



South Coast Air Quality Management District



21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

REVISED

LEGISLATIVE COMMITTEE MEETING

Committee Members

Mayor Judith Mitchell, Chair
Council Member Joe Buscaino, Vice Chair
Dr. William A. Burke
Dr. Clark E. Parker, Sr.
Supervisor V. Manuel Perez
Supervisor Janice Rutherford

**March 8, 2019 ♦ 9:00 a.m. ♦ Conference Room CC-8
21865 Copley Drive, Diamond Bar, CA 91765**

TELECONFERENCE LOCATIONS

Rolling Hills Estates City Hall
4045 Palos Verdes Dr. North
Rolling Hills Estates, CA 90274

200 N Spring Street
Room 410
Los Angeles, CA 90012

73-710 Fred Waring Drive
Suite 222
Palm Desert, CA 92260

8575 Haven Avenue
Suite 110
Rancho Cucamonga, CA 91730

(The public may attend at any location listed above.)

Call-in for listening purposes only is available by dialing:

Toll Free: 866-244-8528

Listen Only Passcode: 5821432

In addition, a webcast is available for viewing and listening at:

<http://www.aqmd.gov/home/library/webcasts>

AGENDA

Members of the public may address this body concerning any agenda item before or during consideration of that item (Gov't. Code Section 54854.3(a)). Please provide a Request to Address the Committee card to the Committee Secretary if you wish to address the Committee on an agenda item. If no cards are available, please notify SCAQMD staff or a Board Member of your desire to speak. All agendas for regular meetings are posted at District Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the regular meeting. Speakers may be limited to three (3) minutes each.

CALL TO ORDER

DISCUSSION ITEMS (Items 1 through 4):

1. Update and Discussion on Federal Legislative Issues
(No Motion Required)
*Consultants will provide a brief oral report of Federal legislative activities in Washington DC.
[Attachment 1 - Written Reports]*

*Gary Hoitsma
Carmen Group* pgs 5-6

*Amelia Jenkins
Kaleb Froehlich
Cassidy & Associates* pgs 7-9

*Mark Kadesh
Kadesh & Associates, LLC* pgs 10-11
2. Update and Discussion on State Legislative Issues
(No Motion Required)
*Consultants will provide a brief oral report on State legislative activities in Sacramento.
[Attachment 2 - Written Reports]*

David Quintana pgs 12-13
Quintana, Watts and Hartman

*Will Gonzalez
California Advisors, LLC* pgs 14-17

*Jason Gonsalves
Paul Gonsalves
Joe A. Gonsalves & Son* pgs 18-20
3. Update on Legislation Regarding Voting District Authorization for Clean Air
(No Motion Required)
Staff will provide an update regarding SCAQMD-sponsored legislation relating to a voting district authorization to allow for potential voter initiative ballot funding measures within the District.

*Philip Crabbe
Public Affairs Manager
Legislative, Public Affairs & Media*
4. Update and Discussion on Potential Congressional Field Hearings
(No Motion Required)
Staff will provide an update regarding potential Congressional field hearings related to topics such as, but not limited to, climate change, air quality, transportation and infrastructure, and goods movement.

*Lisa Tanaka O'Malley
Senior Public Affairs Manager
Legislative, Public Affairs & Media*

ACTION ITEM (Item 5):

5. Recommend Position on State Bills

(Motion Requested)

This item is to seek approval from the committee on staff's recommendation for position on the following bills:

[Attachment 3]

<u>Bill#</u>	<u>Author</u>	<u>Bill Title</u>		
SB 210	Leyva	Heavy-Duty Vehicle Inspections and Maintenance Program	Philip Crabbe Public Affairs Manager, Legislative, Public Affairs & Media	pgs 21-34
AB 210	Voepel	Smog Check: exemption	Philip Crabbe	pgs 35- 39
AB 285	Friedman	California Transportation Plan	Denise Peralta Gailey Public Affairs Manager, Legislative, Public Affairs & Media	pgs 40 -46

WRITTEN REPORTS:

6. Report from the SCAQMD Home Rule Advisory Group

pgs 47-50

(No Motion Required)

The item provided is the written report of HRAG's updates as input to the Legislative Committee.

[Attachment 4 - Written Report]

OTHER MATTERS:

7. Other Business

Any member of this body, or its staff, on his or her own initiative or in response to questions posed by the public, may ask a question for clarification, may make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter, or may take action to direct staff to place a matter of business on a future agenda. (Govt. Code Section 54954.2)

8. Public Comment Period

At the end of the regular meeting agenda, an opportunity is provided for the public to speak on any subject within the Legislative Committee's authority that is not on the agenda. Speakers may be limited to three (3) minutes each.

9. **Next Meeting Date** – Friday, April 12, 2019 at 9:00 a.m.

ADJOURNMENT

Document Availability

All documents (i) constituting non-exempt public records, (ii) relating to an item on an agenda for a regular meeting, and (iii) having been distributed to at least a majority of the Committee after the agenda is posted, are available prior to the meeting for public review at the South Coast Air Quality Management District, Public Information Center, 21865 Copley Drive, Diamond Bar, CA 91765.

Americans with Disabilities Act

The agenda and documents in the agenda packet will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov't Code Section 54954.2(a)). Disability-related accommodations will also be made available to allow participation in the Legislative Committee meeting. Any accommodations must be requested as soon as practicable. Requests will be accommodated to the extent feasible. Please contact Jeanette Short at (909) 396-2942 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to jshort1@aqmd.gov.



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

ATTACHMENT 1

MEMORANDUM

To: South Coast AQMD Legislative Committee

From: Carmen Group

Date: February 21, 2019

Re: Federal Update -- Executive Branch

Federal Officials End Talks with California on Fuel Economy Rulemaking: On February 21, the White House released the following statement: “Today, officials from the White House, Department of Transportation and Environmental Protection Agency announced that the Trump Administration has decided to discontinue discussions with the California Air Resources Board (CARB) regarding the proposed Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule. Despite the Administration’s best efforts to reach a common-sense solution, it is time to acknowledge that CARB has failed to put forward a productive alternative since the SAFE Vehicles rule was proposed. Accordingly, the Administration is moving to finalize a rule later this year with the goal of promoting safer, cleaner, and more affordable vehicles.” CARB Chair Mary Nichols responded, saying it is “unfortunate that the Trump Administration has chosen to put an end to any effort to find common ground – but it is a signal to stand our ground and resolutely defend standards that clean the air we breathe, fight climate change and provide certainty to carmakers in a global market moving inexorably toward cleaner, more efficient cars.” The Administration’s proposed SAFE rule would undo the standards as finalized by the Obama Administration which will set a 54-mpg standard for cars and light trucks by 2026 and in the process revoke California’s waiver under the Clean Air Act to set standards more stringent than those set at the federal level. By moving now to finish its own rule -- likely by early April -- the Trump Administration appears to be paving a path toward certain litigation, as California and other states have pledged to file suit if and when the rule is finalized.

Infrastructure Tea Leaves Signal More Uncertainty: In his State of the Union Address on February 5, President Trump had this to say about infrastructure: “Both parties should be able to unite for a great rebuilding of America’s crumbling infrastructure. I know that Congress is eager to pass an infrastructure bill – and I am eager to work with you on legislation to deliver new and important infrastructure investment, including investments in the cutting-edge industries of the future. This is not an option. This is a necessity.” Beyond that, the President offered no specific plan, no legislative proposal and no guidance on the funding question. As a result, the path to success in the current legislative session remains murky at best. Clearly, the President has abandoned his specific infrastructure proposal of a year ago, which was dead on arrival in Congress as it sought to put heavy burdens on states and local governments to come up with the bulk of the proposed \$1.5 trillion in funding over ten years. Now the

Proven Process. Proven Results.™

President appears to be directly deferring to Congress to take the lead, something that a divided Congress would not – at first glance -- appear to be prepared to do in the current presidential election cycle. Yet it is still too early to say for sure, as multiple House and Senate hearings on the topic are just beginning.

FHWA Awards Grants to Test New Transportation Funding Options: On February 12, the Federal Highway Administration (FHWA) announced \$10.2 million in Surface Transportation System Funding Alternatives (STSFA) grants to seven states to test new ways to finance highway and bridge projects. The program's goal is to allow states to test user-based alternatives to support the Highway Trust Fund, which is currently teetering on insolvency with its reliance on the static 18.4 cents per gallon federal gas tax. Among the states receiving grants is California. It was awarded \$2,030,000 for "exploration of California's Road Usage Charge (RUC) Program with emerging technologies and services, such as User-Based Insurance (UBI), Transportation Network Companies (TNCs), and Autonomous Vehicles (AVs)."

FRA Issues Notice of Intent to Cancel Federal HSR Funding for California: On February 19, the Federal Railroad Administration (FRA) officially gave notice that the Trump Administration was preparing to rescind federal approval of \$928,620,000 which had previously been obligated for the high-speed rail project designed to connect Los Angeles and San Francisco. In a letter to the California High-Speed Rail Authority, the agency said it intends to terminate the agreement under which federal funds were approved, citing the California governor's recent announcement that the project was being scaled back to a point the FRA says "represents a significant retreat from the State's initial commitment and frustrates the purpose for which Federal funding was awarded (i.e., an initial investment in the larger high-speed rail system." The letter asks for information to justify why such a cancellation of federal funds might not be warranted under the present circumstances. The letter said the funding cancellation would otherwise take effect on March 5, 2019.

Trump Justice Department Nominee Backs Administration's Emissions Regs: President Trump's nominee to replace Rod Rosenstein as Deputy Attorney General is Jeffrey Rosen, who currently serves as Deputy Secretary of Transportation. At DOT, Rosen has been a significant player in implementing the Trump Administration's deregulatory agenda in the transportation sphere. Over the last two years, for example, he has worked closely with the Environmental Protection Agency and the National Highway Traffic Safety Administration (NHTSA) to develop the proposed Safer Affordable Fuel-Efficient (SAFE) Vehicles Rule on CAFÉ standards, which is expected to be finalized soon and then headed for major litigation. If confirmed to his new role at the Department of Justice, he will be working with the EPA on important environmental compliance matters. Rosen previously worked as general counsel at DOT under Secretary Norman Mineta from 2003 to 2006, before serving as a senior advisor at the Office of Management & Budget from 2006 to 2009.

