



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 Pro Tem 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

**September 14, 2018 ♦ 9:00 a.m. ♦ Conference Room CC-8
21865 Copley Drive, Diamond Bar, CA 91765**

TELECONFERENCE LOCATIONS

11461 West Sunset Blvd
Malibu Room
Los Angeles, CA 90049

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

638 S. Beacon Street
Room 552
San Pedro, CA 90731

8575 Haven Avenue
Suite 110
Rancho Cucamonga, CA 91730

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

(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]

*Amelia Jenkins
Kaleb Froehlich
Cassidy & Associates pgs 4-8*

*Mark Kadesh
Kadesh & Associates, LLC pgs 9-10*

*Gary Hoitsma
Carmen Group pgs 11-12*

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]

*Will Gonzalez
California Advisors, LLC pg 13*

*Jason Gonsalves
Paul Gonsalves
Joe A. Gonsalves & Son pgs 14-16*

*David Quintana
The Quintana Cruz Company pg 17*

3. Summary End-of-Year Report on State Legislature's and Governor's Actions on 2018 Legislation
(No Motion Required)
Staff will provide an end-of-legislative-year update on the actions of the state Legislature and Governor to date regarding SCAQMD sponsored bills and other key bills of interest.

*Philip Crabbe
Community Relations Manager
Legislative, Public Affairs &
Media*

4. Public Survey Relating to a Potential Sales Tax Increase
Ballot Measure for Air Quality Funding
(No Motion Required)
Staff will provide information regarding a second public survey that would be conducted by Fairbank, Maslin, Maullin, Metz & Associates, relating to a potential sales tax increase ballot measure within the South Coast Air District, for which legislative authorization is sought. This measure would be focused on raising funds to facilitate a significant reduction of air pollution in the South Coast region, in support of the 2016 AQMP.

*Philip Crabbe
Community Relations Manager
Legislative, Public Affairs &
Media*

WRITTEN REPORT:

5. Report from the SCAQMD Home Rule Advisory Group (HRAG)
(No Motion Required)
The item provided is the written report of HRAG's updates as input to the Legislative Committee.
[Attachment 3 - Written Report]

pgs 18-24

OTHER MATTERS:

6. 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)

7. 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.

8. **Next Meeting Date** – Friday, October 12, 2018 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.

ATTACHMENT 1

[↑ Back to Agenda](#)

CASSIDY&ASSOCIATES

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

(202) 347-0773
www.cassidy.com

To: South Coast Air Quality Management District

From: Cassidy & Associates

Date: August 23, 2018

Re: Federal Update

General Overview:

There are fewer than 100 days left before the November midterm elections. The House has been on its month-long August recess.

The Senate took the first full week of August off but has been in session for the rest of the month. The Senate Majority Leader's decision to shorten the upper chamber's usual August recess reflects the priority being placed on getting Trump's judicial nominees confirmed and on their respective benches. Those nominees he's looking to have confirmed in the near-term are at the appellate and district court levels—with emphasis on the appellate courts.

Major legislation facing Congress between now and the end of this calendar year includes the federal budget and the farm bill.

Appropriations Update:

The hope is that Congress can finish nine of the twelve Fiscal Year (FY) 19 appropriations bills before the midterms, and then the final three will go on a Continuing Resolution (CR).

Appropriation bills likely to be wrapped into a CR: Homeland Security, Commerce, Justice, Science (CJS), and State Foreign Ops.

- Homeland Security is not likely to go because most members are uninterested in pursuing a fight over immigration or the wall before the election.
- CJS is not likely to go because members would have to move to table several controversial amendments.

Appropriations Next Steps:

House and Senate Appropriations staffers are already at work trying to resolve the differences in the first two minibuses (Military Construction –Veterans Affairs – Energy; and Interior – Financial – Housing, Urban Development -Agriculture). The week the House comes back, the plan is for members to settle any outstanding issues in the first minibus. The second week, they are likely to conference the second minibus, and the third week, Defense-Labor-Health and Human Services. But, again, any rider could blow up a deal.

Affordable Clean Energy Plan:

On Tuesday, August 21 the Trump Administration released its proposed rule for replacing the Clean Power Plan to control carbon dioxide emissions from the power sector, called the “Affordable Clean Energy Plan.” The President visited coal country in support of the rollout. The Administration has suggested this rule would delay the retirement of over 300 coal plants. Resources for the Future [estimates](#) that CO2 emissions under the ACE Plan would be 63% higher than under the initial Clean Power Plan. The ACE Plan also overhauls EPA New Source Review (NSR) by allowing existing plants to avoid NSR if any changes made to the facility reduce its hourly emissions rate (irrespective of its annual emissions output). This concept for NSR was advanced under a previous Administration under EPA Assistant Administrator Bill Wehrum, but it did not survive court challenges.

The proposed rule has not yet been published in the Federal Register; when it is, there will be a **60 day comment period** from that point.

