BOARD MEETING DATE: June 6, 2025 AGENDA NO. 22

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a hybrid meeting on Friday, May

9, 2025. The following is a summary of the meeting.

Agenda Item	Recommendation/Action
AB 471 (Hart) – County air pollution control districts: board members: compensation.	Support
AB 1305 (Arambula) – Air pollution control and air quality management districts; permit information: internet website.	Oppose
SB 526 (Menjivar) – South Coast Air Quality Management District: air quality.	Work with author

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

Michael A. Cacciotti, Committee Chair Legislative Committee

LTO:PFC:DPG:EV:MC:mc

Committee Members

Present: Vice Chair Michael A. Cacciotti, Committee Chair

Supervisor Curt Hagman Mayor Patricia Lock Dawson Vice Mayor Brenda Olmos Councilmember Nithya Raman

Supervisor V. Manuel Perez

Call to Order

Absent:

Committee Chair Michael Cacciotti called the meeting to order at 9:00 a.m.

ACTION/DISCUSSION ITEMS:

1. Update on South Coast AQMD Sponsored State Legislation

Lisa Tanaka, Deputy Executive Officer, Legislative, Public Affairs & Media, provided an update on South Coast AQMD sponsored state legislation:

- AB 1338 (Solache) would implement clean-up amendments to AB 2851 (Bonta, 2024) regarding fenceline monitoring at metal-shredding facilities. The bill passed the Assembly Appropriations Committee on April 8 and is headed to the Assembly floor.
- AB 907 (Chen) with Assemblymember Solache as principal co-author, would provide CARB board members representing air districts with the same level of compensation as other voting board members. The bill passed out of the Assembly Natural Resources Committee on April 7 and has been referred to the Assembly Appropriations Committee suspense file and will be heard on May 23.
- AB 1106 (Rodriguez) with Senator Ben Allen as a principal co-author, would update the existing CARB Air Incident Response Program by creating regional Air Quality Incident Response Centers to be located in, and operated by, local air districts, including South Coast AQMD. The bill passed unanimously out of the Assembly Natural Resources Committee on April 30. It has been referred to the Assembly Appropriations suspense file and will be heard on May 23.

For additional information, please refer to the <u>Webcast</u> beginning at 4:19.

There was no public comment.

2. Recommended Position on State Bills

Denise Peralta Gailey, Public Affairs Manager, Legislative, Public Affairs & Media, presented AB 471 (Hart): County air pollution control districts: board members: compensation. The bill would establish reimbursement and per diem standards for board members representing single county air districts, with specified limits.

Staff recommended a SUPPORT position on AB 471.

For additional information, please refer to the <u>Webcast</u> beginning at 7:10.

Erika Valle, Legislative Analyst, Legislative, Public Affairs & Media, presented AB 1305 (Arambula): Air pollution control and air quality management districts: permit information: internet website. The bill would require air districts to publicly post an online map showing all permitted facilities that require or required the use of emission reduction credits (ERCs). The map must also include specific details about active permits for equipment or processes that may release or control air

pollutants. The bill introduces significant challenges, including substantial costs, redundancy and an excessive administrative burden.

Staff recommended an OPPOSE position on AB 1305.

For additional information, please refer to the Webcast beginning at 8:32.

Mr. Crabbe, Senior Public Affairs Manager, Legislative, Public Affairs, and Media presented SB 526 (Menjivar): South Coast Air Quality Management District: air quality. The bill would, by January 1, 2027, require South Coast AQMD to modify Rule 1157 regarding emissions reductions from aggregate recycling facilities. The bill would require the following changes to Rule 1157:

- Facilities would be required to maintain fencing around the property line that is at least 6 inches taller than the tallest open storage pile.
- Fenceline monitoring for Particulate matter 10 (PM10) would be required for all facilities.
- If PM10 emissions reach the limit set by South Coast AQMD, the facilities would need to stop all operations, notify the agency and the public and take steps to control the dust emissions.
- The bill was also recently amended to require that facilities display signage for the public on how to file air quality complaints to South Coast AQMD.

For additional information, please refer to the Webcast beginning at 11:02.

Staff recommended a WORK WITH AUTHOR position on SB 526 to:

- 1) Ensure the Board is aware of this effort;
- 2) Continue to engage in discussions with the bill's author to determine if there is a positive path forward, including a possible non-legislative solution; and,
- 3) Provide flexibility as possible amendments are in development.

Moved by: Supervisor Hagman, Seconded by: Vice Mayor Olmos.

Ayes: Cacciotti, Dawson, Hagman, Olmos

Noes: None

Absent: Perez, Raman

For additional information, please refer to the Webcast beginning 11:01.

DISCUSSION ITEMS:

3. Update and Discussion on Federal Legislative Issues

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

Ben Miller, Kadesh & Associates, provided an update on the House of Representatives approval of resolutions to revoke three California Clean Air Act Waivers (Advanced Clean Cars, Advanced Clean Trucks, Omnibus Low NOx) under the guise of the Congressional Review Act (CRA). The Senate Parliamentarian has ruled that California's Clean Air Act Waivers are not rules, and therefore not subject to the CRA. Senate Leadership is currently considering whether to overrule the Senate Parliamentarian's ruling and bring the waivers for a vote. For additional information, please refer to the Webcast beginning at 25:56.

Gary Hoitsma, Carmen Group, reported on the release of the President's "skinny" budget which provides a glimpse of recommended funding levels for fiscal year 2026. The skinny budget recommends zeroing out funding for programs like the Diesel Emissions Reduction Act and cutting funding to categorical grants such as Section 103/105 which fund critical activities like air monitoring. The President's full budget is expected in mid- to late-May. For additional information, please refer to the Webcast beginning at 28:44.

Jed Dearborn, Cassidy & Associates, provided an update on the Budget Reconciliation process in Congress which is expected to include a number of actions to enact pieces of President's Executive Orders to repeal large portions of the Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act. For additional information, please refer to the Webcast beginning at 32:19.