Committee Approves Nominees: On Feb. 5, the Senate Environment & Public Works Committee approved **Andrew Wheeler** to be EPA Administrator on a party line vote of 11-10 and also approved **Nicole Nason** to be Federal Highway Administrator on a unanimous voice vote. Nason previously served as head of NHTSA from 2006 to 2008.

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To: South Coast Air Quality Management District

From: Cassidy & Associates

Date: February 21, 2019

Re: Federal Update

Issues of Interest to SCAQMD

Andrew Wheeler Nomination Update

The US Senate has advanced the nomination of Andrew Wheeler to be administration of the EPA by a 52-46 vote and the final confirmation will take place and likely pass on Thursday, February 28. All Republican Senators voted to advance the nomination without support from any Democratic Senators.

Mr. Wheeler became Deputy EPA administration in April 2018 after Senate confirmation and transitioned to Acting Administrator in July 2018 following the resignation of Scott Pruitt.

House Science Committee Update

The House Science Committee's Subcommittee on Environment held a hearing on, "The Impacts of Climate Change on our Oceans and Coasts" on February 27, primarily to discuss impacts and adaptation strategies.

The Committee also held a hearing on, "The State of Climate Science and Why It Matters" at the Full Committee on February 13. Notably the new senior most Republican on the Committee, Representative Frank Lucas (R-OK), expressed his sincere concern about the impacts of a changing climate and his interest in pursuing climate solutions.

Legislation: On January 24, Reps. Rooney (R-FL), Deutch (D-FL) and a handful of other Members (all Democrats) reintroduced a bill to apply a \$15/ton carbon tax, increasing by \$10 year, as H.R. 763.

House Energy and Commerce Committee Update

House Energy and Commerce Committee held a hearing on the effects of climate change on February 19th. In advance of the hearing, the Ranking Member of the Committee, Representative Greg Walden (R-OR), acknowledged that climate change was a reality and needed to be addressed on a bipartisan basis. During the committee hearing, there was bipartisan support for market-based solutions such as carbon pricing. Again, the deployment of electric vehicles and infrastructure was pointed to as a key part of the addressing the climate crisis.

House Transportation and Infrastructure Committee Update

The Full Committee held two hearings in February on infrastructure --

- February 7th – To discuss the cost of inaction for not providing adequate funding towards our nation’s crumbling infrastructure. Chairman DeFazio (D-OR) proposed three bills that he believes will provide real investment as a starting point in the discussion:
 - “A Penny for Progress” provides approximately \$500 billion for infrastructure investment to put our Nation’s highways, bridges, and public transit systems on a path to good repair. This bill would index the gas and diesel tax and bond off the indexation revenues.
 - “Unlocking the Harbor Maintenance Trust Fund” by amending current budgetary controls to allow the Army Corps of Engineers to spend the funds collected in the Trust Fund each year, thereby providing more than \$18 billion for our Nation’s coastal and inland harbors over the next decade without raising taxes or increasing the deficit.
 - “Rebuilding America’s Airport Infrastructure” will generate billions of dollars each year to help our airports rebuild and rehabilitate aging terminals, runways, and taxiways and keep pace with increasing demand in the 21st century – without raising taxes – by eliminating or raising the cap on the passenger facility charge (PFC).
- February 26th – To examine how federal infrastructure policy could help mitigate and adapt to climate change. This was a discussion hearing with no specific legislation being proposed.

Senate Environment and Public Works Committee Update

Chairman Barrasso (R-WY) and Senator Whitehouse (D-RI) reintroduced S. 383, the Utilizing Significant Emissions with Innovative Technologies (USE IT) Act. The legislation is cosponsored by Sens. Shelley Moore Capito (R-WV), EPW Committee Ranking Member Tom Carper (D-DE), Tammy Duckworth (D-IL), Kevin Cramer (R-ND), Tina Smith (D-MN), Joe Manchin (D-WV), and Mike Enzi (R-WY).

The USE IT Act would support carbon utilization and direct air capture research. The bill would also support federal, state, and non-governmental collaboration in the construction and development of carbon capture, utilization, and sequestration (CCUS) facilities and carbon dioxide (CO₂) pipelines.

The USE IT Act would:

- Narrowly amend the Clean Air Act to direct the Environmental Protection Agency (EPA) to use its existing authority to support carbon utilization and direct air capture research;
- Clarify that CCUS projects and CO₂ pipelines are eligible for the permitting review process established by the FAST Act;
- Direct the Council on Environmental Quality (CEQ) to establish guidance to assist project developers and operators of CCUS facilities and CO₂ pipelines;

- Establish task forces to hear input from affected stakeholders for updating and improving guidance over time; and,
- Build on the FUTURE Act, bipartisan legislation – now signed into law – introduced by Barrasso, Whitehouse, and Capito to extend and expand the 45Q tax credit to provide certainty to utilities and other industrial sources and incentivize the build-out of CCUS projects.

Administration Rumors

The Administration is planning to introduce an infrastructure package aimed at reducing Federal regulations and providing more Federal funding. The last infrastructure “plan” introduced by the Administration was not acted upon last year by Congress, as it neither provided funding nor legislative language. Congress is hopeful something of substance will be provided rather than words on paper or talking points.

Senate Democrats Introduce Climate Resolution

All 47 members of the Senate Democratic caucus have introduced a resolution urging Congress to act immediately on climate change. The resolution does not include firm targets for emissions reductions, but it offers a unifying point for Democrats who have been divided over the Green New Deal resolution introduced earlier in February. The new resolution is led by Minority Leader Chuck Schumer (D-NY) and EPW Ranking Democrat Tom Carper (D-Del) and is the latest pressure from Democrats on Republicans to acknowledge the scientific consensus behind climate change and outline concrete plans for addressing it.

SCAQMD Report for March 2019 Legislative Meeting Kadesh & Associates

Overview-

February was consumed with the full funding of the federal government, the 2019 State of the Union address and the trip to Washington by members of the SCAQMD Board and senior staff.

Government Shutdown-

Congress passed and the President signed into law the remaining seven of the annual appropriations bills: *Ag, Commerce-Justice, Financial Services, Foreign Operations, Homeland Security, Interior, and Transportation-HUD*. The contentious issue was funding for the President's proposed border wall and a compromise was reached.

State of the Union-

The 2019 State of the Union Address was given by the 45th President of the United States, Donald Trump, on Tuesday, February 5, 2019, at 9 p.m. EST in the chamber of the United States House of Representatives to the 116th United States Congress.

Washington, DC Advocacy Trip-

Three days of successful meetings both on and off Capitol Hill were carried out by three members of the SCAQMD Board, the Executive Officer and leadership staff.

FY19 Funding-

Three accounts of most interest to SCAQMD -- *DERA, Targeted Airshed Grants and Sec. 103/105 planning grants* received their final FY19 Funding numbers of: DERA - \$87m; TAG - \$52m; and Section 103/105 - \$228.2

	FY 2016 Enacted	Final FY17 Omni	FY18 (Omnibus)	FY19 Final
DERA	\$50m	\$60m	\$75m	\$87m
Targeted Airshed	\$20m	\$30m	\$40m	\$52m
Section 103/105 –	\$228m	\$228m	\$228m	\$228.2

FY20 Budget-

The Trump Administration is expected to release its Fiscal Year 2020 Budget for the Federal government on March 12, a six-week delay from the planned original release date.

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ATTACHMENT 2



February 20, 2019

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

GENERAL UPDATE:

- Friday, February 21st is the bill introduction deadline
- 1,847 bills introduced to date (not including resolutions and rules)
 - 1,294 Assembly Bills
 - 10 Assembly Constitutional Amendments
 - 540 Senate Bills
 - 3 Senate Constitutional Amendments
- Hundreds more are expected to be introduced before the deadline
- Legislation of Interest:
 - AB 40 (Ting) - Zero-emission vehicles: comprehensive strategy
 - AB 126 (Cooper) - Air Quality Improvement Program
 - AB 176 (Cervantes) - California Alternative Energy and Advanced Transportation Financing Authority
 - SB 1 (Atkins) - California Environmental, Public Health, and Workers Defense Act of 2019
 - AB 293 (E. Garcia) - Greenhouse gases: offset protocols.
 - AB 296 (Cooley) - Climate change: Climate Innovation Commission.
 - AB 315 (C. Garcia) - Stationary sources: emissions reporting.
 - AB 343 (Patterson) - Forestry: fuels transportation program: biomass energy facility: grant program.
 - AB 345 (Muratsuchi) - State Air Resources Board.
 - AB 352 (E. Garcia) - California Global Warming Solutions Act of 2006: Greenhouse Gas Reduction Fund: investment plan: Transformative Climate Communities Program.
 - AB 383 (Mayes) - Clean Energy Financing Clearinghouse.

- AB 464 (C. Garcia) - California Global Warming Solutions Act of 2006.
- AB 639 (Cervantes) - Financing Lower Carbon Emissions: seaports.
- AB 661 (McCarty) - Best available control technology: lowest achievable emission rate requirements.
- AB 735 (Melendez) - Air Quality Improvement Program: Clean Vehicle Rebate Project.
- AB 753 (E. Garcia) - Alternative and Renewable Fuel and Vehicle Technology Program: fuels: fueling infrastructure.
- AB 939 (Frazier) - California Environmental Protection Agency: regulations.
- SB 162 (Galgiani) - California Alternative Energy and Advanced Transportation Financing Authority: sales and use taxes: exclusions
- SB 216 (Galgiani) - Carl Moyer Memorial Air Quality Standards Attainment Program: used heavy-duty truck exchange.
- SB 236 (Wilk) - Greenhouse Gas Reduction Fund.



CALIFORNIA ADVISORS, LLC

SCAQMD Report
California Advisors, LLC
March 8, 2019 Legislative Committee Hearing

General Update

On February 12th, Governor Gavin Newsom delivered his first State of the State address to a joint session of the Legislature. In contrast to former governors Jerry Brown and Arnold Schwarzenegger whose addresses averaged just over 20 minutes, Newsom spoke for nearly 45 minutes. More so, his statements on high-speed rail and the Delta water project also marked a clear departure from the Brown era. During his speech, Newsom also offered comments about federal immigration policies, the state's housing crisis, health care, and privacy. Overall, his message was well received by policymakers, and at times, his pronouncements garnered applause from both Democrats and Republicans.