Environment and Public Works Committee Reaction to Affordable Clean Energy Rule

As expected, the Chairman and Ranking Members of the Environment and Public Works Committee had divergent views of the proposed rulemaking (known as the Affordable Clean Energy Rule) from the Environmental Protection Agency (EPA) to replace the Obama Administration’s Clean Power Plan. Chairman Barrasso (Wyoming) withheld judgment on the particulars of the EPA’s new rule, but did use the opportunity to again criticize the Obama Administration’s Clean Power Plan. Ranking Member Carper (Delaware) delivered a lengthy statement on the Senate floor which criticized the proposed rule as an inadequate replacement to Clean Power Plan by highlighting that the EPA’s internal analysis of the proposed rule has found 1,400 lives will be lost each year due to increased exposure to particulate pollution and ozone.

Updated EPA Rulemaking on Engine Manufacturing

The EPA is proposing to modify the emissions reporting requirements from manufacturers of engines for marine vessels, heavy duty and non-road applications. In particular, EPA believes their burden in managing the reports coming in from these sectors will be reduced by 40% in terms of hours. EPA also expects fewer manufacturers to report Emissions Certification data in the first place under this new plan and they also expect EPA and manufactures to rely increasingly on “carry-over testing data.”

We believe that this is suggesting a much more relaxed posture to compliance for these engines. This process will be worth monitoring as it moves forward and SCAQMD may wish to weigh in with comments during the comment period.

CAFE Standards Update:

The EPA has published its Corporate Average Fuel Economy (CAFE) standards rollback for light duty vehicles, model years 2021-2016 in the Federal Register, which formally opens the comment period. Comments on this proposal are due by October 23 and Cassidy would strongly recommend that SCAQMD submit formal comments.

Transportation Update:

Outgoing House Transportation & Infrastructure Chairman Bill Shuster (R-PA) introduced a proposal to fix the Highway Trust Fund (HTF) and reform the Federal surface transportation program in advance of the serious discussion that will take place in the 116th Congress to prevent insolvency of the program in 2020 and a nearly \$180 billion shortfall in the HTF by 2028. His proposal includes –

Reforming the Highway Trust Fund

His proposal would boost taxes on gasoline and diesel by 15-cents and 20-cents per gallon, respectively, phased in over three years and then indexed to inflation. But the taxes would cease to exist after fiscal 2028, with the goal being to usher in a new revenue regime to cover the costs of U.S. infrastructure projects.

The proposal would also eliminate reduced fuel tax rates for certain intercity and local transportation buses and would set new taxes on things like electric vehicles and adult bicycle tires that don't currently pay into the system, and would establish a 15-person Highway Trust Fund Commission to develop a legislative proposal to ensure the fund's long-term solvency, but with a catch — that recommendation can't include levying a tax on fuels. The proposal would then go to Congress for an up-or-down vote.

The draft also would create a voluntary pilot program to test the feasibility of a nationwide per-mile user fee to replace the gas tax. The federal government would provide different ways to track the mileage — from apps to in-car diagnostic systems to manual reporting by states — and would have to maintain "equitable geographic distribution" among volunteers. The Treasury Secretary would have to calculate refunds for participants of the motor fuel taxes they already pay at the pump.

Strengthening Investment

Shuster's proposal provides for direct federal investment in a broad array of transportation projects, including projects that use new innovations and technologies to transform the way we move goods and people. It also provides states with an additional year of certainty to plan and carry out critical highway and public transportation projects by extending the FAST Act through fiscal year 2021.

The proposal reauthorizes and improves a number of successful water infrastructure and economic development programs, and ensures that user fees paid into the Harbor Maintenance Trust Fund are fully spent to improve access to our ports.

Utilizing Innovative Financing

Shuster's proposal contains several provisions designed to remove barriers to private investment and encourage the private sector to participate in the effort to rebuild our Nation's infrastructure. It authorizes incentive grants to encourage public entities to lease their infrastructure to the private sector and then use both the funding from the lease and incentive grant to improve other public infrastructure.

The proposal also helps the federal government tackle its crumbling real property inventory by leveraging private sector dollars and expertise in the construction and rehabilitation of federal buildings, including military family housing for Coast Guard service members.

Accelerating Project Delivery

Lastly, his proposal continues to reform the environmental review and permitting process to accelerate delivery of critical transportation projects, while protecting the environment. It ensures that the Department of Transportation (USDOT) can carry out the reforms and two-year permitting deadlines called for under the Administration's One Federal Decision Executive Order.

It also authorizes the use of innovative practices and makes other administrative reforms at the USDOT to expedite the environmental review and permitting process for transportation projects. Finally, it reduces unreasonable delays in the water quality certification process under section 401 of the Clean Water Act.

SCAQMD
September 2018 Legislative Committee Board Meeting Report covering July-August 2018
Kadesh & Associates

Overview:

July-

The House and Senate were in session for three of four weeks of July. Both the House and Senate Appropriations Committees finished working through the Fiscal Year (FY) 19 bills and several bills were completed in their respective chambers. The Senate completed work on seven of the annual bills – considered via two minibus bills – and the House has moved on six. Conference work at the staff level occurred throughout August with the intention of passing nine conference reports in September. Given the limited House schedule in September, it is unclear if these will be passed separately or as an omnibus. Work on the Homeland Security, Commerce-Justice, and Foreign Operations bills is expected after the fall elections.

August-

The House was recessed for all of August, only meeting in *pro forma* sessions so as to allow certain oversight committees to work. The Senate was in session for 13 days, dealing with appropriations and judicial nominations.