4. Update and Discussion on State Legislative Issues

South Coast AQMD's state legislative consultants (Buckley Government Affairs, LLC, Joe A. Gonsalves & Son, and Resolute) provided written reports on key issues in Sacramento.

Paul Gonsalves, Joe A. Gonsalves & Son, reported that Governor Newsom led a media briefing following the release of CARB's California Climate Investments Report. They announced that California's cap-and-trade program has raised nearly \$33 billion to fund climate solutions throughout the state. For additional information, please refer to the Webcast beginning at 36:22.

David Quintana, Resolute, reported that the Governor's May Budget Revise will be released on May 14. For additional information, please refer to the Webcast beginning at 39:06.

Ross Buckley, Buckley Government Affairs, LLC, reported the appointment of the City of Riverside Mayor Patricia Lock Dawson to the CARB Board as the South Coast AQMD Representative. For additional information, please refer to the Webcast beginning at 39:43.

There was no public comment.

OTHER MATTERS:

5. Other Business

There was no other business to report.

6. Public Comment Period

There was no public comment.

7. Next Meeting Date

The next regular Legislative Committee meeting is scheduled for Friday, June 13, 2025, 2025 at 9:00 a.m.

Adjournment

The meeting was adjourned at 9:39 a.m.

Attachments

- 1. Attendance Record
- 2. Recommend Position on State Bills
- 3. Update on Federal Legislative Issues Written Reports
- 4. Update on State Legislative Issues Written Reports

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT LEGISLATIVE COMMITTEE MEETING ATTENDANCE RECORD – MAY 9, 2025

Council Member Michael Cacciotti Supervisor Curt Hagman Mayor Patricia Lock Dawson Supervisor Brenda Olmos Guillermo Gonzalez	South Coast AQMD Board Member South Coast AQMD Board Member South Coast AQMD Board Member	
Katherine Kolcheva	` ,	
Debra Mendelsohn	, 6	
Diane Nguyen	· · · · · · · · · · · · · · · · · · ·	
Marisela Santana		
Ben Wong	` ,	
Don Wong	Board Consultant (Cacciota)	
Ross Buckley		
Gary Hoitsma	•	
Jed Dearborn	•	
Paul Gonsalves		
Ben Miller		
David Quintana	Resolute	
Alan Abbs	Public Member	
Harvey Eder		
L. Fernandez		
Grace Garner	Public Member	
Chuck Hahn	Public Member	
Moses Huerta	Public Member	
Sam Kang		
Kristin Kolpitcke		
Jacqueline Moore		
Fortino Morales II		
Bill Quin		
Peter Whittingham	Public Member	
Jason Aspell	South Coast AOMD Staff	
Barbara Baird	-	
Cathy Bartels	-	
Cindy Bustillos		
Lara Brown		
Matthew Ceja	South Coast AQMD Staff	
Maria Corralejo	South Coast AQMD Staff	
Philip Crabbe	South Coast AQMD Staff	
Scott Gallegos		
Denise Gailey		
Bayron Gilchrist		
De Groeneveld	_	
Alex Han	_	
Sheri Hanizavareh	-	
Anissa Cessa Heard-Johnson	South Coast AQMD Staff	

Aaron Katzenstein	South Coast AQMD Staff
Brandy Keith	South Coast AQMD Staff
Angela Kim	South Coast AQMD Staff
Howard Lee	South Coast AQMD Staff
Alicia Lizarraga	South Coast AQMD Staff
Brisa Lopez	South Coast AQMD Staff
Jason Low	South Coast AQMD Staff
Terrence Mann	South Coast AQMD Staff
Ian McMillan	South Coast AQMD Staff
Ron Moskowitz	South Coast AQMD Staff
Susan Nakamura	South Coast AQMD Staff
Robert Paud	South Coast AQMD Staff
Sarah Rees	South Coast AQMD Staff
Lisa Tanaka	South Coast AQMD Staff
Erika Valle	South Coast AQMD Staff
Elizabeth Vega	South Coast AQMD Staff
Mei Wang	
Victor Yip	

ATTACHMENT 2A

South Coast Air Quality Management District Legislative Analysis Summary – AB 471 (Hart)

Version: Introduced - 2/6/2025

Analyst: EV

AB 471 (Hart)

County air pollution control districts: board members: compensation.

Summary: This bill allows members of county air district boards to be reimbursed for expenses incurred while performing duties. The bill also requires board members to be compensated for attending board or committee meetings, or doing official district work. The bill sets daily and annual amount limits.

Background: Current law allows counties that are not in a specific air district to create their own air pollution control districts. In some cases, the district's board must include at least one mayor or city council members, and at least one county supervisor.

Status: 4/10/25: Read third time. Passed Assembly. In Senate. Read first time. To Senate Rules for assignment.

Specific Provisions: Specifically, this bill would:

- 1) Allow county district board members to be reimbursed for necessary and actual expenses while doing board work.
- 2) If the county district board adopts a resolution at a regular meeting, each board member will be paid up to \$200 per day for attending board and committee meetings, or any official district business (with board approval).
 - a. The total compensation cannot exceed \$7,200 per year per member.
- 3) Let the board increase the pay listed above at a public meeting, but only by:
 - a. Up to 5 percent per year since the last increase, or
 - b. Starting January 1, 2026, up to 10 percent per year based on the inflation rate as determined by the California Consumer Price Index.
- 4) The board cannot allow automatic future pay increases.
- 5) Apply only to county district boards that (1) one or more members who are mayors, city council members, or both, and (2) one or more members who are county supervisors.

Impacts on South Coast AQMD's Mission, Operations or Initiatives: This bill is similar to South Coast AQMD's sponsored bill AB 2522 (W. Carillo, 2024), which was signed into law and increased the per diem compensation limits for board members of the Bay Area, Sacramento, San Diego, South Coast, and unified air districts. AB2522 doubled daily compensation from \$100 per day to \$200 per day and increased corresponding monthly and annual limits. AB 471 supports the same goals of improving air quality and protecting public health statewide.