One of the issues that garnered the most headlines was the High-Speed Rail. Newsom said he had to "be real" about the project. He added right now "there simply isn't a path to get from Sacramento to San Diego, let alone from San Francisco to LA." Instead, his plan is to focus on completing a high-speed rail link between Merced and Bakersfield. Newsom stated that the central valley faces the worst air pollution in America and some of the longest commutes.

Lastly, we have received notification from the Assembly Natural Resources committee that they are planning on holding an informational hearing on March 18th or 25th to get an update from the Air Resources Board and districts on implementation of the AB 617 programs.

New appointments

Nathan Fletcher (D-San Diego): Was appointed to the California Air Resources Board. Mr. Fletcher has been a member of the San Diego County Board of Supervisors and the San Diego County Air Pollution Control District since 2019.

2019 Legislative Update

Voter District Authorization for Clean Air Legislation

California Advisors continues to work on SCAQMD's priority legislation in 2019 related to voter district authorization. We have been able to secure Senator Ben Allen as the author for the bill and will work with the Senator on the next steps in the legislative process. We will continue to assist SCAQMD staff in reaching out to key staff in the Governor's office, Assembly and

Senate leadership, and legislators to start having productive conversations on moving this legislation forward in 2019.

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 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 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 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.

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.



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 – February 2019

DATE: Tuesday, February 26, 2019

As we start our second month of the legislative session, the legislature has hit the ground running. The Assembly introduced 1876 bills and the Senate introduce 824 bills by the February 22, 2019 introduction deadline. A majority of these bills are intent bills (spot bills) that have little to no legislative changes. All bills must be in print for 30-days before they can be heard in a Legislative Committee. Many of the intent bills will be substantially amended between now and the 30-day mark.

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

GOVERNOR STATE OF THE STATE

On February 12, 2019, Governor Gavin Newsom gave his first State of the State speech, with his 3-year old son stealing the spotlight!

Governor Newsom began the 43-minute speech pushing back against the Presidents emergency at our border and pledging to stand up for those who are "maligned, marginalized and scapegoated."

But after just a few minutes talking about the White House, Governor Newsom focused on how he proposes to address the challenges facing California, such as housing and homelessness, the lack of clean drinking water, education funding, health care costs and the state's changing workforce.

The Governor announced that his administration will change course on 2 of the State's most controversial and expensive public works projects; one, not two, water tunnels under the Delta and scaling back the high-speed rail line.

Governor Newsom made clear in the speech that he will not abandon high-speed rail altogether, but wants his administration to focus on completing the Central Valley portion of the line for now. He promised to continue to push for more federal funding and federal dollars and appointed his economic development director, Lenny Mendonca, as the next chair of the California High-Speed Rail Authority.

It's not entirely clear what the Delta tunnel decision means for the future of the water project. The \$19 billion project has already undergone a decade-long permitting process that might have to start from square one if it's changed that dramatically.

The Governor also mentioned other issues, such as finding a solution to water contamination, dealing with PG&E's bankruptcy within 60 days, more education spending and accountability in schools, create a new commission on homelessness, chaired by Sacramento Mayor Darrell Steinberg, and put \$500 million into emergency shelters around the state.

Governor Newsom called for exemptions to the state's CEQA laws to help spur more housing development, and also urged the Legislature to pass laws that will help renters stay in their homes.

Additionally, Governor Newsom announced several appointments to key boards, including the appointment of Joaquin Esquivel as chair of the State Water Resources Control Board, ousting longtime chair Felicia Marcus.

ALISO CANYON

On February 19, 2019, the California Air Resources Board (CARB) announced that the Los Angeles Superior Court approved the settlement in the lawsuit against SoCalGas as a result of the Aliso Canyon natural gas leak.

SoCalGas will pay a total of \$119.5 million, including at least \$26.5 million for full mitigation by directly addressing the largest source of California's methane emissions: dairies. The mitigation will be achieved by providing loans to construct methane digesters at 12 San Joaquin Valley dairies, grouped into three clusters, and constructing conditioning facilities and pipelines to allow the natural gas pipeline system to receive biomethane generated by cattle in the valley's dairies. The digesters, the conditioning facilities, and parts of the pipeline will be built, owned, and operated by California Bioenergy.

The loan will be paid back over time by proceeds from sales of the generation of the renewable methane which will not return to SoCalGas. As mitigation progresses, repayments will be directed to two funds that will fund additional beneficial projects in the South Coast Air Basin.

The remaining \$93 million of the total settlement will be directed as follows:

- \$45.4 million to the Aliso Canyon Supplemental Environmental Project Fund run by the City of Los Angeles (City), Los Angeles County (County) and the California Attorney General's Office.
- \$21 million in penalties for the City, the County, and the Attorney General's Office.

- \$19 million for CARB, the City, the County, and the Attorney General's Office to cover their leak response and litigation costs.
- \$7.6 million held in reserve for mitigation, if needed.

The mitigation portion of the settlement will provide for new investment in the San Joaquin Valley and its disadvantaged communities, as well as the jobs and business opportunities that come with this type of investment. By putting the methane into a pipeline instead of burning it on-site for electrification, as is now done with some dairy methane, the settlement will also avoid localized NO_x emissions generated by using the biomethane for electrical generation.

This settlement will fully mitigate the 109,000 metric tons of methane released into the atmosphere over the approximately 5-month duration of that leak. Full mitigation will be complete by 2031.

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

ATTACHMENT 3

SB 210 (Leyva) Heavy-Duty Vehicle Inspections and Maintenance Program.

Summary: The bill would authorize the California Air Resources Board (CARB) to adopt and implement “smog check” requirements for heavy-duty non-gasoline trucks by modernizing emissions control enforcement through a comprehensive inspection and maintenance program.

Background: Heavy-duty trucks operating in California account for nearly 60 percent of the oxides of nitrogen (NOx) emissions from mobile sources. Heavy-duty trucks are also the largest source of diesel particulate matter in California, a carcinogenic and toxic air contaminant.

CARB currently administers two inspection programs for heavy-duty diesel trucks. However, these programs were originally designed in the early 1990s before the use of advanced engine combustion technologies and exhaust emission controls. Current CARB heavy-duty inspection programs only require control of excessive smoke emissions and lack measures to curb NOx and greenhouse gases (GHGs).

Recent state legislative and regulatory actions have stimulated the operation of newer model year trucks with modernized engine and emission control standards. The author contends that to continue reducing harmful emissions and adapting programs to industry standards, a more comprehensive and streamlined emissions control program is needed that is both efficient for truck operators and ensures an even playing field for those maintaining their vehicle emissions systems properly.

Status: 2/15/2019 - Set for hearing March 20 in Sen. Comm. on EQ.

Specific Provisions: Specifically, this bill would:

- 1) Authorize CARB, in consultation with Bureau of Automotive Repair (BAR) and the Department of Motor Vehicles (DMV), to adopt and implement a Heavy-Duty Vehicle Inspection and Maintenance Program (Program) for nongasoline heavy-duty onroad motor vehicles with a gross vehicle weight rating of more than 14,000 pounds, including, but not limited to, single-vehicle fleets and other vehicles that are registered in another state and operate on California roads.
- 2) Allow CARB, in implementing the Program, to:
 - a) Establish test procedures for different motor vehicle model years and emissions control technologies that measure the effectiveness of the control of NOx emissions, and PM. The procedures may include, but are not limited to, the use of onboard diagnostics systems and test procedures that measure the effectiveness of the control of GHG emissions.

- b) Require a motor vehicle to pass the test procedures in order to register or operate in the state. CARB may establish full or partial exemptions for categories of vehicles it determines that the economic costs of compliance substantially outweigh the benefits of compliance, including public health benefits.
 - c) Allow a streamlined process for the owner or operator of a vehicle fleet who has an established compliance history.
 - d) Establish program validation methods for evaluating program effectiveness, fraud investigation, and research purposes.
 - e) Develop an information technology database to collect and track vehicle test data, assess the data to determine compliance, and regularly generate lists of compliant vehicle identification numbers and transmit them to the DMV in order for annual vehicle registration notices to be issued.
- 3) CARB shall assess a fee to fund the reasonable costs of implementing the Program.
 - 4) All fees collected by CARB shall be deposited in the Truck Emission Check (TEC) Fund, which is hereby created in the State Treasury. All moneys in the fund shall be available upon appropriation by the Legislature to CARB for the regulator purposes of the program.
 - 5) All penalty moneys collected by CARB shall be deposited in the Air Pollution Control Fund (APCF).
 - 6) Prior to implementing the program, CARB, in consultation with the bureau, the Department of Transportation, the Department of Motor Vehicles, the Department of the California Highway Patrol, other interested state agencies, and stakeholders as part of a public process, shall implement a pilot program that develops and demonstrates technologies that show potential for readily bringing vehicles into the program. The state board shall report the findings of the pilot program on its internet website.
 - 7) No later than one year after the effective date of a regulation, the DMV shall confirm, prior to the initial registration, the transfer of ownership, or the renewal of registration, that a heavy-duty vehicle is compliant with, or exempt from, the Program.
 - 8) This bill, commencing one year after a regulation implementing the Program, would require an owner of the heavy-duty vehicle to maintain a certificate of compliance with the vehicle and would make a violation of this provision subject to a notice issued by an officer to correct the violation.
 - 9) Provide that the Program be developed in partnership between affected state agencies, the public, industry, and other stakeholders to address the inspection of, tampering with, and maintenance of emissions control systems.

Impacts on SCAQMD’s Mission, Operations or Initiatives: Personal passenger vehicles have been required to undergo regular smog checks and emission control inspections for over four decades that have significantly reduced air pollution in California. Unlike personal vehicles, current law does not require heavy-duty diesel vehicles to have regular smog inspections to ensure that their emission control systems are working properly throughout their operating life.

With the implementation of SB 210, significant reductions of harmful emissions will be achieved. According to CARB estimates, between the years 2023 and 2031, a Heavy-Duty Inspection and Maintenance program will remove 93,000 tons of NOx and 1,600 tons of PM 2.5, equivalent to taking 145,000 and 375,000 trucks off the roads in California, respectively.

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 heavy-duty vehicles within the South Coast region, which would support the 2016 AQMP and facilitate attainment of federal air quality standards.