July was dominated with:

- 1- Ongoing consideration of House and Senate FY19 Appropriations;
- 2- The planning, execution and follow up for DC trip by Board members and Senior Executive AQMD staff;
- 3- Efforts to encourage EPA to commence an Ultra-Low NOx rulemaking; and
- 4- Development, expansion and deployment of a coalition to support item #3.

DC Fly-in:

Board members Mayor Pro Tem Judy Mitchell and Supervisor Shawn Nelson and Executive staff conducted three days of meetings/briefings with Congressional offices and agencies regarding SCAQMD's focus on Ultra-Low NOx regulations.

Activities summary:

- Advance planning for the July Board Member and Executive staff fly-in.
- Carried out Board/Executive staff fly-in.
- Rapid development and deployment of coalition in support of commencement of Ultra-Low NOx rule.
- Ongoing analysis and response to EPA/NHTSA announcement regarding the CA Clean Air Act waiver and proposals to alter CAFE/GHG standards for Model Year (MY) 2022-2025.
- Analyzed and shared information on FY19 appropriations process.
- Continued to monitor and pass on relevant legislation of interest to SCAQMD.
- Participated in regular conference call with subsequent follow up assignments.
- Answered specific questions from SCAQMD staff.
- Kept staff updated as to legislative changes, committee assignments and confirmations.
- Monitored and shared updates on Administration regarding budget, appropriations, Interior, EPA, transportation, and environmental policies and personnel.

Outlook:

Lawmakers are planning an appropriations sprint through September, working to hash out differences between nine House and Senate spending bills before the end of the fiscal year. The House is only scheduled to be in session for 11 legislative days before the Sept. 30 deadline to fund the government, but lawmakers say they still plan to send President Trump nine of the 12 bills, passed in three “minibus” packages,” before the recess.

Though still officially scheduled to be in session through October 12, it is expected that the House will actually adjourn as of September 30 and return on November 13. As of the end of August, House Speaker Paul Ryan told his fellow Republicans the chamber will focus on tackling appropriations after lawmakers return from August recess. The House is set to go to conference with the Senate to work out differences on the Defense-Labor-HHS spending package, and the House also will concentrate on the Farm bill and work requirements.

If appropriators want to stick to that ambitious schedule, they’ll have to reach agreements on funding for the Yucca Mountain nuclear waste repository, a new Veterans Affairs health-care law and family planning organizations such as Planned Parenthood, as well as a series of policy riders on immigration and the detention of families that have illegally crossed the border.

“The House can move. They move very quickly when they want to,” Senate Appropriations Chairman Richard Shelby (R-Ala.) told reporters earlier in August, saying there’s enough time to finish conference reports on all three packages before the deadline. Getting Trump to sign into law a package covering defense and Labor-HHS-Education spending (H.R. 6157) is the top priority, Shelby said. That combination covers nearly 70 percent of federal discretionary spending. The Senate passed that package the week of August 19.

Appropriators have already voted to go to conference on a package covering Military Construction-VA, Energy and Water and Legislative Branch spending (H.R. 5895). They’ll also need to reconcile differences between a House package covering Interior-Environment and Financial Services (H.R. 6147), to which the Senate added its own Agriculture-FDA and Transportation-HUD bills.

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

MEMORANDUM

To: South Coast AQMD Legislative Committee

From: Carmen Group

Date: August 30, 2018

Re: Federal Update -- Executive Branch

EPA/DOT Rulemaking on Fuel Economy Standards: On August 2, the Trump Administration EPA and DOT issued their long-awaited notice of proposed rulemaking on automobile fuel economy and greenhouse gas emissions standards for Model Years (MY) 2021-2026, thus undoing the Obama Administration's Mid-Term Evaluation Final Determination on such standards, which the EPA had earlier found to be not appropriate and in need of revision. The notice calls for a preferred alternative that would significantly reduce the projected future national miles-per-gallon fuel economy standard for cars and light truck and also revoke California's waiver under the Clean Air Act allowing the state to set separate standards which would be followed by a number of other states. The notice seeks comments on eight alternative proposals for revising the Obama standards. Written comments are due in 60 days -- by early October. Meanwhile on August 29, the EPA and the DOT announced they will hold three public hearings—listening sessions – to take oral testimony on the proposed rule: Sept. 24 in Fresno, CA; Sept. 25 in Dearborn, MI; and Sept. 26 in Pittsburgh, PA.

EPA Rulemaking on Coal-Fired Power Plants: On August 21, the Trump Administration EPA issued another long-awaited notice of proposed rulemaking on reducing greenhouse gas emissions from coal-fired electric utility generating units and power plants, thus replacing the Obama Administration's Clean Power Plan which had been blocked by litigation and yet to be implemented. The new EPA proposal, entitled the Affordable Clean Energy (ACE) Rule, establishes emissions guidelines for states to use in regulating power plants. It is billed as being less prescriptive and burdensome than the Clean Power Plan and more attuned to facilitating economic growth and job creation. Comments are due in 60 days—by late October. EPA Acting Administrator Andrew Wheeler traveled to Kentucky following the announcement saying the ACE Rule would “restore the rule of law and empower the states to reduce greenhouse gas emissions and provide reliable and affordable energy for all Americans.”