While AB 471 doesn't directly impact South Coast AQMD, it supports sound public policy to equitably compensate members of certain air district boards for their time and effort in performing duties. The bill provides reasonable and equitable pay, with adjustments for

South Coast Air Quality Management District Legislative Analysis Summary – AB 471 (Hart)

Version: Introduced - 2/6/2025

Analyst: EV

inflation, so board members aren't financially burdened and can focus on their duties, leading to more effective governance and better long-term air quality planning.

Recommended Position: SUPPORT

SUPPORT

California Air Pollution Control Officers Association Eastern Kern Air Pollution Control District Northern Sonoma County Air Pollution Control District Placer County Air Pollution Control District San Luis Obispo County Air Pollution Control District Santa Barbara County Air Pollution Control District Ventura County Air Pollution Control Board

$\frac{\textbf{OPPOSITION}}{N/A}$

ATTACHMENT 2B

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

ASSEMBLY BILL

No. 471

Introduced by Assembly Member Hart

February 6, 2025

An act to add Section 40100.5.5 to the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 471, as introduced, Hart. County air pollution control districts: board members: compensation.

Existing law provides for the creation of a county air pollution control district in every county not included within other specified districts. Existing law requires, under certain circumstances, the membership of the governing board of each county air pollution control district to include one or more members who are mayors, city council members, or both, and one or more members who are county supervisors.

This bill, which would apply only to a county district board subject to this membership requirement, would provide that a member of the board is entitled to reimbursement for actual and necessary expenses incurred in the performance of board duties. The bill would require, upon adoption of a resolution by the county district board, each member of the board to receive compensation, subject to specified daily and annual limits, for attending meetings of the board or any committee of the board or while engaged in the official business of the county district, as specified.

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

 $AB 471 \qquad \qquad -2 -$

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

SECTION 1. Section 40100.5.5 is added to the Health and Safety Code, to read:

- 40100.5.5. (a) Each member of a county district board shall be entitled to reimbursement for actual and necessary expenses incurred in the performance of board duties.
- (b) (1) In addition to the reimbursement for expenses provided pursuant to subdivision (a), upon adoption of a resolution by a county district board at an open regular meeting, each member of the county district board shall receive compensation of up to two hundred dollars (\$200) per day attending meetings of the county district board or any committee of the county district board, or, upon authorization of the county district board, while engaged in the official business of the county district, but that compensation shall not exceed seven thousand two hundred dollars (\$7,200) per board member in any one year.
- (2) The compensation of each member of the county district board may be increased beyond the amounts provided in paragraph (1) by the county district board at an open regular meeting, but the amount of the increase shall not exceed the greater of either of the following:
- (A) An amount equal to 5 percent for each calendar year from the operative date of the last adjustment of the compensation.
- (B) Beginning January 1, 2026, an amount not to exceed 10 percent for each calendar year that is equal to the annual change in inflation as determined by the California Consumer Price Index for the area where the district board is located.
- (3) The county district board shall not provide for automatic future increases in compensation for its members.
- (c) The reimbursement for expenses and compensation provided for in this section only applies to members of a county district board whose membership is determined pursuant to Section 40100.5.

ATTACHMENT 2C

South Coast Air Quality Management District Legislative Analysis Summary – AB 1305 (Arambula)

Version: As Amended - 4/23/2025

Analyst: EV/PC

AB 1305 (Arambula)

Air pollution control and air quality management districts: permit information: internet website.

Summary: This bill would require air districts to publicly post an online map showing all permitted facilities that require or required the use of emission reduction credits (ERCs). The map must also include specific details about active permits for equipment or processes that may release or control air pollutants.

Background: Currently, the law gives air districts the authority to manage air pollution from all non-vehicles sources. Air districts are required to create and enforce rules to meet state and federal air quality standards within their jurisdiction. Existing law also requires each air district board to track ERCs, which can be used to offset certain future emission increases.

Status: 4/24/25: Re-referred to Assembly Appropriations Committee. Hearing: 4/30/25 – Assembly Appropriations Committee.

Specific Provisions: Specifically, this bill would:

Require air districts to display on maps on their websites showing active permits related to equipment or processes that may release or control air pollutants. This bill would only apply for active permits that require or required the use of one or more ERCs. The map should include, but is not limited to:

- a) Site address and permitholder contact information.
- b) Business and parent company names
- c) Description of permitted equipment/process
- d) List of ERCs used (type and quantity)
- e) Any best available control technology (BACT), best available retrofit control technology (BARCT), or other emissions control measures required by the permit.

Impacts on South Coast AQMD's Mission, Operations or Initiatives: AB 1305 introduces significant challenges, including substantial costs, redundancy and an excessive administrative burden. Mandating air districts to use their already limited resources on the development and implementation of a new complex tool takes critical resources away from efforts to improve air quality and protect public health. In some cases AB 1305 would require duplicative information. South Coast AQMD already has a comprehensive public tool called Facility INformation Detail or FIND, which allows users to seamlessly access critical public information on regulated facilities.

South Coast Air Quality Management District Legislative Analysis Summary – AB 1305 (Arambula)

Version: As Amended - 4/23/2025

Analyst: EV/PC

Not only would this bill difficult to implement, but South Coast AQMD and air districts would have differing requirements based on their respective attainment statuses. Additional issues specific to South Coast AQMD are:

- Permitholder contact information is not on FIND, and would require significant resources to collect hard-to-find- data (like contact information for old permits or names of parent companies) for the 25,000 facilities in the region and maintain updated information into the future.
- Permitted process or equipment descriptions are on FIND However, some process are potentially confidential business information and gathering this information for 66,000 active permits would require significant resources.
- ERCs and emissions data are tracked separately for CARB and U.S. EPA as part of other requirements and presented twice a year to South Coast AQMD's Board. Additionally, each air district tracks ERCs based on individual circumstances. While ERC's are only a potential to emit a contaminant, a facility's actual emissions are more important and are already provided in FIND.

