



NOTICE OF PUBLIC CONSULTATION MEETINGS

PROPOSED AMENDED REGULATION (PAR) III – FEES, PAR 209 – TRANSFER AND VOIDING OF PERMITS, and FISCAL YEAR 2019-20 PROPOSED BUDGET AND WORK PROGRAM

Proposed Amended Regulation III - Fees and PAR 209 –Transfer and Voiding of Permits

Friday, March 22, 2019

9:00 a.m.

**SCAQMD Headquarters
21865 Copley Drive
Diamond Bar, CA 91765
Conference Room GB**

Proposed Budget and Work Program, Proposed Amended Regulation III, & PAR 209

Tuesday, April 9, 2019

2:00 p.m.

**SCAQMD Headquarters
21865 Copley Drive
Diamond Bar, CA 91765
Conference Room CC-2**

Purpose of Meetings

The South Coast Air Quality Management District (SCAQMD) has scheduled two public consultation meetings. The purpose of the first meeting is to solicit comments on Proposed Amended Regulation III – Fees and Proposed Amended Rule (PAR) 209 – Transfer and Voiding of Permits. The purpose of the second meeting is to present the SCAQMD’s Proposed Budget and Work Program, and Proposed Amended Regulation III and PAR 209 for Fiscal Year (FY) 2019-20. These public consultation meetings will provide an opportunity for all stakeholders to discuss Proposed Amended Regulation III and PAR 209, and the Proposed Budget and Work Program. Proposed Amended Regulation III and PAR 209 are scheduled for adoption at the May 3, 2019 Public Hearing.

Regulation III and Rule 209 Background

Regulation III primarily establishes the fee rates and schedules to recover SCAQMD’s costs of regulating and providing services to permitted sources. Rule 209 limits when permits can be transferred, including how permit transfers are considered when a business changes ownership.

Summary of Proposed Amendments to Regulation III and Rule 209

Amendments to Regulation III rules consist of several proposed components. First, pursuant to Rule 320 – Automatic Adjustment Based on Consumer Price Index

for Regulation III, staff is proposing, where applicable, to update fees in Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315 on July 1, 2019, to correspond with the increase in the Calendar Year 2018 California Consumer Price Index (CPI) of 3.5%. Second, new or increased fees for cost recovery in Rule 301, including but not limited to fees for toxic emissions, PERP inspection fees, and Rule 1118.1 notification fees. Third, administrative changes that include clarifications, deletions, or corrections to existing rule language for Rules 209, 301, 308, and 309. Finally, Regulation III includes the final phase-in of the fee increase for Title V facilities that was previously approved in 2017.

California Environmental Quality Act (CEQA)

The proposed project, Proposed Amended Regulation III – Fees and Proposed Amended Rule 209 – Transfer and Voiding of Permits, consists of: 1) an increase in fees for consistency with the increase in the California Consumer Price Index (pursuant to Rule 320); 2) new or increased fees for cost recovery; and 3) administrative changes that include clarifications, deletions, or corrections to existing rule language for Rule 209 and the multiple rules that comprise Regulation III (301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315). Pursuant to the California Environmental Quality Act (CEQA) and SCAQMD Rule 110, the SCAQMD, as lead agency for the

proposed project, has reviewed the proposed amendments to Regulation III and Rule 209 pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. With respect to the proposed new and increased fees, and the changes in Proposed Amended Regulation III and PAR 209 that are strictly administrative in nature, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Thus, the project is considered to be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Activities Covered by General Rule. Additionally, Proposed Amended Regulation III is statutorily exempt from CEQA requirements pursuant to CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges, because the proposed new and increased fees, and the proposed amendments to Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314, and 315 involve charges by public agencies for the purpose of meeting operating expenses and financial reserve needs and requirements. Also, the proposed amendments to Rule 209 are categorically exempt because they are designed to further protect or enhance the environment pursuant to CEQA Guidelines Section 15308 – Action by Regulatory Agencies for Protection of the Environment. A Notice of Exemption will be prepared pursuant to CEQA Guidelines Section 15062 – Notice of Exemption. If the project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside, and San Bernardino counties.

Comments and suggestions regarding this CEQA determination may be directed to:

Ryan Bañuelos
Planning Rule Development & Area Sources
CEQA Section, SCAQMD
21865 Copley Drive
Diamond Bar, CA 91765
(909) 396-3479, rbanuelos@aqmd.gov

Supporting Documents

The following supporting documents will be available on or before March 15, 2019, on SCAQMD’s website under the proposed amended rules section at <http://www.aqmd.gov/home/regulations/rules/proposed-rules>:

- Proposed Amended Regulation III – Fees
- PAR 209 – Transfer and Voiding of Permits
- Preliminary Draft Staff Report for Proposed Amended Regulation III – Fees and PAR 209

The following additional supporting documents are expected to be available on or before April 3, 2019 on SCAQMD’s website in the Finance section at <http://www.aqmd.gov/home/about/finance>:

- Draft Socioeconomic Assessment on the CPI-based Fee Increase (to be posted on March 15, 2019)
- Draft Socioeconomic Assessment for Proposed Amended Regulation III and Proposed Amended Rule 209
- Proposed Budget and Work Program

Copies of the above documents may also be reviewed in the SCAQMD library or by contacting:

Fabian Wesson
Public Information Center
SCAQMD
21865 Copley Drive
Diamond Bar, CA 91765
(909) 396-2039, PICrequests@aqmd.gov

Submission of Documents or Comments

You are invited to attend the public consultation meetings and may also send questions, comments, documents or other information relevant to the Proposed Budget and Work Program, PAR III, and Rule 209 to:

Donna Peterson
Financial Services Manager
SCAQMD
21865 Copley Drive
Diamond Bar, CA 91765
(909) 396-2310, dpeterson@aqmd.gov

Written comments relating to the CPI-based fee increase must be received by Thursday, April 11, 2019 if they are to be incorporated into the Rule 320 report required by the Governing Board; however, later comments about the CPI increase, along with comments relating to the other proposed fee increases and administrative amendments will be considered and should be submitted no later than Friday, April 19, 2019.

The public hearing to consider adoption of the FY 2019-20 Budget and Work Program, fee adjustments, and Proposed Amended Regulation III and PAR 209 is scheduled for Friday, May 3, 2019, at 9 a.m. in the auditorium at SCAQMD’s Diamond Bar Headquarters.