Litigation Looms on Both Proposed Rules: Opponents of both of these rulemaking notices – including the state of California -- let it be known that extended litigation will be deployed in attempts to delay and block both rules.

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EPA Issues Annual Report on Air Quality: On July 31, the EPA released its annual report on air quality, tracking progress in improving air quality since the passage of the Clean Air Act. “Our Nation’s Air: Status and Trends Through 2017” documents considerable improvements in air quality in America over more than 45 years. It reports that between 1967 and 2017, the combined emissions of six key air pollutants dropped by 73 percent, while the U.S. economy grew by more than three times. It also acknowledges that “some Americans still live in areas that do not fully meet national standards” and that EPA continues to work with states and others to further improve air quality across the entire country.

EPA Announces Voluntary Recall of Medium-and Heavy Duty Trucks: On July 31, EPA announced that Cummins Inc. will voluntarily recall roughly 500,000 model-year 2010-2015 medium and heavy duty trucks to allow replacing of defective systems designed to control NOx emissions. The problem was discovered through government oversight programs that test vehicles for compliance with emissions standards. Initial testing by both the EPA and CARB identified high NOx emissions from certain trucks equipped with the Cummins engines. The results were shared with Cummins which agreed to do the voluntary recall after the company’s own follow-up testing confirmed the problem.

FTA Announces Low-or-No-Emission Bus Grant Awards: On Aug. 24, the Federal Transit Administration (FTA) announced that 52 projects in 41 states were designated to receive funding under the Low-or-No-Emission Grant program, which funds the deployment of transit buses and related infrastructure that use advanced propulsion technologies. In all, \$84.45 million was distributed. Eligible projects included the purchase or lease of buses that are powered by hybrid or battery electric engines as well as infrastructure such as charging stations. California DOT was one of 13 state agencies that received the maximum award amount (\$2,290,000). The California project will fund the purchase of battery electric buses and the installation of electrical infrastructure and charging stations in Arvin, CA.

Efforts Continue to Push Ultra-Low NOx Rule: In July and August, SCAQMD’s leading efforts to promote an EPA rulemaking addressing an Ultra-Low NOx emission standard for heavy duty trucks continued to bear fruit. Following a series of meetings in Washington, DC in July -- attended by several SCAQMD board members and staff -- with members of Congress, EPA and other agency officials, business groups, environmental groups, and other interested parties, signs of growing support for such a rulemaking continued to be seen. For example, follow-ups with the U.S Chamber of Commerce and various other business groups that met with SCAQMD officials earlier in June, elicited a growing number of commitments to weigh in positively with the EPA on the subject. Meanwhile, both career and political officials at EPA were engaged in further due diligence on the matter in response to SCAQMD’s targeted advocacy efforts.

Subcabinet Appointments of Note: In August, two nominees for posts at the Environment Protection Agency were approved by the Senate Committee on Environment and Public Works:

- Peter Wright** to be Asst. Admin. for the Office of Land & Emergency Mgt. (OLEM)
- Charles McIntosh** to be Asst. Admin. for Office of Int. & Tribal Affairs (OITA)

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CALIFORNIA ADVISORS, LLC

SCAQMD Report
California Advisors, LLC
September 14, 2018 Legislative Committee Hearing

General Update

At the time of writing this report, the Legislature was within 36 hours of the closure of the second year of the 2017-18 session. Friday night at midnight is the statutory deadline by which all bills that do not contain urgency clauses or are not part of an extraordinary session must be passed. Bills that are presented to the Governor before the end of the day August 31st have until September 30th to be signed or vetoed.

2018 Legislative Priorities

AB 193 (Cervantes) Zero-Emission Assurance Project

Would require the State Air Resources Board, until July 31, 2025, to establish the Zero-Emission Assurance Project to provide rebates for the replacement of or a vehicle service contract, as defined, for a battery, fuel cell, or related components for an eligible used vehicle. The bill would require the state board to submit a specified report on the Zero-Emission Assurance Project to the Legislature no later than January 1, 2024.

Status: 8/28/2018-Enrolled and presented to the Governor at 3 p.m.

SB 49 (De León) California Environmental, Public Health, and Workers Defense Act of 2017

Would require specified agencies to take prescribed actions to maintain and enforce certain requirements and standards pertaining to air, water, and protected species. By imposing new duties on local agencies, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Status: Not moving forward this year

AB 2145 (Reyes) Vehicular Air Pollution

Would add as eligible projects for the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program those projects that support grid integration and integrated storage solutions and charging management demonstration and analytics. The bill would additionally require the energy commission, as part of the guidance developed for the program, to advise the state board on to how to allocate moneys for vehicle charging infrastructure consistent with the energy commission's investment plan strategies on charging infrastructure that is part of the California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007.

Status: 8/29/2018-Enrolled and pending presentation to the Governor.