It will be difficult to isolate specific pollution controls (i.e. BACT, BARCT, etc)., from complex permit documents. For South Coast AQMD, NOx sources over 4 tons per year are included in the RECLAIM program. These sources were put in RECLAIM over 30 years ago and getting historic ERC data would be impossible. Under RECLAIM, there are no ERCs.

Recommended Position: OPPOSE

SUPPORT

350 Humboldt A Voice for Choice California League of Conservation Voters - Environmental Voters Central California Environmental Justice Network Leadership Counsel Action, a Project of Tides Advocacy Public Health Advocates

OPPOSITION

African-American Farmers League
Agricultural Council of California
Agricultural Energy Consumers Association
Almond Alliance of California
American Chemistry Council
Building Owners and Managers Association of California

South Coast Air Quality Management District

Legislative Analysis Summary – AB 1305 (Arambula)

Version: As Amended - 4/23/2025

Analyst: EV/PC

California Advanced Biofuels Alliance

California Air Pollution Control Officers Association

California Association of Winegrape Growers

California Business Properties Association

California Chamber of Commerce

California Cotton Growers and Ginners Associations

California Fresh Fruit Association

California Grain and Feed Association

California League of Food Producers

California Manufacturers and Technology Association

California Poultry Federation

California Retailers Association

California Special Districts Association

California Walnut Commission

California Warehouse Association

Milk Producers Council

NAIOP of California

Nisei Farmers League

Pacific Coast Rendering Association

Pacific Egg and Poultry Association

San Joaquin Valley Air Pollution Control District

Western Growers Association

Western Plant Health Association

Western States Petroleum Association

Western Tree Nut Association

ATTACHMENT 2D

AMENDED IN ASSEMBLY APRIL 23, 2025

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

ASSEMBLY BILL

No. 1305

Introduced by Assembly Member Arambula

February 21, 2025

An act to add Section 40714 to the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 1305, as amended, Arambula. Air pollution control and air quality management districts: permit information: internet website.

Existing law designates air pollution control districts and air quality management districts as having the primary responsibility for the control of air pollution from all sources other than vehicular sources, and, subject to the powers and duties of the State Air Resources Board, requires that air districts adopt and enforce rules and regulations to achieve and maintain the state and federal ambient air quality standards in all areas affected by emission sources under their jurisdiction.

Existing law requires the board of each air district to establish by regulation a system by which all reductions in the emission of air contaminants that are to be used to offset certain future increases in the emission of air contaminants be banked as credits prior to use to offset future increases in emissions, except as specified.

Existing law establishes the Office of Data and Innovation within the Government Operations Agency for the purpose of delivering better government services to the people of California through technology and service innovation, data, and design.

This bill would require each air district, for all active permits required for equipment or processes that may release or control air pollutants AB 1305 -2-

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and that require or required the use of one or more emission reduction credits, to use a template developed by the Office of Data and Innovation to make publicly available on its internet website a map of permitted facilities containing specified information regarding those permits. The bill would require the Office of Data and Innovation to consult with local community groups when determining how best to design the template so that air district permit information is presented in a specified manner. By adding to the duties of these air districts, this the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

- 1 SECTION 1. The Legislature finds and declares all of the 2 following:
 - (a) Poor air quality is intimately linked with negative health impacts, including respiratory illness and premature deaths, with recent studies estimating air pollution as the cause of over 100,000 premature deaths in the United States in 2011. However, the distribution of premature deaths is not equal.
 - (b) Rural communities, farmworker communities, disadvantaged communities, tribal nations, young people, and those living at or below the poverty level often live adjacent to transportation corridors or commercial and industrial facilities with highly localized and severe pollution levels and are at the highest risk of adverse health outcomes.
 - (c) The United States Environmental Protection Agency is responsible for establishing national ambient air quality standards for a number of criteria pollutants, including oxides of nitrogen (NO_x) , volatile organic compounds (VOCs), carbon monoxide (CO), oxides of sulfur (SO_x) , and particulate matter below 10 microns (PM10).
- 20 (d) To ensure that emission sources minimize impacts on air quality, air pollution control and air quality management districts

-3- AB 1305

are generally required to establish emissions control technology guidelines called Best Available Control Technology (BACT) and Best Available Retrofit Control Technology (BARCT) in their districts.

- (e) When required as a condition of obtaining a permit to pollute, operators of emission sources agree to implement BACT and BARCT at their facilities.
- (f) However, there is currently no publicly verifiable mechanism to ensure that, once a permit has been issued, an operator of an emission source is implementing BACT and BARCT per the requirements of its permit.
- (g) Furthermore, because of limited resources, it is impossible for air pollution control and air quality management districts to monitor every permitholder for compliance with ongoing permit requirements.
- (h) It is essential that communities are empowered to ensure that polluters are meeting the conditions of their permits by having access to the BACT and BARCT permit requirements that emission source permitholders have committed to upholding.
- SEC. 2. Section 40714 is added to the Health and Safety Code, to read:
- 40714. (a) (1) For the purposes described in subdivision (b), and to ensure that the public is able to access information in a standardized manner across all district internet websites, the Office of Data and Innovation shall develop an internet website template to present the information to be included on an internet website pursuant to subdivision (b).
- (2) The Office of Data and Innovation shall consult with local community groups when determining how best to design the internet website template so that district permit information is presented in a manner that does all of the following:
- (A) Simplifies, and displays visually, complex data wherever possible and empowers communities to assess and manage local health and safety risk.
- (B) Reveals patterns and trends and makes data easily and publicly accessible to third parties for analyzing those patterns and trends
 - (C) Enables the use of data-driven decisionmaking.
- 39 (D) Maximizes accessibility.
- 40 (E) Makes real-time monitoring possible.

AB 1305 —4—

1 (F) Provides tools for predictive analysis and makes data easily 2 and publicly accessible to third parties for that analysis.