Staff Suggestions:

- 1) To better establish which vehicles are regulated under the bill’s terminology of “nongasoline heavy-duty onroad motor vehicles”, staff recommends an amendment clarifying that zero emission vehicles are exempt from the new smog check program created by the bill; and
- 2) Staff recommends that penalty monies collected by CARB as part of the Program and deposited into the Air Pollution Control Fund be designated as funds meant to assist local air districts in mitigating heavy-duty truck emissions.

Recommended Position: SUPPORT

Introduced by Senator LeyvaFebruary 4, 2019

An act to add Chapter 5.5 (commencing with Section 44150) to Part 5 of Division 26 of the Health and Safety Code, and to amend Section 27153 of, and to add Sections 4000.17, 4156.5, 24019, 27158.1, and 27158.2 to, the Vehicle Code, relating to vehicular air pollution.

LEGISLATIVE COUNSEL'S DIGEST

SB 210, as introduced, Leyva. Heavy-Duty Vehicle Inspections and Maintenance Program.

(1) Existing law requires the State Air Resources Board, in consultation with the Bureau of Automotive Repair and a specified review committee, to adopt regulations requiring owners or operators of heavy-duty diesel motor vehicles to perform regular inspections of their vehicles for excessive emissions of smoke. Existing law requires the state board, in consultation with the State Energy Resources Conservation and Development Commission, to adopt regulations requiring heavy-duty diesel motor vehicles to use emission control equipment and alternative fuels.

This bill would authorize the state board to develop and implement a Heavy-Duty Vehicle Inspection and Maintenance Program for nongasoline heavy-duty onroad motor vehicles, as specified. The bill would authorize the state board to assess a fee and penalties as part of the program. The bill would create the Truck Emission Check (TEC) Fund, with all the moneys deposited in the fund to be available upon appropriation.

(2) Existing law generally requires the registration of vehicles by the Department of Motor Vehicles. Under existing law, a violation of the Vehicle Code is an infraction, unless otherwise specified.

This bill, no later than one year after the effective date of a regulation implementing the Heavy-Duty Vehicle Inspection and Maintenance Program, would require the department to confirm that a heavy-duty vehicle, as specified, is compliant with, or exempt from, the program prior to the initial registration, the transfer of ownership, or the renewal of registration, except as specified. The bill would require the state board to notify the department of the vehicles allowed to be registered pursuant to these provisions.

This bill would authorize the department to issue a temporary permit, valid for a specified period and subject to certain conditions, to operate a vehicle for which registration may be refused pursuant to the above-described provisions, as specified. The bill would require the payment of a \$50 fee for the temporary permit, to be deposited in the Truck Emission Check (TEC) Fund.

This bill, commencing one year after the effective date of a regulation implementing the Heavy-Duty Vehicle Inspection and Maintenance Program, would require a legal owner or registered owner of the heavy-duty vehicle to maintain a certificate of compliance with the vehicle, with exceptions, and would make a violation of this provision subject to a notice issued by an officer to correct the violation, as specified. The bill would require the driver of the vehicle to present the certificate of compliance for examination upon demand by a peace officer.

This bill would prohibit the operation of a heavy-duty vehicle on a public road in this state if that vehicle has an illuminated malfunction indicator light displaying a specified engine symbol, and would make a violation of this provision subject to a notice issued by an officer to correct the violation on the basis of its designation as a mechanical violation.

This bill would prohibit the operation of a heavy-duty vehicle in a manner resulting in the escape of visible smoke, except during active regeneration.

By creating new crimes, this 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:

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

3 (a) Communities in the state are too often exposed to unhealthy
4 air. Communities near hubs of activity, such as warehouses and
5 distribution centers, ports, highways, and roads with high levels
6 of truck traffic, bear the burden of heavy-duty trucks that are not
7 maintained.

8 (b) Trade corridors, such as those in the Inland Empire and
9 Central Valley, consist of some of the most environmentally
10 disadvantaged cities in the state.

11 (c) As of 2016, heavy-duty trucks operating in the state emitted
12 nearly 60 percent of all oxides of nitrogen emissions from onroad
13 mobile sources, which are the most significant contributor to both
14 federal ozone and fine particulate matter (PM2.5) air quality
15 standard violations across the state. Heavy-duty diesel trucks are
16 also the largest source of diesel particulate matter emissions in the
17 state. Diesel particulate matter is a carcinogen and toxic air
18 contaminant. Risks are particularly high in urban areas and along
19 busy roadways where trucks operate.

20 (d) Statewide, about 12 million residents live in communities
21 that exceed the federal ozone and PM2.5 standards. The health
22 and economic impacts of exposure to elevated levels of ozone and
23 PM2.5 in the state are considerable. Meeting air quality standards
24 will pay substantial dividends in terms of reducing costs associated
25 with emergency room visits and hospitalizations, lost work and
26 school days, and, most importantly, premature mortality.

27 (e) While the state has made significant progress in improving
28 air quality through existing programs by the state and air pollution
29 control and air quality management districts, further action must
30 be taken to achieve our public health, air quality, and climate goals

31 (f) The Heavy-Duty Vehicle Inspection and Maintenance
32 Program established by Section 44152 of the Health and Safety
33 Code is a key step in achieving the state's goals to improve public
34 health and meeting our environmental imperatives.

1 (g) It is the intent of the Legislature that the Heavy-Duty Vehicle
 2 Inspection and Maintenance Program be developed in partnership
 3 between affected state agencies, the public, industry, and other
 4 stakeholders to address the inspection of, tampering with, and
 5 maintenance of emissions control systems. It is further the intent
 6 of the Legislature that the State Air Resources Board work with
 7 other relevant agencies in conducting a pilot program prior to the
 8 full-scale implementation of the Heavy-Duty Vehicle Inspection
 9 and Maintenance Program in order for this program to be developed
 10 in a way that minimizes costs to truck owners and fleets; provides
 11 a level playing field for industry through effective enforcement;
 12 and provides flexibility for the program to adapt as truck
 13 technology and industry evolves.

14 (h) It is the intent of the Legislature that the State Air Resources
 15 Board minimize the duplication of programs and program
 16 requirements related to heavy-duty vehicle inspection and
 17 maintenance. It is further the intent of the Legislature that, to the
 18 extent feasible, the creation and implementation of the Heavy-Duty
 19 Vehicle Inspection and Maintenance Program established by
 20 Section 44152 of the Health and Safety Code minimizes duplicative
 21 programs and program requirements in a way that reduces
 22 compliance requirements and costs to truck owners and fleets.

23 SEC. 2. Chapter 5.5 (commencing with Section 44150) is added
 24 to Part 5 of Division 26 of the Health and Safety Code, to read:

25
 26 CHAPTER 5.5. HEAVY-DUTY VEHICLE INSPECTION AND
 27 MAINTENANCE PROGRAM
 28

29 44150. For purposes of this chapter, “program” means the
 30 Heavy-Duty Vehicle Inspection and Maintenance Program
 31 established pursuant to Section 44152.

32 44152. (a) No later than ____ and to the extent authorized by
 33 federal law, the state board, in consultation with the bureau and
 34 the Department of Motor Vehicles, shall adopt and implement a
 35 regulation for a Heavy-Duty Vehicle Inspection and Maintenance
 36 Program for nongasoline heavy-duty onroad motor vehicles with
 37 a gross vehicle weight rating of more than 14,000 pounds, as
 38 defined by the state board, including, but not limited to,
 39 single-vehicle fleets and other vehicles that are registered in another
 40 state but operate on California roads. In adopting a regulation

1 implementing the program, the state board shall do all of the
2 following:

3 (1) Establish test procedures for different motor vehicle model
4 years and emissions control technologies that measure the
5 effectiveness of the control of emissions of oxides of nitrogen and
6 particulate matter. The procedures may include, but are not limited
7 to, procedures for the use of onboard diagnostics system data and
8 test procedures that measure the effectiveness of the control of
9 emissions of greenhouse gases.

10 (2) Require a motor vehicle to pass the test procedures in order
11 to register or operate in the state. The state board may establish in
12 the regulation full or partial exemptions from the requirements of
13 this section for categories of vehicles it determines on the basis of
14 substantial evidence that the economic costs of compliance
15 substantially outweigh the benefits of compliance, including public
16 health benefits.

17 (3) Allow a streamlined process for the owner or operator of a
18 vehicle fleet who has an established compliance history with the
19 program.

20 (4) Establish program validation methods for evaluating program
21 effectiveness, fraud investigation, and research purposes.

22 (5) Develop and implement enforcement methods to ensure
23 continuing compliance with this section and Section 27153 of the
24 Vehicle Code. The enforcement methods may include, but are not
25 limited to, all of the following:

26 (A) Visual inspections.

27 (B) Functional inspections.

28 (C) Requiring emissions testing of vehicles.

29 (6) Develop, in coordination with the Department of Motor
30 Vehicles, an information technology database to collect and track
31 vehicle test data, assess the data to determine compliance, and
32 regularly generate lists of compliant vehicle identification numbers
33 and transmit them to the Department of Motor Vehicles in order
34 for annual vehicle registration notices to be issued.

35 (b) The state board may establish licensing standards for persons
36 engaged in the business of the inspection, diagnosis, and repair of
37 heavy-duty motor vehicles. The board also may establish
38 qualification standards or approval, operational, or licensure
39 standards for testing equipment, including protocols, hardware,

1 and software used for the submission of vehicle test data to the
2 state board or its contractors.

3 (c) (1) As part of the program, the state board shall develop a
4 Heavy-Duty Vehicle Inspection and Maintenance Compliance
5 Certificate. The state board shall issue the certificate to the legal
6 owner, registered owner, or designee of a vehicle that, at the
7 discretion of the state board, meets the requirements of the program
8 so that vehicle owners and operators may easily demonstrate proof
9 of compliance, as required pursuant to Sections 27158.1 and
10 27158.2 of the Vehicle Code.

11 (2) The certificate of compliance shall contain information
12 determined to be necessary by the state board that includes, but
13 need not be limited to, all of the following:

14 (A) Date issued.

15 (B) Date of expiration.

16 (C) Name and residence or business address or mailing address
17 of the legal owner or registered owner.

18 (D) Vehicle identification number assigned to the vehicle.