Joe A. Gonsalves & Son

Anthony D. Gonsalves

Jason A. Gonsalves

Paul A. Gonsalves

PROFESSIONAL LEGISLATIVE REPRESENTATION

925 L ST. · SUITE 250 · SACRAMENTO, CA 95814-3766

916 441-0597 · FAX 916 441-5081

Email: gonsalves@gonsalvi.com

TO: South Coast Air Quality Management District
FROM: Anthony, Jason & Paul Gonsalves
SUBJECT: Legislative Update – August 2018
DATE: Friday, August 31, 2018

The month of August is the last month of the regular session for the California Legislature. Now that the budget has been adopted, the Legislature has shifted their focus to all remaining legislation. All remaining bills must be passed to the Governor by August 31, 2018. The Governor has until September 30, 2018 to take action on all bills presented to him.

AB 2548 (FRIEDMAN) COMMUTE BENEFIT POLICIES: METRO.

This bill authorizes the Los Angeles County Metropolitan Transportation Authority (Metro) to administer a commute benefit program that requires certain employers to provide a commuter benefit option to their employees.

As you know, the SCAQMD administers an extensive commute benefit program under Rule 2202, which requires employers with over 250 or more employees at a worksite to establish commuter programs to meet the designated emission reduction targets. Our firm worked closely with Assemblymember Friedman's office to ensure the new ordinance would only apply to employers that are not currently subject to the regulations established under Rule 2202. In fact, the bill specifically prohibits Metro from approving any commute benefit ordinance that affects the SCAQMD program.

Specifically, AB 2548 would authorize Metro to establish a commuter benefits ordinance in L.A. County that would give commuters the ability to set aside up to \$260 per month of their paycheck pre-tax to cover the cost of ride-sharing, vanpools, and transit. This means that the Metro program would cover employers with 50 to 249 employees at a worksite. However, in the future, the Metro program would have to be updated based on any actions by SCAQMD to raise or lower the number of employers covered by Rule 2022. Metro estimates that 24-26% of the worksites in L.A. County, or 64,000 to 69,000 of approximately 265,000 worksites, have between 50-249 employees.

On August 20, 2018, Governor Brown signed AB 2548 into law, which will take effect on January 1, 2019.

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

Existing law Requires CARB to establish Community Emissions Reductions Programs (CERP) for the purposes of reducing emissions of toxic air contaminants and criteria air pollutants. Existing law also establishes school modernization apportionment funds, which may be used for improvements to extend the useful life of, or to enhance the physical environment of the school, including, but not limited to, maximizing indoor air quality, but may not be used for routine maintenance and repair.

AB 2453 clarifies that a modernization apportionment may be used to limit pupil exposure to harmful air pollutants by updating air filtration systems. Additionally, the bill would permit a school or school district located in a community identified as a qualifying community for a CERP to:

- work with local air districts to identify school sites for air quality adaptation efforts.
- Be eligible for a grant, as a part of a CERP, that implements air quality mitigation efforts, including, but not limited to, air filter upgrades or installations and vegetation buffer planting.

On August 17, 2018, the Senate Appropriations Committee amended AB 2453 to specify that the provision authorizing a school district to be eligible for a CERP grant shall be implemented only if an appropriation for this purpose is made in the annual Budget Act or other statute. With that amendments, the bill passed out of the Senate Appropriations Committee on a 7-0 vote.

On August 27, 2018, AB 2453 passed off the Senate Floor on a 39-0 vote. Since the bill was amended in the Senate, AB 2453 went back to the Assembly Floor for concurrence in Senate amendments and passed on an 80-0 vote.

The bill is now headed to the Governor for his consideration.

2018 LEGISLATIVE DEADLINES

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

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

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

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



August 30, 2018

TO: South Coast Air Quality Management District
FROM: The Quintana Cruz Company
RE: August 2018 Report

LEGISLATIVE ITEMS OF NOTE:

AB 2091 (Grayson) Fire prevention: prescribed burns.

The bill renames the Board of Forestry and Fire Protection as the Board of Forestry and Fire Prevention and Protection. It also requires the Board of Forestry and Fire Prevention and Protection to establish standards for prescribed burning and certify prescribed burn managers.

Status: Senate amendments concurred in. To Engrossing and Enrolling.

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

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

Status: Ordered to third reading in Senate.

ATTACHMENT 3



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4182
(909) 396-2000 • www.aqmd.gov

HOME RULE ADVISORY GROUP

Wednesday, July 11, 2018

MEETING MINUTES

CHAIR: Dr. Joseph Lyou, SCAQMD Governing Board Member

MEMBERS PRESENT:

Mike Carroll (Regulatory Flexibility Group); Bill LaMarr (California Small Business Alliance); Bridget McCann (Western States Petroleum Association); Art Montez (AMA International); David Rothbart (Los Angeles County Sanitation District); Larry Smith (Cal Portland Cement); Kristen Torres Pawling (County of Los Angeles, Chief Sustainability Office) and TyRon Turner (Dakota Communications).

The following members participated by conference call: Rongsheng Luo (SCAG); Bill Quinn (California Council for Environmental & Economic Balance); Johnnie Raymond (CARB); and Amy Zimpfer (EPA).

MEMBERS ABSENT:

Ben Benoit (SCAQMD Governing Board Member); Curt Coleman (Southern California Air Quality Alliance); Michael Downs (Downs Energy);-Jaclyn Ferlita (Air Quality Consultants); Nan Harrold (Orange County Waste & Recycling); Dan McGivney (Southern California Gas); Dr. Clark Parker (SCAQMD Governing Board Member); and Larry Rubio (Riverside Transit Agency).

