports are currently subject to South Coast AQMD Rule 1194, which requires alternative fueled vehicles. CARB’s Zero-emission (ZE) Airport Shuttle Buses regulation, establishes requirements for ZE conversion starting with 33% in 2027 ramping up to 100% in 2035. South Coast AQMD is also currently in the process of developing an MOU with the commercial airports in the Basin. The focus of the MOU is achieving emission reductions above and beyond existing regulations. These regulations and programs are mainly complementary to each other.

LEGISLATIVE UPDATE

Denise Gailey reported on key legislative updates.

At the May 3, 2019 Governing Board meeting, the Governing Board took position on the following bills:

- **Support for AB 836 (Wicks)** to establish a statewide program that would identify ventilation spaces referred to as “clean air centers” – public centers that would be accessible to the public during wildfires and other smoke events. The bill aligns with our goals of protecting public health and builds upon previous work like the IQAir Program which instituted a number of clear air filtration systems for schools.

- **Support with Amendments for AB 1500 (Carillo)** which would expend the authority of a CUPA or local health officer to temporarily suspend the permit and shutdown a facility that poses an imminent or substantial endangerment to public health and safety. The recommended amendments of “not restricting or limit in any way the authority of an air district” will ensure local coordination.
- **Support with Amendments for SB 44 (Skinner)** which would require CARB to develop a strategy for the deployment of medium and heavy-duty vehicles for the purpose of bringing the state into compliance with federal air quality standards and reduce greenhouse gas emissions emission by 40% by 2030, and 80% by 2050.
- **Support on SB 633 (Stern)** which would require OEHHA in coordination with others to develop and implement a monitoring program to collect data on contaminants from the Santa Susana Field Laboratory in Ventura County. Staff will work with author’s office to add South Coast AQMD as a consulting entity, due to the potential for upwind air impacts to the Basin.
- **Support on S 747 (Carper)** to reauthorize the Diesel Emissions Reduction Program for five years, until 2024, at a level of \$100 million. The bill would also reallocate unused state funds to the National Competitive DERA grant program.

Update on SB 732 (Allen)

After receiving feedback from stakeholders, South Coast AQMD asked Senator Ben Allen, the author of SB 732, to pull the legislation to stop the bill from advancing to its committee hearing. South Coast AQMD’s intent in pulling the legislation, was to continue to educate and address concerns expressed by a large number of stakeholders. Despite South Coast AQMD’s request, in a letter dated April 20, 2019, Senator Allen communicated that his intent was to continue to advance the legislation.

South Coast AQMD Executive Officer Wayne Nastri testified in support of the legislation at the April 24, 2019 Senate Governance and Finance committee hearing. The bill passed on a 4-3 vote.

Date	Result	Location	Ayes	Noes	NVR	Motion
04/24/19	(PASS)	Sen Governance and Finance	4	3	0	Do pass as amended, but first amend, and re-refer to the Committee on [Appropriations]
		Ayes: Beall, Hertzberg, McGuire, Wiener				
		Noes: Hurtado, Moorlach, Nielsen				
		No Votes Recorded:				

On May 6, at the request of the South Coast AQMD Board, staff submitted oversight language to the author’s office. Staff also submitted technical amendments for the author’s consideration. The bill will be heard by the Senate Appropriations Committee on Monday, May 13, 2019.

Discussion

Art Montez asked for clarification on which bills would provide funding for clean air initiatives and specifics about the DERA program. Ms. Gailey responded that both SB 44 and S 747 provide funding for these types of programs. Mr. Montez further inquired about which agency disperses the money and how much of this money is allocated. Ms. Gailey responded that CARB is responsible for dispersing the money.

UPDATE REGARDING LITIGATION ITEMS AND RELATED EPA ACTIONS

William Wong had no updates on the provided April 26, 2019 status report.

CARB'S REGULATION FOR THE REPORTING OF CRITERIA AIR POLLUTANTS AND TOXIC AIR CONTAMINANTS

Dr. Dave Edwards, Assistant Division Chief at CARB, provided a presentation on the previous and ongoing work in developing the Criteria Air Pollutant and Toxic Air Contaminant Emissions Reporting Regulation (or CTR Regulation).

On May 13, CARB released the Notice of Modified Text, which includes all of the proposed updates to the regulation, as well as descriptions of why the changes were incorporated, and other supporting information. The regulation update can be accessed via the CARB home page at: <https://ww2.arb.ca.gov/our-work/programs/criteria-and-toxics-reporting>. Comments regarding the current updates must be submitted by June 7, 2019. A second comment period will likely be initiated during the summer, with the intention of completing the full regulation package and having it be effective by January 2020.