19 (E) Description of the vehicle that includes the year, make, and
20 model of the vehicle.

21 (d) The Department of Transportation, the Department of Food
22 and Agriculture, and the Department of the California Highway
23 Patrol may provide any necessary information to help facilitate
24 the installation of equipment necessary to implement the program.

25 (e) The state board, the Department of Motor Vehicles, and the
26 Department of Food and Agriculture may develop initiatives for
27 outreach and education to help ensure compliance with the
28 program.

29 (f) The state board shall request a permit to deploy equipment
30 on the state highway system, as defined in Article 3 (commencing
31 with Section 300) of Chapter 2 of Division 1 of the Streets and
32 Highway Code, in accordance with Chapter 3 (commencing with
33 Section 660) of Division 1 of the Streets and Highways Code, and
34 in cooperation with the Department of the California Highway
35 Patrol.

36 (g) The state board may inspect vehicles subject to this section
37 in conjunction with the safety and weight enforcement activities
38 of the Department of the California Highway Patrol or at other
39 locations selected by the state board in consultation with the
40 Department of the California Highway Patrol. Inspection locations

1 may include instate private facilities where fleet vehicles are
2 serviced or maintained. The state board and the Department of the
3 California Highway Patrol may conduct these inspections
4 cooperatively or independently, and the state board may contract
5 for assistance in the conduct of these inspections.

6 (h) (1) The state board may issue a citation to the owner of a
7 vehicle in violation of this section or a regulation promulgated
8 pursuant to this section. The state board may require the operator
9 of a vehicle to submit to a test procedure and may specify that
10 refusal to submit is an admission constituting proof of a violation.
11 The state board may require that, when a citation has been issued
12 pursuant to this section, the owner of a vehicle in violation of the
13 regulation shall be required to correct every deficiency specified
14 in the citation within a timeframe determined by the state board.

15 (2) When deciding whether to issue a citation, the state board
16 may take into account whether the owner of the vehicle has
17 obtained a temporary permit to operate the vehicle pursuant to
18 Section 4156.5 of the Vehicle Code.

19 (i) The state board shall provide an owner cited as violating this
20 section an opportunity for an administrative hearing consistent
21 with the process established pursuant to Article 3 (commencing
22 with Section 60065.1) and Article 4 (commencing with Section
23 60075.1) of Subchapter 1.25 of Chapter 1 of Division 3 of Title
24 17 of the California Code of Regulations. Following notice and
25 an opportunity for an administrative hearing, the state board, at its
26 discretion, may use the procedure set forth in subdivision (j) of
27 Section 44011.6 for a vehicle owner cited pursuant to this section.

28 (j) After an order imposing an administrative penalty becomes
29 final pursuant to the hearing procedures identified in subdivision
30 (i) and no petition for a writ of mandate has been filed within the
31 time allotted for seeking judicial review of the order, the state
32 board may apply to the Superior Court for the County of
33 Sacramento for a judgment in the amount of the administrative
34 penalty. The application, which shall include a certified copy of
35 the final order of the administrative hearing officer, shall constitute
36 a sufficient showing to warrant the issuance of the judgment.

37 44154. (a) The state board shall assess a fee to fund the
38 reasonable costs of implementing the program established pursuant
39 to this chapter.

1 (b) All fees collected by the state board pursuant to this chapter
2 shall be deposited in the Truck Emission Check (TEC) Fund, which
3 is hereby created in the State Treasury. All moneys in the fund
4 shall be available upon appropriation by the Legislature to the state
5 board for the regulatory purposes of the program.

6 (c) All penalty moneys collected by the state board pursuant to
7 this chapter shall be deposited in the Air Pollution Control Fund.

8 44156. Prior to fully implementing the program, the state board,
9 in consultation with the bureau, the Department of Transportation,
10 the Department of Motor Vehicles, the Department of the
11 California Highway Patrol, other interested state agencies, and
12 stakeholders as part of a public process, shall implement a pilot
13 program that develops and demonstrates technologies that show
14 potential for readily bringing vehicles into the program. The state
15 board shall report the findings of the pilot program on its internet
16 website.

17 SEC. 3. Section 4000.17 is added to the Vehicle Code,
18 immediately following Section 4000.15, to read:

19 4000.17. (a) No later than one year after the effective date of
20 a regulation implementing the Heavy-Duty Vehicle Inspection and
21 Maintenance Program described in Section 44152 of the Health
22 and Safety Code, the department shall confirm, prior to the initial
23 registration, the transfer of ownership, or the renewal of
24 registration, that a heavy-duty vehicle is compliant with, or exempt
25 from, the Heavy-Duty Vehicle Inspection and Maintenance
26 Program.

27 (b) For purposes of this section, “heavy-duty vehicle” means a
28 nongasoline heavy-duty onroad motor vehicle with a gross vehicle
29 weight rating of more than 14,000 pounds, as defined by the State
30 Air Resources Board pursuant to Section 44152 of the Health and
31 Safety Code.

32 (c) Subdivision (a) does not apply to a transfer of ownership
33 and registration under any of the following circumstances:

34 (1) A motor vehicle registered to a sole proprietorship is
35 transferred to the proprietor as owner.

36 (2) The transfer is between companies the principal business of
37 which is leasing motor vehicles, if there is no change in the lessee
38 or operator of the motor vehicle or between the lessor and the
39 person who has been, for at least one year, the lessee’s operator
40 of the motor vehicle.

1 (3) The transfer is between the lessor and lessee of the motor
2 vehicle, if there is no change in the lessee or operator of the motor
3 vehicle.

4 (4) An additional individual is added as a registered owner of
5 the motor vehicle.

6 (d) The State Air Resources Board shall notify the department
7 of the motor vehicles allowed to be registered pursuant to this
8 section.

9 SEC. 4. Section 4156.5 is added to the Vehicle Code, to read:

10 4156.5. (a) Except as provided in subdivision (b), the
11 department in its discretion may issue a temporary permit to operate
12 a vehicle when a payment of fees has been accepted in an amount
13 to be determined by, and paid to, the department, by the owner or
14 other person in lawful possession of the vehicle, for a vehicle for
15 which registration may be refused pursuant to Section 4000.17.
16 The permit shall be subject to the terms and conditions that the
17 department shall deem appropriate under the circumstances.

18 (b) The department shall not issue a temporary permit pursuant
19 to subdivision (a) to operate a vehicle for which a certificate of
20 compliance is required pursuant to Section 4000.17, and for which
21 that certificate of compliance has not been issued, unless the
22 department is presented with sufficient evidence, as determined
23 by the department, that the vehicle has failed its most recent
24 inspection pursuant to the Heavy-Duty Vehicle Inspection and
25 Maintenance Program described in Section 44152 of the Health
26 and Safety Code.

27 (c) Only one temporary permit may be issued pursuant to this
28 section for any vehicle, unless otherwise approved by the State
29 Air Resources Board.

30 (d) A temporary permit issued pursuant to this section is valid
31 for either 60 days after the expiration of the registration of the
32 vehicle or 60 days after the date that vehicle is removed from
33 nonoperation, whichever is applicable at the time the temporary
34 permit is issued.

35 (e) (1) A fee of fifty dollars (\$50) shall be paid for a temporary
36 permit issued pursuant to this section.

37 (2) After deducting its administrative costs, the department shall
38 deposit fees collected pursuant to paragraph (1) in the Truck
39 Emission Check (TEC) Fund described in subdivision (b) of
40 Section 44151 of the Health and Safety Code, to be used for

1 regulatory activities under the Heavy-Duty Vehicle Inspection and
2 Maintenance Program.

3 SEC. 5. Section 24019 is added to the Vehicle Code, to read:

4 24019. (a) A nongasoline heavy-duty onroad motor vehicle
5 with a gross vehicle weight rating of more than 14,000 pounds
6 shall not be operated on a public road in this state if that vehicle
7 has an illuminated malfunction indicator light (MIL) displaying
8 the International Standards Organization (ISO) 2575 engine symbol
9 F01, consistent with subdivision (d) of Section 1971.1 of Title 13
10 of the California Code of Regulations.

11 (b) A violation of this section shall be considered a mechanical
12 violation under Section 40610 of the Vehicle Code. A peace officer
13 shall not stop a vehicle solely on suspicion of a violation of this
14 section.

15 SEC. 6. Section 27153 of the Vehicle Code is amended to read:

16 27153. ~~No~~(a) A motor vehicle shall *not* be operated in a
17 manner resulting in the escape of excessive smoke, flame, gas, oil,
18 or fuel residue.

19 ~~The provisions of this section apply~~

20 (b) *A nongasoline heavy-duty onroad motor vehicle with a gross*
21 *vehicle weight rating of more than 14,000 pounds shall not be*
22 *operated in a manner resulting in the escape of visible smoke,*
23 *except during active regeneration.*

24 (c) *This section applies to motor vehicles of the United States*
25 *or its agencies, to the extent authorized by federal law.*

26 SEC. 7. Section 27158.1 is added to the Vehicle Code, to read:

27 27158.1. (a) Commencing one year after the effective date of
28 a regulation implementing the Heavy-Duty Vehicle Inspection and
29 Maintenance Program described in Section 44152 of the Health
30 and Safety Code, a legal owner or registered owner of a
31 nongasoline heavy-duty onroad motor vehicle with a gross vehicle
32 weight rating of more than 14,000 pounds shall maintain a
33 certificate of compliance, as described in Section 44152 of the
34 Health and Safety Code, or a facsimile or electronic copy thereof,
35 with the vehicle for which the certificate is issued.

36 (b) Subdivision (a) does not apply when a certificate of
37 compliance is necessarily removed from the vehicle for the purpose
38 of renewal or when the vehicle is left unattended.

39 (c) A violation of this section shall be cited in accordance with
40 Section 40610.

1 SEC. 8. Section 27158.2 is added to the Vehicle Code, to read:
2 27158.2. (a) The driver of a nongasoline heavy-duty onroad
3 motor vehicle with a gross vehicle weight rating of more than
4 14,000 pounds shall present the certificate of compliance, as
5 described in Section 44152 of the Health and Safety Code, or other
6 evidence of the certificate of compliance, of the vehicle under the
7 driver's immediate control for examination upon demand by any
8 peace officer.