OTHER ATTENDEES:

Mark Abramowitz (Board Consultant to Dr. Lyou); Priscilla Hamilton (Southern California Gas); Warisa Niizawa (Orange County Waste and Recycling); and Rita Loof (RadTech).

SCAQMD STAFF:

Jill Whynot	Chief Operating Officer	Danielle Soto	Sr. Public Information Specialist
William Wong	Principal Deputy District Counsel	Daniel Wong	Sr. Public Information Specialist
Philip Crabbe	Community Relations Manager	Kelsey Baez	Student Intern
Debra Ashby	Sr. Public Information Specialist	Lia Bilodeau	Student Intern
Ann Scagliola	Administrative Secretary	Mitchell McMann	Student Intern
Pedro Piqueras	AQ Specialist		

OPENING COMMENTS AND SELF-INTRODUCTIONS

The meeting was called to order at 10:00 a.m. by Dr. Joseph Lyou (Chairman).

APPROVAL OF MAY 2018 MEETING MINUTES

Dr. Lyou asked for comments on the May 9, 2018 meeting minutes. Hearing none, the minutes were approved.

EPA AND FEDERAL ACTIVITIES

Amy Zimpfer provided an update on recent U.S. Environmental Protection Agency (EPA) and federal activities.

SCAQMD Related Actions

- Mike Stoker was appointed as the EPA Region 9 Administrator.
- EPA continues to review the attainment plans incorporated into the submitted 2016 Air Quality Management Plan (AQMP).
- The 2018 Targeted Airshed Grant RFP will be announced soon and it is anticipated that \$40M will be awarded in grant funding nationally.
- The Tribal DERA grant RFP opened on June 5, 2018 and will close on September 6, 2018.
- The National Diesel Emission Reduction Act (DERA) Request for Proposals (RFP) period has closed and the submitted proposals are being reviewed.
- To minimize air pollution through advanced technologies, tools and policies, EPA's Clean Air Technology Initiative will provide \$500,000 in regional funding to SCAQMD.

National Update

- The 2015 Ozone National Ambient Air Quality Standards (NAAQS) SIP Implementation Rule is with the Office of Management and Budget for review.
- Chief Operating Officer, Henry Darwin has implemented the EPA Lean Management System (ELAM) and is creating effective ways to improve EPA's efficiency.

Discussion

Jill Whynot inquired about EPA's glider (freight trucks) and enforcement rule. Ms. Zimpfer indicated that there was nothing to report at this time. Dr. Lyou added that there is a proposal to consider how cost effectiveness is calculated. Ms. Zimpfer indicated that there are a number of proposals nationwide, and if there is enough interest, this could be a topic at a future meeting.

Bill LaMarr inquired about the \$500,000 in funding to SCAQMD for clean air technology and the purpose. Ms. Zimpfer indicated that EPA has worked with Matt Miyasato to determine a high priority funding project.

CARB REGULATORY ACTIVITIES

Johnnie Raymond provided updates on items scheduled to go to CARB's Board in July 2018 and recent regulatory activities.

- CARB released the proposed California greenhouse gas emissions standards for medium- and heavy-duty engines and vehicles and proposed amendments to the tractor-trailer greenhouse gas regulations. The public comment deadline is July 18, 2018.
- Nominations are being accepted for the 2018 Haagen-Smit Clean Air Awards. The submittal deadline is August 2, 2018.
- In June 2018, the draft AB 617 Community Air Protection Blueprint was released. The comments deadline is July 23, 2018.
- To assist crude oil and natural gas facilities with methane greenhouse gas compliance, methane emissions need to be recorded into CARB's CAL e-GGRT system.
- On July 26, 2018, CARB's Board will consider the updates to the 2018 Proposed Funding Guidelines for Agencies Administering California Climate Investment (CCI). Written comments must be received by July 23, 2018.

- A CARB funded NASA satellite study on PM2.5 emissions, which focused on Southern California, was recently released and further information is available on CARB’s website.
- In June 2018, \$20M from the Cap-and-Trade Program proceeds was awarded to fund zero emission technology demonstrations related to freight, farm and transportation technologies.

Discussion

David Rothbart inquired about development of CARB’s indirect source rules for freight activities in California. Mr. Raymond indicated did not have the requested information, and would follow-up with CARB staff.

LEGISLATIVE UPDATE

Philip Crabbe provided a recap of the June 2018 Legislative Committee meeting.

Update on Federal Legislative Issues

SCAQMD’s federal legislative consultants each provided a written report on various key Washington, D.C. issues.

It was reported that the US EPA Science Advisory Board met in late May and early June and recommended to the US EPA Administrator that that the proposed rulemaking on CAFE standards and the pending final rule on glider trucks should be postponed, pending a better scientific review. Now, of course US EPA is under no obligation to accept this recommendation.

Reports leaked out that the Department of Transportation may be granting 27 awards, releasing \$1.5 billion dollars, for major highway projects under the “Infrastructure for Rebuilding America” (INFRA) grant program, including one congestion relief project in Los Angeles on Interstate 5.

It was reported that the House Interior Appropriations Subcommittee passed its appropriations bill, which would authorize \$100 million for the Diesel Emission Reduction Act (DERA) Program and \$55 million for the Targeted Airshed Grant Program.