- (G) Enhances storytelling.
- 4 (b) For all

5 40714. For all active permits required for equipment or 6 processes that may release or control air pollutants and that require 7 or required the use of one or more emission reduction credits, each district shall—use the template developed pursuant to subdivision (a) to make publicly available on its internet website a map of permitted facilities containing information regarding those permits that includes, but is not limited to, all of the following information:

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- 13 (a) Site address.
- 14 (2)
- 15 (b) Permitholder contact information.
- 16 (3)
- 17 (c) Name of the permitted business and the names of all parent organizations.
- 19 (4)
- 20 (d) The scope or description of the permitted process or 21 equipment.
- 22 (5)
- 23 (e) A list of all credits used in conjunction with the identified 24 permit, including the type and quantity of emissions allowed under 25 the permit.
- 26 (6)

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- (f) Any best available control technology, best available retrofit control technology, or other emissions control measures identified as a requirement of the permit.
- SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because a local agency or school district has the authority to levy service
- 33 charges, fees, or assessments sufficient to pay for the program or
- 34 level of service mandated by this act, within the meaning of Section
- 35 17556 of the Government Code.

ATTACHMENT 2E

South Coast Air Quality Management District Legislative Analysis Summary – SB 526 (Menjivar)

Version: As Introduced -2/20/25

Analyst: PC

SB 526 (Menjivar)

South Coast Air Quality Management District: air quality.

Summary: This bill would require South Coast AQMD to revise Rule 1157: Particulate Matter 10 (PM10) Emission Reductions from Aggregate and Related Operations by January 1, 2027 as follows:

- 1) Facilities would be required to maintain fencing around the entire property line that is at least 6 inches taller than the tallest open storage pile;
- 2) Open storage piles of aggregate may not be higher than eight feet high if facilities are located within 500 feet of sensitive receptors (e.g. a residence, school, park, or hospital);
- 3) Fenceline monitoring for PM10 would be required for all facilities; and,
- 4) If PM10 emissions reach the limit set by South Coast AQMD, the facilities will stop all operations, notify the agency and the public and take steps to control the dust.

SB 526 (Menjivar) has pending committee amendments from the Senate Environmental Quality Committee hearing on April 23, 2025 which are not yet in print. The amendments are anticipated to require facilities to display how to file air quality complaints with South Coast AQMD.

Background: South Coast AQMD adopted the Final 2021 PM10 Maintenance Plan for the South Coast Air Basin, which includes Rule 1157: PM10 Emission Reductions from Aggregate and Related Operations. Rule 1157 establishes performance standards and specifies operational PM10 controls for aggregate and cement operations to minimize particulate emissions.

Aggregate recycling facilities receive construction debris and process it for reuse in future construction. The recycling process typically involves the storage of large amounts of aggregate construction material in piles at the recycling facility, as well as crushing and sorting that can lead to the release of PM10. Where aggregate recycling facilities are located in residential communities, these PM emissions can escape into nearby neighborhoods, negatively impacting public health; reducing visibility; and dirtying streets, cars, and homes. Scientific research demonstrates a link between adverse health effects such as high asthma rates and PM10 exposures. There are approximately 329 aggregate and aggregate related facilities in South Coast AQMD's jurisdiction.

The author argues that Rule 1157 is outdated since it has been approximately 18 years ago on September 8, 2006.

Status: 4/23/25: Passed Senate Environmental Quality Committee with amendments. Rereferred to Senate Appropriations Committee.

South Coast Air Quality Management District Legislative Analysis Summary – SB 526 (Menjivar)

Version: As Introduced – 2/20/25

Analyst: PC

Specific Provisions: This bill would require South Coast AQMD to revise Rule 1157 for facilities involved in aggregate recycling and related operations to include the following requirements:

- 1) By January 1, 2027:
 - a. Install fencing around the entire property that is at least 6 inches taller than the tallest open storage pile;
 - b. Limit open storage piles to eight feet high if facilities are located within 500 feet of sensitive receptors (e.g. residences, schools, parks, hospitals);
 - c. Develop, operate and maintain a fence-line monitoring system to track PM10 emissions, in accordance with South Coast AQMD guidance;
 - d. If PM10 emissions exceed South Coast AQMD limits, facilities must stop all operations immediately, notify the agency and the public, and implement dust mitigations measure as directed by South Coast AQMD.
- 2) Define sensitive receptors to include residences, schools, parks, or hospitals, and similar facilities.
- 3) By July 1, 2027, facilities within 500 feet of a sensitive receptor and with a history of exceeding PM10 thresholds, must:
 - a. Fully enclose open storage piles; and
 - b. Undergo monthly inspections by South Coast AQMD until PM10 emissions remain below threshold limits for 3 consecutive months.

Impacts on South Coast AQMD's Mission, Operations or Initiatives: SB 526 was developed by Senator Menjivar to address Sun Valley community member complaints regarding dust from neighboring aggregate recycling facilities. South Coast AQMD received few complaints from community members over the last several years and our outreach staff are now engaging to educate residents on how to file complaints through 1-800-CUT-SMOG, the App, and online. Staff have conducted outreach to the Sun Valley and Sun Valley Tujunga Neighborhood Councils, school Administrators and teachers, residents, local elected officials and other government offices, community organizations and centers, libraries, and other locations where community members frequent. Outreach is being conducted in Spanish and English.

Air quality regulations and control measures should be based on science, practice, and indepth knowledge of the permitting, and compliance and enforcement process. South Coast AQMD has reached out to Senator Menjivar and her staff to discuss amendments for SB 526 that would help to address issues related to aggregate recycling facilities and they are receptive to recommendations.

Rule 1157 already meets or exceeds some requirements in SB 526, such as:

• A facility/operation cannot have open piles of materials over eight feet tall if they are within 300 feet of off-site homes or other occupied buildings; and,

South Coast Air Quality Management District Legislative Analysis Summary – SB 526 (Menjivar)

Version: As Introduced – 2/20/25

Analyst: PC

• If a facility within 500 meters of an off-site homes, occupied buildings or a sensitive receptor, gets three fugitive dust notices within a year, it must submit a plan within 30 days to address the issue and implement controls as soon as possible to prevent it from happening again.