9 (b) The driver of the vehicle described in subdivision (a) shall
10 not present to any peace officer a certificate of compliance not
11 issued for that vehicle.

12 SEC. 9. No reimbursement is required by this act pursuant to
13 Section 6 of Article XIII B of the California Constitution because
14 the only costs that may be incurred by a local agency or school
15 district will be incurred because this act creates a new crime or
16 infraction, eliminates a crime or infraction, or changes the penalty
17 for a crime or infraction, within the meaning of Section 17556 of
18 the Government Code, or changes the definition of a crime within
19 the meaning of Section 6 of Article XIII B of the California
20 Constitution.

AB 210 (Voepel)
Smog check: exemption.

Summary: This bill would exempt from the smog check program all motor vehicles manufactured prior to the 1983 model-year.

Background: Existing law establishes a motor vehicle inspection and maintenance (smog check) program that is administered by the Department of Consumer Affairs. The smog check program requires inspection of motor vehicles upon initial registration, biennially upon renewal of registration, upon transfer of ownership, and in certain other circumstances. Existing law exempts specified vehicles from being inspected biennially upon renewal of registration, including, among others, all motor vehicles manufactured prior to the 1976 model-year.

Status: 2/13/2019 - Re-referred to Assembly Comm. on TRANS.

Specific Provisions: This bill would exempt from the smog check program all motor vehicles manufactured prior to the 1983 model-year.

Impacts on SCAQMD’s Mission, Operations or Initiatives: In the South Coast Air Basin, motor vehicles are a large source of emissions, with almost 11 million cars in the region. Some of the major air pollutants from motor vehicles include particulate matter, nitrogen oxides (NO_x), volatile organic compounds (VOCs), toxic air contaminants and greenhouse gases (GHGs). Initial current estimates identify nearly 40,000 vehicles within the South Coast region would fall under the new smog check exemption proposed by this bill. Older vehicles are some of the largest polluters as compared to newer cleaner light-duty vehicles on the road today. The estimated impact of this bill for the current year is a potential emissions increase equal to about two tons of VOC emissions per day and one ton of NO_x emissions per day within the South Coast region.

This bill is in contrast to SCAQMD’s policy priorities related to reducing criteria pollutant and air toxic emissions within the South Coast region from mobile sources and would be contrary to SCAQMD’s efforts to attain federal air quality standards and reduce GHG emissions through the deployment of clean technology.

Recommended Position: OPPOSE

AMENDED IN ASSEMBLY FEBRUARY 12, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 210

Introduced by Assembly Member Voepel

January 14, 2019

An act to amend Section 44011 of the Health and Safety Code, relating to vehicular air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 210, as amended, Voepel. Smog check: exemption.

Existing law establishes a motor vehicle inspection and maintenance (smog check) program that is administered by the Department of Consumer Affairs. The smog check program requires inspection of motor vehicles upon initial registration, biennially upon renewal of registration, upon transfer of ownership, and in certain other circumstances. Existing law exempts specified vehicles from being inspected biennially upon renewal of registration, including, among others, all motor vehicles manufactured prior to the 1976 model-year and all diesel-powered vehicles with a gross vehicle weight rating of 14,001 pounds or greater. *model-year.*

This bill instead would exempt from the smog check program all motor vehicles manufactured prior to the 1983 model-year and all diesel-powered vehicles manufactured prior to the 1983 model-year with a gross vehicle weight rating of 14,001 pounds or greater. *model-year.*

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

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

1 SECTION 1. Section 44011 of the Health and Safety Code is
2 amended to read:

3 44011. (a) All motor vehicles powered by internal combustion
4 engines that are registered within an area designated for program
5 coverage shall be required biennially to obtain a certificate of
6 compliance or noncompliance, except for the following:

7 (1) All motorcycles until the department, pursuant to Section
8 44012, implements test procedures applicable to motorcycles.

9 (2) All motor vehicles that have been issued a certificate of
10 compliance or noncompliance or a repair cost waiver upon a change
11 of ownership or initial registration in this state during the preceding
12 six months.

13 (3) All motor vehicles manufactured prior to the 1983
14 model-year.

15 (4) (A) Except as provided in subparagraph (B), all motor
16 vehicles four or less model-years old.

17 (B) (i) Beginning January 1, 2005, all motor vehicles six or
18 less model-years old, unless the state board finds that providing
19 an exception for these vehicles will prohibit the state from meeting
20 the requirements of Section 176(c) of the federal Clean Air Act
21 (42 U.S.C. Sec. 7401 et seq.) or the state's commitments with
22 respect to the state implementation plan required by the federal
23 Clean Air Act.

24 (ii) Notwithstanding clause (i), beginning January 1, 2019, all
25 motor vehicles eight or less model-years old, unless the state board
26 finds that providing an exception for these vehicles will prohibit
27 the state from meeting the requirements of Section 176(c) of the
28 federal Clean Air Act (42 U.S.C. Sec. 7401 et seq.) or the state's
29 commitments with respect to the state implementation plan required
30 by the federal Clean Air Act.

31 (iii) Clause (ii) does not apply to a motor vehicle that is seven
32 model-years old in year 2018 for which a certificate of compliance
33 has been obtained.

34 (C) All motor vehicles excepted by this paragraph shall be
35 subject to testing and to certification requirements as determined
36 by the department, if any of the following apply:

37 (i) The department determines through remote sensing activities
38 or other means that there is a substantial probability that the vehicle

1 has a tampered emission control system or would fail for other
2 cause a smog check test as specified in Section 44012.

3 (ii) The vehicle was previously registered outside this state and
4 is undergoing initial registration in this state.

5 (iii) The vehicle is being registered as a specially constructed
6 vehicle.

7 (iv) The vehicle has been selected for testing pursuant to Section
8 44014.7 or any other provision of this chapter authorizing
9 out-of-cycle testing.

10 (D) This paragraph does not apply to diesel-powered vehicles.

11 (5) In addition to the vehicles exempted pursuant to paragraph
12 (4), any motor vehicle or class of motor vehicles exempted pursuant
13 to subdivision (c) of Section 44024.5. It is the intent of the
14 Legislature that the department, pursuant to the authority granted
15 by this paragraph, exempt at least 15 percent of the lowest emitting
16 motor vehicles from the biennial smog check inspection.

17 (6) All motor vehicles that the department determines would
18 present prohibitive inspection or repair problems.

19 (7) Any vehicle registered to the owner of a fleet licensed
20 pursuant to Section 44020 if the vehicle is garaged exclusively
21 outside the area included in program coverage, and is not primarily
22 operated inside the area included in program coverage.

23 (8) (A) All diesel-powered vehicles manufactured prior to the
24 1998 model-year.

25 (B) All diesel-powered vehicles that have a gross vehicle weight
26 rating of 8,501 to 10,000 pounds, inclusive, until the department,
27 in consultation with the state board, pursuant to Section 44012,
28 implements test procedures applicable to these vehicles.

29 (C) All diesel-powered vehicles that have a gross vehicle weight
30 rating from 10,001 pounds to 14,000 pounds, inclusive, until the
31 state board and the Department of Motor Vehicles determine the
32 best method for identifying these vehicles, and until the department,
33 in consultation with the state board, pursuant to Section 44012,
34 implements test procedures applicable to these vehicles.

35 (D) All diesel-powered vehicles ~~manufactured prior to the 1983~~
36 ~~model-year and~~ that have a gross vehicle weight rating of 14,001
37 pounds or greater.

38 (b) Vehicles designated for program coverage in enhanced areas
39 shall be required to obtain inspections from appropriate smog
40 check stations operating in enhanced areas.

- 1 (c) For purposes of subdivision (a), a collector motor vehicle,
- 2 as defined in Section 259 of the Vehicle Code, is exempt from
- 3 those portions of the test required by subdivision (f) of Section
- 4 44012 if the collector motor vehicle meets all of the following
- 5 criteria:
- 6 (1) Submission of proof that the motor vehicle is insured as a
- 7 collector motor vehicle, as shall be required by regulation of the
- 8 bureau.
- 9 (2) The motor vehicle is at least 35 model-years old.
- 10 (3) The motor vehicle complies with the exhaust emissions
- 11 standards for that motor vehicle's class and model-year as
- 12 prescribed by the department, and the motor vehicle passes a
- 13 functional inspection of the fuel cap and a visual inspection for
- 14 liquid fuel leaks.

South Coast Air Quality Management District
Legislative Analysis Summary – AB 285 (Friedman)
Version: As introduced – 1/28/19
Analyst: LA

Assembly Bill 285 (Friedman) California Transportation Plan

Summary: This bill would require the California Department of Transportation (Caltrans) to address in the California Transportation Plan how the state will achieve maximum feasible emission reductions in order to attain a statewide reduction of greenhouse gas emissions (GHG) of 40% below 1990 levels by the end of 2030 and carbon neutrality by 2045. The bill would add environmental justice to the subject areas that the plan is required to consider for the movement of people and freight.

Background: Existing law requires Caltrans to prepare the California Transportation Plan to provide a long range policy framework to meet the state future mobility needs and reduce GHG. In June 2016 Caltrans released its last California Transportation Plan. Direct emissions from the tailpipe of cars, trucks, off-road transportation sources, intrastate aviation, and more, accounted for 39% of the inventory in 2016 (a 2% increase from 2015).

In their 2018 report, Assessing California’s Climate Policies-Transportation, the Legislative Analyst Office highlighted how the large number of disparate state agency programs targeting transportation emissions created challenges in achieving state-wide goals. These challenges included: (1) interactions whereby emission reductions from one policy are offset by increases from another policy, (2) challenges in evaluating the net effects of each policy, (3) a potential lack of coordination among policies, and (4) increased administrative costs. This bill addresses the above challenges by requiring Caltrans and other granting state agencies to review the six different programs highlighted in the LAO report and increase their policy coordination and evaluation, thereby improving the effectiveness of California’s transportation emission reduction programs.

Status: 2/11/19 - Referred to Committees on Transportation and Natural Resources.