It was also reported that SCAQMD has been working to apply pressure to the US EPA to take action on SCAQMD’s petition for an ultra-low NOx emissions standard for heavy duty trucks.

The House passed their energy and water appropriations bill and it was waiting for Senate action. The House passed the Trump Administration’s rescissions package, in which \$15 billion in previously allocated funding would be rescinded, including \$4.3 billion in loan funding for the DOE for fuel efficiency and advanced vehicle technology.

Update on State Legislative Issues

SCAQMD’s state legislative consultants provided written reports on various key issues in Sacramento.

Updates were provided on various state bills, including:

- AB 2091 (Grayson), which is supported by SCAQMD, is an omnibus bill relating to prescribed burn issues. The author took one of SCAQMD’s suggested amendments and the bill has now moved onto the Senate.
- AB 327 (Gipson) which is an authorization bill sponsored by SCAQMD regarding the usage of cleaner technology in public fleets within the South Coast region. This bill passed the Senate Environmental Quality Committee, but unfortunately failed in the Senate Transportation & Housing Committee, so it is now dead.

- SB 1502, which is sponsored by SCAQMD, and allows local air districts to provide public notice electronically. This bill was passed by the Legislature and signed by the Governor.
- SB 210 (Leyva), which is supported by SCAQMD, and deals with creating a smog check program for heavy-duty trucks. SCAQMD staff is having ongoing conversations with Senator Leyva's Office about potential amendments to the bill. However, this bill now appears to be not moving forward.

It was reported that the negotiations on the state budget and the cap-and-trade expenditure plan, including AB 617 implementation funding were ongoing. Since then, those deals were struck with:

- \$50 million being allocated statewide to air districts for AB 617 implementation;
- \$245 million being allocated statewide for AB 617 oriented incentive funding for both mobile and stationery sources;
- \$132 million being allocated statewide for incentives for Agricultural Diesel Engine replacement and upgrades.

Recommend Position on State Bills

AB 2145 (Reyes) Vehicular air pollution. This bill, which is sponsored by CALSTART, would modify the Clean Truck, Bus, and Off-Road Vehicle and Equipment Program (Clean Truck Program) to fund additional technologies and would expand the criteria for funding through the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP).

This bill is in line with SCAQMD's goals of promoting the development and deployment of clean transportation technology, reducing criteria pollutant and toxic emissions, and protecting public health. *The Committee adopted staff's recommended position of SUPPORT on this item.*

SB 1260 (Jackson) Fire prevention and protection: prescribed burns. The bill is an omnibus fire prevention and forestry management bill that would, among other things: promote long-term forest health and wildfire resiliency; and require CAL-FIRE and CARB, in coordination with local air districts, to develop and fund a program to enhance air quality and smoke monitoring, and provide a public awareness campaign regarding prescribed burns. That program may include purchasing new air quality monitors and shall include adequate funding for local air district participation and implementation costs.

Staff recommends amendments to the bill that address an issue that complicates the granting of controlled burn permits at the local level. Current law only allows an air pollution control officer to permit controlled burns in counties with a population of 6 million or less. This provision complicates SCAQMD's ability to issue controlled burn permits for fire hazard mitigation within LA County, which has a population that far exceeds 6,000,000. Staff proposes an addition to the bill that would remove current law's reference to a county population restriction, so that SCAQMD can have clear authority to issue controlled burn permits within Los Angeles County. *The Committee adopted staff's recommended position of SUPPORT WITH AMENDMENTS on this item.*

Discussion

Bill LaMarr inquired about the SB 1260 (Jackson) air monitoring funding legislation, regarding what type of air monitoring would be involved and where would it be used. Mr. Crabbe indicated that it appears that the bill is focused on monitoring controlled burns. Jill Whynot added that it could also apply to the sensors and monitors that SCAQMD purchases to monitor air pollution.

David Rothbart inquired about what happened with AB 327 (Gipson) during the Senate Transportation committee hearing and its current status. Mr. Crabbe explained that it is a two year

session and because this is the second year, bills that fail this year are dead and would need to be reintroduced in the future. Without a motion in committee, AB 327 missed a deadline to pass out of policy committee and therefore failed and would need to be reintroduced in the future.

Larry Smith inquired about the benefit of monitoring a controlled burn, once the permit has been issued. Mr. Crabbe indicated that open controlled burns can only occur on certain days, depending on the air quality levels. The bill amendment is to permit equipment that would allow for cleaner open burning and to reduce the related emissions. Dr. Lyou added that the monitoring could be for informational purposes, to educate, or to mitigate future PM emissions.

Jill Whynot reported that there will be \$50M in funding statewide for AB 617 implementation, this year, with the intent to have this funding again next year. She also indicated that SCAQMD was unable secure sustained funding for future years. Dr. Lyou inquired about SCAQMD's portion and Ms. Whynot indicated that it has not been determined.

Bill LaMarr inquired about the reluctance to sustain AB 617 funding. Ms. Whynot indicated that there could be many factors. Mr. Crabbe added that there is also no guarantee on the \$50M for next year.

Jill Whynot mentioned that at the July 2018 Legislative Committee meeting there is an agenda item to continue the discussion to seek legislative authority for a .25% sales tax increase to help support the AQMP.