South Coast AQMD is working with Senator Menjivar and her staff to improve SB 526 based on science, air quality regulatory expertise, and compliance and enforcement. Staff recommend a "Work with Author" position to ensure the Board is aware of this effort and to provide flexibility as the amendments are in development and the outcome is not yet known.

Recommended Position: WORK WITH AUTHOR

Support:

Center for Environmental Health

Cleanearth4kids.org

Climate Reality Project, San Francisco Bay Area Chapter

Climate Reality Project, San Diego Chapter

Climate Reality Project, Los Angeles Chapter

Climate Reality Project, Orange County Chapter

Climate Reality Project, San Fernando Valley Chapter

Coalition for Clean Air

Sierra Club

Union of Concerned Scientists

Opposition:

Building Owners and Managers Association of California

California Asphalt Pavement Association

California Business Properties Association

California Chamber of Commerce

California Construction and Industrial Materials Association (CAL CIMA)

California Manufacturers and Technology Association

California Retailers Association

Industrial Environmental Association

California-Nevada Conference of Operating Engineers

NAIOP of California

State Building and Construction Trades Council of California

ATTACHMENT 2F

AMENDED IN SENATE APRIL 29, 2025

SENATE BILL

No. 526

Introduced by Senator Menjivar (Coauthor: Senator Gonzalez)

February 20, 2025

An act to add Section 40458.7 to the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

SB 526, as amended, Menjivar. South Coast Air Quality Management District: air quality.

Existing law provides for the creation of the South Coast Air Quality Management District (south coast district) in those portions of the Counties of Los Angeles, Orange, Riverside, and San Bernardino included within the area of the South Coast Air Basin, as specified. Existing law provides that the south coast district is governed by a board consisting of 13 members and requires the district to adopt rules and regulations to carry out the south coast district air quality management plan that are not in conflict with state and federal laws and rules and regulations. The south coast district has adopted the Final 2021 PM10 Maintenance Plan for the South Coast Air Basin, which includes specified air quality attainment rules, including Rule 1157 (PM10 Emission Reductions from Aggregate and Related Operations) (Rule 1157). Rule 1157 establishes performance standards and specifies operational PM10 controls for aggregate and cement operations in order to minimize particulate emissions.

This bill would require the south coast district board to update Rule 1157 to improve air quality and increase data collection. The bill would require the owner or operator of a covered facility, as defined, on or

 $SB 526 \qquad \qquad -2-$

before January 1, 2027, to take specified actions, including maintaining fencing around the entire property fenceline that is a specified height and maintaining open storage piles no taller than 8 feet high, as provided, if the covered facility is within 500 feet of a sensitive receptor. The bill would define a sensitive receptor to mean a residence, school, park, or hospital, among other, similar facilities. The bill would require, on and after July 1, 2027, (1) the owner or operator of a covered facility with a demonstrated history of PM10 emissions at or above the threshold limit set by the south coast district and whose property line is within 500 feet of a sensitive receptor to fully enclose the existing open storage piles and (2) the south coast district to inspect the covered facility monthly until PM10 emissions remain below threshold limits for 3 consecutive months. By imposing additional duties on a local entity, the bill would impose a state-mandated local program.

This bill would make legislative findings and declarations as to the necessity of a special statute for the south coast district.

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 with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

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

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

- SECTION 1. Section 40458.7 is added to the Health and Safety Code, to read:
- 3 40458.7. (a) For the purposes of this section, the following definitions apply
- 5 (1) "Covered facility: facility" means permanent and temporary aggregate operations.
 - (2) "Fence-line monitoring system" means equipment that measures and records air pollutant concentrations at or adjacent to a permanent and temporary aggregate operation covered facility

8

3 SB 526

that can provide continuous direct reading near real time ambient
 monitoring of PM10 concentrations.

- (3) "Sensitive receptors" means one or more of the following:
- (A) A residence, including, but not limited to, a private home, apartment condominium unit, group home, dormitory unit, or retirement home.
- (B) A school, including, but not limited to, a preschool, prekindergarten, or school maintaining kindergarten or any grades 1 to 12, inclusive.
- (C) A daycare facility, including, but not limited to, in-home daycare.
- (D) Publicly owned parks, playgrounds, and recreational areas or facilities primarily used by children.
- (E) Nursing homes, long-term care facilities, hospices, convalescent facilities, or similar live-in housing.
 - (F) A hospital, as defined in Section 128700.

- (b) Notwithstanding any other law, the south coast district board shall update Rule 1157 PM10 Emission Reductions from Aggregate and Related Operations to improve air quality and increase data collection. The updated rule shall include, but not limited to, the following:
- (1) (A) On or before January 1, 2027, the owner or operator of a covered facility shall do the following:
- (i) Maintain fencing around the entire property fenceline that is at least 6 inches taller than the height of the tallest open storage pile.
- (ii) Maintain open storage piles no taller than 8 feet high throughout the entire property if the property line of the covered facility is within 500 feet of a sensitive receptor.
- (iii) Develop, install, operate, and maintain a fence-line monitoring system in accordance with guidance developed by the south coast district.
- (iv) Cease all activities and implement dust mitigation measures if PM10 emissions reach the threshold limit in accordance with guidance developed by the south coast district.
- (v) Display prominent signage visible to the general public on the perimeter of the property line in accordance with guidance developed by the south coast district informing the public of the south coast district's Rule 1157, discharges that would be in

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1 violation of the rule, and information about the south coast 2 district's complaint submission processes.

- (B) —If the threshold limit has been met or exceeded for PM10 emissions, the owner or operator of a covered facility shall inform the south coast district in accordance with guidance developed by the south coast district.
- (C) If the threshold limit has been met or exceeded for PM10 emissions, the owner or operator of a covered facility shall provide public notice in accordance with guidance developed by the south coast district.
- (2) On and after July 1, 2027, the following shall apply to a covered facility with a demonstrated history of PM10 emissions at or above the threshold limit set by the south coast district and whose property line is within 500 feet of a sensitive receptor:
- (A) The owner or operator of the covered facility shall fully enclose the existing open storage piles.
- (B) The south coast district shall inspect the covered facility monthly until PM10 emissions remain below threshold limits for three consecutive months.
- SEC. 2. The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique air quality concerns in the South Coast Air Basin.