Specific Provisions: Specifically this bill would:

1. Require Caltrans to address in future updates to the California Transportation Plan how the state will achieve its GHG emission reductions goals consistent with recently passed SB 32 (Pavley, 2016) and Governor Brown’s Executive Order (B-55-18) on carbon neutrality;
2. Add environmental justice to the subject areas that the plan is required to consider for the movement of people and freight;
3. Require a forecast of the impacts of advanced and emerging technologies over a 20-year horizon on infrastructure, access, and transportation systems;
4. Require in an interim report and in the third update to the California Transportation Plan that Caltrans and the Strategic Growth Council (SGC) review and make recommendations on how to improve the coordination and impact of various grants programs that support Sustainable Community Strategy (SCS) implementation plans with each other and with other transportation funding programs; and
5. Require the California Transportation Commission to discuss its recommendations related to the California Transportation Plan at a specified joint meeting with CARB.

Impacts on SCAQMD’s Mission, Operations or Initiatives:

The addition of environmental justice to the subject areas that the California Transportation Plan is required to consider for the movement of people and freight, is consistent with SCAQMD's environmental justice policy priorities and would help reduce toxic exposure to disadvantaged communities within the South Coast region, thereby helping to protect public health.

Staff would like to work with the author to discuss the possibility of having the bill also require Caltrans to address in the California Transportation Plan how the state will achieve maximum feasible criteria pollutant emissions reductions to attain state and federal ambient air quality requirements, i.e. ozone and PM2.5 standards, by the upcoming federal deadlines. In many cases, certain strategies and approaches can achieve simultaneous reductions of both GHG and criteria pollutant emissions. A coordinated approach could potentially provide even more cost effective co-benefits for transportation, and attainment of GHG reduction goals and state and federal air quality requirements.

Recommended Position: WORK WITH AUTHOR

ASSEMBLY BILL

No. 285

Introduced by Assembly Member Friedman

January 28, 2019

An act to amend Sections 14000.6, 65071, 65072.1, 65072.2, and 65073.1 of the Government Code, relating to transportation planning.

LEGISLATIVE COUNSEL'S DIGEST

AB 285, as introduced, Friedman. California Transportation Plan.

Existing law requires the Department of Transportation to prepare the California Transportation Plan for submission to the Governor and the Legislature, to complete the first update to the plan by December 31, 2015, and to update the plan every 5 years thereafter. Existing law requires the plan to consider various subject areas for the movement of people and freight, including environmental protection and quality of life. Existing law also requires the plan to address how the state will achieve maximum feasible emissions reductions in order to attain a statewide reduction of greenhouse gas emissions to 1990 levels by 2020 and 80% below 1990 levels by 2050 and to identify the statewide integrated multimodal transportation system needed to achieve greenhouse gas emission reductions. Existing law also requires the California Transportation Commission to review the plan and make certain recommendations for transportation system improvements, and to submit a report in that regard to the Legislature and the Governor by December 31, 2016, and every 5 years thereafter.

This bill would require the department 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 emissions of 40% below 1990 levels by the end of 2030

and carbon neutrality by 2045. Commencing with the 3rd update to the plan to be completed by December 31, 2025, the bill would require the department to include specified information in the plan, including, among other things, a review, conducted in consultation with the Strategic Growth Council, of the potential impacts and opportunities for coordination of specified grant programs and recommendations for the improvement of the grant programs to better align them to meet long-term common goals. The bill would require the department to complete an interim report by January 31, 2022, that contains the new information required to be included in the 3rd and subsequent updates to the plan. The bill would add environmental justice to the subject areas that the plan is required to consider for the movement of people and freight. The bill would require the California Transportation Commission to discuss its recommendations for transportation system improvements at a specified joint meeting with the State Air Resources Board before submitting those recommendations in the required report to the Legislature and the Governor.

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

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

1 SECTION 1. Section 14000.6 of the Government Code is
2 amended to read:
3 14000.6. The Legislature further finds and declares all of the
4 following:
5 (a) California has established *a* statewide greenhouse gas
6 emissions ~~targets and requirements~~ *limit* to be achieved by 2020
7 pursuant to the California Global Warming Solutions Act of 2006
8 (Division 25.5 (commencing with Section 38500) of the Health
9 and Safety Code), which ~~are~~ *is* equivalent to 1990 greenhouse gas
10 emissions in the state. ~~These targets and requirements entail~~
11 ~~approximately a 25-percent reduction in greenhouse gas emissions~~
12 ~~from current levels. Senate Bill 32 (Chapter 249 of the Statutes of~~
13 ~~2016) extended the statewide greenhouse gas emissions limit to~~
14 ~~40 percent below 1990 levels by 2030.~~
15 (b) Executive Order ~~S-3-05~~ further identifies a greenhouse gas
16 emissions limit of 80 percent below 1990 levels to be achieved by
17 ~~2050. B-55-18 established a new statewide goal to achieve carbon~~
18 ~~neutrality as soon as possible, and no later than 2045.~~

1 (c) Emissions from the transportation sector account for ~~38~~ 39
2 percent of California’s greenhouse gas emissions.

3 ~~(d) The state lacks a comprehensive, statewide, multimodal~~
4 ~~planning process that details the transportation system needed in~~
5 ~~the state. In June 2016, the state released its transportation plan~~
6 ~~called California Transportation Plan 2040, which represented~~
7 ~~an important step toward integrating statewide long-range modal~~
8 ~~plans, key programs, and analysis tools that build on regional~~
9 ~~transportation plans, sustainable communities strategies, and rural~~
10 ~~land use visions. Yet more must be done to meet objectives of~~
11 ~~mobility and congestion management consistent with the state’s~~
12 ~~greenhouse gas emission limits limit and air pollution standards.~~

13 ~~(e) Recent increases in gasoline prices resulted in historic~~
14 ~~increases in ridership on public transportation, including transit,~~
15 ~~commuter rail, and intercity rail, and in historic reductions in~~
16 ~~vehicle miles traveled by private vehicles. Increased demand for~~
17 ~~public transportation included a 16-percent increase in light rail~~
18 ~~ridership in Sacramento, a 15.3-percent increase in rail transit~~
19 ~~ridership in Los Angeles, a 23-percent increase in bus ridership in~~
20 ~~Orange County, a 14.4-percent increase in transit ridership in San~~
21 ~~Diego, a 6.3-percent increase in rail transit ridership in Oakland,~~
22 ~~and a 22.5-percent increase in transit ridership in Stockton. Current~~
23 ~~public transportation services and facilities are inadequate to meet~~
24 ~~current and expected future increases in demand.~~

25 ~~(e) The Legislature intends that subsequent transportation plans~~
26 ~~improve transparency, interagency coordination, and the impact~~
27 ~~of California’s transportation investments and planning to meet~~
28 ~~the objectives set forth in this section.~~

29 SEC. 2. Section 65071 of the Government Code is amended
30 to read:

31 65071. The department shall update the California
32 Transportation Plan *every five years* consistent with this chapter.
33 The ~~first~~ *second* update shall be completed by December 31, 2015.
34 The plan shall be updated every five years thereafter. 2020.

35 SEC. 3. Section 65072.1 of the Government Code is amended
36 to read:

37 65072.1. The California Transportation Plan shall consider all
38 of the following subject areas for the movement of people and
39 freight:

- 40 (a) Mobility and accessibility.

- 1 (b) Integration and connectivity.
- 2 (c) Efficient system management and operation.
- 3 (d) Existing system preservation.
- 4 (e) Safety and security.
- 5 (f) Economic development, including productivity and
- 6 efficiency.
- 7 (g) Environmental protection and quality of life.
- 8 (h) *Environmental justice*.

9 SEC. 4. Section 65072.2 of the Government Code is amended
 10 to read:

11 ~~65072.2. In developing the California Transportation Plan~~
 12 ~~pursuant to Sections 65072 and 65072.1, the~~ (a) *The department*
 13 *shall address in the California Transportation Plan* how the state
 14 will achieve maximum feasible emissions reductions in order to
 15 attain a statewide reduction of greenhouse gas emissions to 1990
 16 levels by 2020 as required by the California Global Warming
 17 Solutions Act of 2006 (Division 25.5 (commencing with Section
 18 38500) of the Health and Safety Code), ~~and 80 percent below 1990~~
 19 ~~levels by 2050, the requirements of Section 38566 of the Health~~
 20 ~~and Safety Code, and carbon neutrality by 2045, taking into~~
 21 consideration the use of alternative fuels, new vehicle technology,
 22 tailpipe emissions reductions, and expansion of public transit,
 23 commuter rail, intercity rail, bicycling, and walking. The plan shall
 24 identify the statewide integrated multimodal transportation system
 25 needed to achieve these results. ~~The department shall complete an~~
 26 ~~interim report by December 31, 2012, which shall include a list~~
 27 ~~and provide an~~

28 (b) *Commencing with the third update to the California*
 29 *Transportation Plan, the department shall include the following*
 30 *information in the plan:*

31 (1) *An overview of all sustainable communities strategies and*
 32 *alternative planning strategies prepared pursuant to paragraph (2)*
 33 *of subdivision (b) of Section 65080, and shall assess an assessment*
 34 *of how implementation of the sustainable communities strategies*
 35 *and alternative planning strategies will influence the configuration*
 36 *of the statewide integrated multimodal transportation system. The*
 37 ~~department shall submit the interim report to the California~~
 38 ~~Transportation Commission and to the Chairs of the Senate~~
 39 ~~Committee on Transportation and Housing, the Senate Committee~~
 40 ~~on Environmental Quality, the Senate Committee on Local~~

1 ~~Government, the Assembly Committee on Transportation, the~~
2 ~~Assembly Committee on Natural Resources, and the Assembly~~
3 ~~Committee on Local Government.~~

4 *(2) A review, conducted in consultation with the Strategic*
5 *Growth Council, of the potential impacts and opportunities for*
6 *coordination of the following grant programs: the Affordable*
7 *Housing and Sustainable Communities Program, the Transit and*
8 *Intercity Rail Capital Program, the Low Carbon Transit Operators*
9 *Program, the Transformative Climate Communities Program, and*
10 *the Sustainable Transportation Planning Grant Program. The*
11 *review shall include recommendations for the improvement of*
12 *these programs or other transportation funding programs to better*
13 *align the programs to meet long-term common goals.*

14 *(3) A forecast of the impacts of advanced and emerging*
15 *technologies over a 20-year horizon of infrastructure, access, and*
16 *transportation systems. For purposes of this paragraph, “advanced*
17 *and emerging technologies” includes, but is not limited to, shared,*
18 *autonomous, connected, and electric transportation options.*