UPDATE REGARDING LITIGATION ITEMS AND RELATED EPA ACTIONS

William Wong had no updates to report.

Discussion

Bill LaMarr inquired about the status of Case #8. Mr. Wong indicated that the status report reflects the current status.

COMMUNITY OUTREACH EFFORTS

Debra Ashby provided an update on the outreach efforts of Legislative, Public Affairs and Media Relations (LPAM). The presentation covered numerous aspects of outreach for SCAQMD ranging from government relations to the general public to health, environmental, educational and business organizations. The presentation also included an overview of the types of LPAM outreach activities such as town hall meetings, events, speaker's bureau, small business assistance, environmental justice workshops, advisory groups and other initiatives. After the discussion, the Advisory Group offered several suggestions for additional outreach, such as presentations to neighborhood councils and local planning staff.

Discussion

Bill LaMarr asked why there were no senior events in Orange County. Ms. Ashby replied that LPAM is looking into an Orange County event.

Tyron Turner inquired about the outreach efforts in South Los Angeles and the apparent lack of AQMD awareness within the community. Ms. Ashby indicated that during the senior event in Los Angeles, LPAM received this feedback and they are open to suggestions for improvement. Mr. Turner suggested the monthly evening neighborhood council meetings and offered his assistance as a contact person.

Bridget McCann asked where on the SCAQMD website the future outreach events are located. Ms. Ashby indicated that our Facebook page is the best source for this information.

Kristen Pawling suggested unincorporated town councils, outside the City of Los Angeles, that could benefit from outreach efforts. Dr. Lyou inquired about a list of these areas. Ms. Pawling indicated that she could provide a list. Dr. Lyou inquired if other counties have town councils or community leaders. Bill LaMarr indicated that Anaheim has neighborhood councils and suggested Supervisor Shawn Nelson or one of his assistants for information on Orange County community groups. Ms. Pawling also suggested City Manager Outreach meetings. Ms. Ashby indicated that the LPAM staff regularly attends various Los Angeles County City Manager's and Public Works Directors meetings, but other outreach suggestions are welcome.

Dr. Lyou suggested Nextdoor.com and Facebook advertising, to let them know that we exist. Ms. Ashby indicated that this has been discussed and she would follow-up.

Larry Smith suggested the cities local planning departments, to research when they do their local plan updates and to get involved in their outreach efforts. Ms. Pawling also suggested the Office of Planning and Research, who cities contact for assistance.

Art Montez expressed that many elected officials, for underserved communities, do not have adequate minority staff to represent the communities they serve. Mr. Montez suggested outreach with schools in the black, Asian and Latino communities.

Dr. Lyou suggested that SCAQMD should be engaged with what other agencies are doing and use some of their ideas for successful outreach.

SUBCOMMITTEE STATUS REPORTS

A. Freight Sustainability (Dan McGivney)

There was no report.

B. Small Business Considerations (Bill La Marr)

An update was provided on the following items.

- CARB's criteria pollutants workshop
- CARB's Small Business Assistance Advisory Panel
- RECLAIM Working Group
- Rule 1147 outreach

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

There was no report.

Discussion

Dr. Lyou indicated that at the July 2018 SCAQMD Governing meeting, the Board voted on a list of communities to submit to CARB for their consideration. CARB is expected to provide their decision statewide in September 2018.

D. Climate Change (David Rothbart)

David Rothbart commented on the following items.

- The increased energy demands due to the temperature spikes, and the impact on the Southern California air quality models for attainment impacts and global warming.
- The foreseeable challenges on emission reporting criteria by EPA, CARB and local entities.

Discussion

Jill Whynot indicated that there have been discussions with ARB and CAPCOA about emission reporting requirements. She further indicated that the challenge is to make emission reporting accurate, consistent and non-duplicative throughout the state, without being an overwhelming burden to the facilities.

Art Montez inquired about the approved cap-and-trade funding for Orange County. Mr. Crabbe indicated that the \$10M for technical assistance for community groups has not been appropriated yet to specific communities.

REPORT FROM AND TO THE STATIONARY SOURCE COMMITTEE

Jill Whynot provided a summary of items on the June and July 2018 meeting agendas.

- RECLAIM Transition Quarterly Report
- Update on AB 617
- Memorandum of Agreement Between to Implement CARB's Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities
- 2017 Annual Report on AB 2588
- Status Report on Regulation XII
- Updates on PAR 1469, 2001, 2002, 1135 and 1138

Discussion

David Rothbart inquired about future AB 2588 workshops on new processes. Ms. Whynot indicated that SCAQMD is deciding how to proceed.

Art Montez requested clarification on the charbroiler update. Ms. Whynot provided background information on the technology research update for the Board.

OTHER BUSINESS

Tyron Turner shared that he mailed a letter to the Los Angeles World Airport (LAWA) regarding the increased air traffic and airport noise in South Los Angeles, and the lack of LAWA community involvement.

PUBLIC COMMENT

There were no comments.

ADJOURNMENT

The meeting was adjourned at 12:08 p.m. The next meeting of the Home Rule Advisory Group is scheduled for 10:00 a.m. on September 12, 2018, and will be held at SCAQMD in Conference Room CC-8.