SEC. 2.

- SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.
- However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

ATTACHMENT 3A

KADESH & ASSOCIATES

South Coast AQMD Report for the May 2025 Legislative Meeting covering April 2025 Kadesh & Associates

Both Chambers of Congress spent most of the month of April in their home states, after approving a budget resolution in the early part of the month. The budget resolution (H.Con.Res. 14) was approved on a party-line vote in the Senate, and by a slim margin in the House (216 Republicans voted in favor; two Republicans voted with all Democrats in opposition), and it unlocks the fast-track reconciliation process for President Trump's agenda by issuing spending and taxing instructions to both House and Senate committees. In an unusual development, however, instead of reaching consensus target numbers in this part of the process, the budget resolution advances separate House and Senate instructions. This postponed time-consuming and divisive intra-party negotiations between the House and Senate, but these issues will need to be addressed in the coming months.

Two of the primary differences in the House and Senate language:

- Tax law extension The House has proposed to extend the 2017 tax cuts for 8 years at a cost of \$4.5 trillion; the Senate wants a permanent extension of that tax law. Given the potentially insurmountable budget cost of a permanent extension, Senate leadership is planning to change the underlying budget baseline, deeming the cost of the tax cut extension to be \$0. This decision will lead to a parliamentary fight; if successful, it will "free up" budget space for another \$1.5 trillion in tax cuts (e.g. the President's proposal of no tax on tips).
- Spending cuts The House wants a floor of \$1.5 trillion in budget cuts; the Senate calls for \$4 billion in cuts. House conservatives held out on approving the Senate budget resolution text until they received leadership promises of pursuing the higher spending cut numbers in the final bill.

House committees are already scheduling reconciliation markups for the week of April 28, so we will begin to see specific legislative text soon. Specifically, we expect Judiciary, Homeland Security, and Armed Services Committees to mark up their portions of the bill that week. Notably, each of these committees are charged with increasing spending on defense and border security. Other committees – with more complicated tasks – have not scheduled their markups. This will continue to play out all summer and will be very contentious, with several Inflation Reduction Act programs in the crosshairs. In addition, the reconciliation bill will likely carry a debt ceiling increase; we will likely hear from the Treasury Department soon with an estimate of the last date (the "X Date") for Congress to act on the debt limit.

Other Congressional Priorities

In late April we expect the House to begin consideration of Congressional Review Act resolutions to reverse the EPA's approval of California's Clean Air Act waivers issued under President Biden. Both the Government Accountability office and the Senate Parliamentarian have indicated that the Congressional Review Act process does not apply to the California waivers, so we are in uncharted waters as the House forges ahead.

KADESH & ASSOCIATES

The President's FY26 budget request may be released around the week of May 20. Prior to that, there may be a "skinny" budget that would allow FY26 appropriations hearings to begin in earnest. In addition to a reduction in discretionary spending from FY25 levels, we are also expecting a "recissions" package to accompany the President's budget, which could formalize budget cuts across agencies. This will be an ongoing and contentious process.

The_House Transportation & Infrastructure Committee has been soliciting stakeholder input in the surface transportation reauthorization process. While the Bipartisan Infrastructure Law does not expire until the end of next year, Chairman Graves – who is in his last term as chair – has been aggressive in soliciting input and support for finishing a bill during this Congress. It is unclear if he has leadership's support for this effort and the early attempts at stakeholder investment are likely an effort to develop support for a robust bill.

Kadesh & Associates Activity Summary-

-Worked with South Coast AQMD and the congressional delegation on funding implications of Executive Orders and agency directives, as well as resolution of FY25 appropriations.

Contacts: Contacts included staff and Members throughout the CA delegation, Senate offices, and members of key committees.

ATTACHMENT 3B



To: South Coast AQMD Legislative Committee

From: Carmen Group

Date: April 22, 2025

Re: Federal Update -- Executive Branch

Resolutions on narrow party line votes setting the stage for Congress to consider the budget reconciliation bill this summer. The reconciliation bill will extend the 2017 Trump tax cuts, provide additional funding to the border and the military, raise the debt limit, and cut \$1.5 trillion of federal programs and services over a 10-year period. Each Committee now has final instructions to craft their portion of the reconciliation bill. Committee hearings and markups expected to begin the first week of May.

Appropriations: While the President has yet to release his FY 26 Budget request to Congress, both the House and Senate Appropriations Committees have started their work on their FY 26 appropriations bills by releasing guidance to Congressional Members on Congressionally Directed Spending requests (earmarks). The President's budget is expected to be released in May and will be followed by congressional hearings with Department and Agency leadership.

Trump Executive Actions

Here are quick summaries of several relevant executive actions issued in April:

<u>Permitting</u>: Directed federal agencies to use technology to expedite environmental reviews and permits to speed completion of federal infrastructure projects. Directed the establishment of a "Permitting Innovation Center" at CEQ for all NEPA and other federal environmental reviews. Directed heads of CEQ, NEDC and other agencies to issue a "Permitting Technology Action Plan" with a roadmap/timeline for agency permitting.

<u>Deregulation</u>: Directed the expedited repeal of all "facially unlawful" existing regulations deemed to be in violation of recent Supreme Court decisions (such as the Loper Bright Chevron decision) delineating separation of powers between the executive and legislative branches.

<u>Standards for Hazardous Air Pollutants</u>: Exempted coal power plants from stricter emissions standards under the amended Mercury and Air Toxics Standards (MATS).

<u>State "Overreach"</u>: Directed the Attorney General to identify and challenge state and local laws and regulations addressing such issues as "climate change," "ESG," "GHG," "environmental justice," or "carbon penalties/taxes".