19 *(c) The department shall complete an interim report by January*
20 *31, 2022, that contains the information described in paragraphs*
21 *(1), (2), and (3) of subdivision (b) and shall submit this report to*
22 *the relevant policy and fiscal committees of the Legislature.*

23 SEC. 5. Section 65073.1 of the Government Code is amended
24 to read:

25 65073.1. *(a) The California Transportation Commission shall*
26 *review recommendations in the update to the California*
27 *Transportation Plan prepared by the department in-2015, 2020,*
28 *and every five years thereafter, and prepare specific,*
29 *action-oriented, and pragmatic recommendations for transportation*
30 *system improvements. A report containing the specific*
31 *recommendations shall be submitted to the Legislature and the*
32 *Governor by December 31,-2016, 2021, and every five years*
33 *thereafter, and in compliance with Section 9795.*

34 *(b) Before submitting the specific recommendations to the*
35 *Legislature and the Governor pursuant to subdivision (a), the*
36 *commission shall discuss its recommendations at a joint meeting*
37 *held pursuant to Section 14516.*

O



South Coast

Air Quality Management District

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ATTACHMENT 4

HOME RULE ADVISORY GROUP

Wednesday, January 9, 2019

MEETING MINUTES

CHAIR: Dr. Joseph Lyou, SCAQMD Governing Board Member

MEMBERS PRESENT:

Curt Coleman (Southern California Air Quality Alliance); Martin Hansberger (Holliday Rock Company); Bill LaMarr (California Small Business Alliance); David Rothbart (Los Angeles County Sanitation District); and TyRon Turner (Dakota Communications).

The following members participated by conference call: Marc Carrel (Breathe California of Los Angeles County); Brian Clerico (CARB); Rongsheng Luo (SCAG); Bill Quinn (California Council for Environmental & Economic Balance).

MEMBERS ABSENT:

Ben Benoit (SCAQMD Governing Board Member); Mike Carroll (Regulatory Flexibility Group); Michael Downs (Downs Energy); Bridget McCann (Western States Petroleum Association); Dan McGivney (Southern California Gas); Art Montez (AMA International); Dr. Clark Parker (SCAQMD Governing Board Member); Larry Rubio (Riverside Transit Agency); Larry Smith (Cal Portland Cement); and Amy Zimpfer (EPA).

OTHER ATTENDEES:

Mark Abramowitz (Board Consultant to Dr. Lyou); Bernie Bisham; Rita Loof (RadTech); and Susan Stark (Marathon Petroleum).

SCAQMD STAFF:

Jill Whynot	Chief Operating Officer
Philip Fine	Deputy Executive Officer
William Wong	Principal Deputy District Counsel
Sam Atwood	Media Relations Manager
Lisa Tanaka O'Malley	Senior Public Affairs Manager
Angela Kim	Administrative Secretary

OPENING COMMENTS AND SELF-INTRODUCTIONS

The meeting was called to order at 10:01 a.m. by Dr. Joseph Lyou (Chairman).

APPROVAL OF JULY 2018 MEETING MINUTES

Dr. Lyou asked for comments on the November 14, 2018 meeting minutes. Hearing none, the minutes were approved.

EPA AND FEDERAL ACTIVITIES

Due to the federal government shutdown, there was no meeting participation by EPA staff.

Discussion

Curt Coleman reported that the proposed approval for the latest Ozone SIP was published in the Federal Register in December 2018, along with a final approval of the PM2.5 SIP. Dr. Fine clarified that the final approval did not include the contingency measures.

Phil Fine reported on EPA's Cleaner Truck Initiative (CTI) announced in November 2018, which will change the tailpipe standards for new purchases of heavy-duty trucks.

Bill La Marr inquired if SCAQMD has received feedback from the trucking associations. Dr. Fine indicated that feedback was received from the engine manufacturers association and truck manufacturers.

David Rothbart inquired how this will influence the timing on attainment. Dr. Fine indicated that the implementation date for new purchases will be 2023 – 2024, which will not help SCAQMD with the 2023 Standard. Mr. Rothbart further inquired if it is not possible to reach attainment, are the possible consequences being considered. Dr. Fine indicated that SCAQMD is thinking ahead and we are working on this internally. Dr. Lyou added that there are legal liabilities if you do not have a viable plan.

CARB REGULATORY ACTIVITIES

Brian Clerico provided CARB updates on proposed and recent regulatory activities.

Proposed CARB Board and Regulatory Activities

- Consideration of the San Joaquin Valley PM2.5 State Implementation Plans
- Consider Proposed Amendments to the Solid Waste Collection Vehicle Regulation.

Follow-up from November 2018 meeting

Phil Fine provided an update on CARB's emissions inventory regulation for reporting criteria of air pollutants and toxic air contaminants.

Discussion

Dr. Lyou indicated that it seems like CARB is concerned about districts that do not have sufficient emissions data available, or do they look at SCAQMD as the largest district and indicate that more data should be provided. Dr. Fine replied that it is a combination of both.

Bill LaMarr inquired about emission reporting requirements for disadvantaged communities. Dr. Fine indicated that CARB's staff recommendation was to eliminate the "only within community" emissions reporting requirements and have a threshold approach. Mr. LaMarr also inquired about the changes requested by CARB's Board, and if these changes were approved. Mr. Clerico indicated that he would need to follow-up on this. Jill Whynot added that it is her understanding that CARB staff has up to a year to finalize the regulation and they will prepare a revised proposal, which will have a 15-day public review period.

David Rothbart inquired about the air toxic thresholds. Dr. Fine indicated it is still unknown how this will be determined, because many smaller facilities are currently not required to assess their emissions.

Bill Quinn commented on double-jeopardy concerns between the air districts and CARB on the enforcement of annual emission reporting regulations.

LEGISLATIVE UPDATE

Lisa Tanaka O'Malley reported on key legislative updates.

The Legislative Committee held a meeting on December 14, 2018. The federal and state consultants provided written reports for the Committee and reported on the following items.

At the federal level, the consultants reported on the United States Environmental Protection Agency (U.S. EPA) Cleaner Trucks Initiative, which will begin the rulemaking process for an Ultra-Low NOx Emission Standard for Heavy-Duty Trucks.

On the state level, the consultants stated that the Legislative Analyst's office reported that the state has a \$15 billion surplus in revenue for 2019, with about \$14.5 billion in reserve. However, the Legislative Analyst's office also reports that the combined cost of bills introduced in the new year by the state Legislature totals over \$40 billion and there are more to come.

The Legislative Committee also recommended that the Governing Board approve the Federal and State 2019 Goals and Objectives.

Discussion

Dr. Lyou commented that California has a new Governor that was sworn into office on January 7, 2019, and he has begun to make appointments to his cabinet.

UPDATE REGARDING LITIGATION ITEMS AND RELATED EPA ACTIONS

William Wong provided updates to the December 2018 status report.

Case #3: It was reported that the petitioners had until December 23, 2018 to file an appeal. The update is that the appeal was filed on December 21, 2018.

Case #4: It was reported that we are in settlement negotiations. The update is that we are still in settlement negotiations and getting close to a settlement.

Discussion

Marc Carrel inquired if there was an update on case #2. Mr. Wong indicated that he did not have an update.

SUBCOMMITTEE STATUS REPORTS

A. Freight Sustainability (Dan McGivney)

No report was provided.

B. Small Business Considerations (Bill La Marr)

No report was provided.

Public Comment

Susan Stark indicated that she had heard that EPA is taking comments on whether to postpone the 2020 New Source Performance Standards (NSPS) for wood burning heaters, and inquired if this would impact attainment. Dr. Fine felt that change would not have much impact in South Coast.

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

An update was provided on the following item.

- Wilmington/Carson/West Long Beach AB 617 Steering Committee meeting is scheduled for January 10, 2019 in the Carson Community Center.
- Martin Luther King event is scheduled for January 19, 2019

D. Climate Change (David Rothbart)

A report was provided on the following item.

- Climate change article reported that the United States CO2 emissions in 2018 increased by 3.4 percent, this is the second largest annual gain in more than two decades.

Discussion

Jaclyn Ferlita reported on CARB's December 2018 Cap and Trade Program amendments that addressed the post-2020 program.

REPORT FROM AND TO THE STATIONARY SOURCE COMMITTEE

Dr. Phil Fine provided a summary of items discussed at the December 2018 meeting.

- Proposed Rule 1118.1; and
- Proposed Amended Rule 1403.

The next Stationary Source Committee meeting is January 18, 2019.

Discussion

Bill LaMarr commented that he testified at the December 2018 Governing Board meeting on PR1118.1, for the SCAQMD to advocate to the California Public Utilities Commission (CPUC). Mr. LaMarr indicated that he did not understand the comment made by the SCAQMD Executive Officer on not wanting to advocate to another agency. Dr. Fine indicated that he understood that SCAQMD staff would look into this issue in the next few months and provide a briefing to the Stationary Source Committee for direction. Dr. Lyou commented that he also had questions on the Executive Officer's response, and this is why he asked for a staff briefing.

DISCUSSION ON 2019 MEETING TOPICS

Home Rule Advisory Group and public members provided input on possible future meeting topics for the 2019 calendar year.

- CPUC Regulations and Waste Gas Utilization (biogas and well gas)
- Renewable Energy and Reliability/Storage/Charging Infrastructure
- Enforcement Policy
- Trends in Emissions from Transportation (LDV vs. MDV vs. HDV)
- CARB Emissions Reporting Regulation
- CARB Truck and Bus Rule: Implementation and Enforcement
- Rule 1135 Internal Bank ERC Generation Accounting
- RECLAIM
- Rule 1106/1106.1

OTHER BUSINESS

Bill LaMarr inquired about Quemetco and the need for a battery recycling facility in Southern California. Dr. Lyou indicated that he was not aware of another lead acid secondary smelter west of Texas, and confirmed that the City of Industry facility is assuming the burden for the Western United States.

PUBLIC COMMENT

There were no comments.

ADJOURNMENT

The meeting was adjourned at 11:35 am, to be followed by less than a quorum of the committee participating in a tour of the AQ-SPEC located in the SCAQMD laboratory. The next meeting of the Home Rule Advisory Group is scheduled for 10:00 a.m. on March 13, 2019, and will be held at SCAQMD in Conference Room CC-8.