Discussion

Bill LaMarr requested clarification on the comment period extension. Dr. Edwards indicated that it will be for 25 days, even though it is referred to as a 15-day comment period.

David Rothbart expressed concern about the reporting of emission factors. Dr. Edwards responded that they use the mapping tool platform and if inconsistent data is received they would work with the districts to confirm the data, as to not to misinform the public.

Dan McGivney expressed that CARB should have used the method consistency part first and looked at how the air district emissions factors are calculated. He also stated that default values are historically conservative, which will lead to inconsistent data and unnecessary public concern. Janet Whittick commented that it seems like the problems of the past are being repeated and that districts will have the flexibility to develop their own methods, which will lead to inconsistencies. Dr. Edwards responded that a specific method would not be enforced, but there will be bounds on the methods and emission factors that are used. Dr. Fine responded that there will still be variability in the reporting, and the goal is to update outdated emission factors in a timely manner.

Bill La Marr expressed concern about the regulation, the reporting and the related costs for small businesses. He indicated that small businesses could be faced with the options to invest in testing, business relocation or shutdown. He commented there should be de minimis levels, particularly for smaller sources, and indicated that the focus should be on mobile sources. He also expressed concern that CARB will establish a fee similar to the South Coast AQMD toxic fee. Dr. Edwards indicated that they are looking for statewide ways to leverage the data and reduce the impacts on small businesses.

Art Montez commented that the majority of the communities impacted are communities of color. He inquired if CARB had reached out to these communities, and talked with small business owners on the financial burden. He indicated that the burden should be removed from the small business owners and emphasized the need to balance air quality, business and toxics issues. Dr. Edwards expressed that they consulted with many small business owners, and the feedback reflected that the tracking would not be burdensome. He further indicated that they plan to establish an effective and informative risk analysis, which will identify ideal areas where risk reductions or programs would be most effective.

Bridget McCann commented on the need for transparency and accuracy, and expressed support for the reporting regulation.

David Rothbart inquired if there have been discussions on how much the testing will cost and efficiency. Ambient monitoring should go before a reporting program. Dr. Edwards responded that understanding sources and emission types will allow them to strategically place air monitors to identify ambient concentrations.

Janet Whittick commented that the mapping tool will be very important and inquired if there was consideration for a focus group of different types of users. Dr. Edwards indicated that the 2017 data and mobile emissions will be added to the mapping tool, and other sources will also be considered. He added that before any large changes are made there will be discussions, and a focus group is a good suggestion for the evaluation of data.

SUBCOMMITTEE STATUS REPORTS

A. Freight Sustainability (Dan McGivney)

No report was provided.

B. Small Business Considerations (Bill LaMarr)

No report was provided.

C. Environmental Justice and AB 617 Implementation (Curt Coleman)

An update was provided on the following items.

- Wilmington/Carson/West Long Beach AB 617 Community Steering Committee meeting, May 9, 2019.
- San Bernardino/Muscoy AB 617 Community Steering Committee meeting, May 16, 2019.
- Boyle Heights/East Los Angeles/West Commerce AB 617 Community Steering Committee meeting, May 23, 2019.
- Draft Community Air Monitoring Plans have been prepared for each of the communities, and are posted on the South Coast AQMD website. Comments are currently being accepted.
- Year-2 community identification meetings are being held in the following communities.
 - Buena Park - May 22, 2019
 - Colton - May 29, 2019

D. Climate Change (David Rothbart)

An update was provided on the following item.

- On April 18, 2019, CARB released a White Paper on the Technical Feasibility of Lower NOx Standards and Associated Test Procedures for 2022 and Subsequent Model Year for Heavy-Duty and Heavy-Duty Engines.

REPORT TO AND FROM THE STATIONARY SOURCE COMMITTEE

Dr. Philip Fine provided a summary of items on the April and May 2019 meeting agendas.

- Rules 1180 and 1403;
- Updates to Regulation IX and X; and
- RECLAIM Quarterly Report.

OTHER BUSINESS

Art Montez requested an update on the sales related to the CARB Cap-and-Trade Program. Dr. Fine and Mr. Coleman explained that the process is different every year and determined by legislation.

Dr. Fine indicated that the legislators should have made their determinations by the next Home Rule Advisory Group Meeting and an update can be provided.

Bill LaMarr inquired if legislation bill authors could be invited to Advisory Group meetings. Dr. Fine indicated that this is something to consider.

PUBLIC COMMENT

There were no comments.

ADJOURNMENT

The meeting was adjourned at 11:02 am. The next meeting of the Home Rule Advisory Group is scheduled for 10:00 a.m. on July 10, 2019, and will be held at SCAQMD in Conference Room CC-8.