Environmental Protection Agency

EPA Moves to Ensure States Not Punished by Foreign Air Pollution: In April, the EPA announced it is rescinding an agency directive (Guidance on the Preparation of Clean Air Act Section 179B Demonstrations for Nonattainment Areas Affected by International Transport of Emissions) that made it unnecessarily difficult for states to demonstrate foreign air pollution is harming Americans within their borders. The EPA said it intends to work with state and local air agencies to help grant states regulatory relief under CAA Section 179B.

EPA Questions Private Entity Launching Sulfur Dioxide into the Air: In April, the EPA submitted a demand for information from a start-up company called "Make Sunsets" which is launching balloons filled with sulfur dioxide (SO2) into the atmosphere that they say is an effort to geoengineer the planet and generate "cooling" credits to sell. The EPA Administrator noted that SO2 is a regulated criteria pollutant and that the EPA has an obligation investigate this issue to ensure clean air for all Americans.

Department of Energy

DOE Seeks Comments on Conservation Standards for Products and Equipment: In April, the Department of Energy (DOE) issued a Request for Information (RFI) seeking public input on improving the process to develop energy conservation standards and test procedures for consumer products commercial and industrial equipment. The Department says it seeks to ensure that regulatory rulemakings for light bulbs, gas stoves, water heaters, and a host of other vital products are improved and consistent with prioritizing choice and affordability for the American consumer.

Department of Transportation

<u>DOT Rescinds Biden Greenhouse Gas Rule</u>: In April, the Department of Transportation rescinded the Biden-rea Greenhouse Gas Performance Measure rule that required state transportation departments to measure and establish declining targets for carbon dioxide emissions on federally-funded highways.

DOT Ends Biden Grant for Texas High-Speed-Rail Project: In April, DOT terminated a \$63.9 million Biden-era Federal Railroad Administration grant awarded to Amtrak for the Dallas-Houston high-speed-rail project.

<u>Outreach</u>: During April, Carmen Group was in touch with Senate committee staff on issues including California waivers, federal budget, appropriations and reconciliation.

ATTACHMENT 3C



To: South Coast Air Quality Management District

From: Cassidy & Associates

Date: April 22, 2025 Re: April Report

HOUSE/SENATE

Congress

The House and Senate are on a two-week recess and will return to session on April 28. Before leaving town, the House narrowly passed a budget resolution, a compromise between the House and Senate versions, with two Republicans joining Democrats to vote against the measure. The resolution passed after tense negotiations between Speaker Johnson and hardline conservatives who wanted to see more spending cuts. Johnson committed to including \$1.5 trillion in cuts in the final package. The adopted resolution aims to raise the debt limit, extend the 2017 Trump tax cuts, appropriate additional border funding, and enact energy policy changes. When Congress returns, Committees will take up the next step in the reconciliation process.

On April 9, the Senate Environment and Public Works Committee advanced two nominations for the Environmental Protection Agency: Jessica Kramer as the Assistant Administrator for Water and Sean Donahue as General Counsel. Donahue was criticized for his lack of experience during the Committee hearing but was ultimately favorably reported.

EPA

The Environmental Protection Agency (EPA) has reportedly ordered the elimination of the Greenhouse Gas Reporting Program (GGRP) that requires thousands of power plants, oil refineries, cement factories and other large industrial facilities to publicly report their

greenhouse gas emissions. Currently, about 8,000 industrial plants are required to annually report their emissions of carbon dioxide, methane, and nitrous oxide. Under the new plan, only certain oil and gas facilities will still be required to report their annual emissions. Environmental non-profit organizations and industry leaders argued that cutting the GGRP aligns with the Trump Administration's broader plan to eliminate climate change studies, research, and discussion. Read more here.

On April 8, EPA Administrator Lee Zeldin released a statement in response to President Trump's Executive Order that intends to reinvigorate the American coal industry. In the statement, Zeldin reaffirmed the agency's commitment to empowering different forms of domestic energy to drive down costs, increase domestic energy supply, and improve grid security while protecting human health and the environment. Zeldin stated that President Trump's executive orders will lower the cost of living and promote national security while providing an abundance of energy for emerging technology such as AI data centers and to meet increased needs from the resurgence of American manufacturing. Read more here.

On April 1, the EPA announced plans to consolidate its Washington, D.C. office space, eliminating 323,000 square feet. The changes are expected to save \$18 million in annual lease costs. EPA will release the space to the General Services Administration (GSA) by the end of the fiscal year and utilize the savings to improve the infrastructure of its other buildings. Administrator Zeldin stated that the changes will still allow enough space for staff to return to in-person work while improving the work environment. Read more here.

On March 18, the EPA announced that Josh F.W. Cook has been appointed as EPA's Region 9 Administrator, covering California. Before joining the EPA, Cook was an Advisor to the Tribal Council of the Mooretown Rancheria of Concow Maidu Indians. He has also served as Chief of Staff to the Minority Caucus in the California Legislature. His previous environmental service includes appointments to the U.S. Department of Agriculture and Department of Interior Resource Advisory Councils and tenure as a City Planning Commissioner. He is a veteran of the California State Guard and an associate professor at the University of Southern California. Read more here.

Cassidy and Associates support in April:

- Updated AQMD staff on proposed EPA program cuts.
- Provided background on April 8 and 9 Executive Orders impacting energy and environmental regulations.
- Provided guidance on FY 26 appropriation language re: alternative fuels research related to locomotives.

- Continued conversations on permitting reform efforts in Congress and the Administration.
- Worked with SCAQMD staff to strategize on future DC outreach and plan for DC visits.
- Advised SCAQMD throughout appropriations cycle to identify and pursue funding opportunities.
- Participated in weekly strategy sessions with SCAQMD staff.

IMPORTANT LEGISLATIVE DATES

September 30, 2025: Deadline to fund the federal government.

September 30, 2025: The Farm Bill, an omnibus package of legislation that supports US agriculture and food industries, expired in 2023. The bill is reauthorized on a five-year cycle.

December 31, 2025: National Defense Authorization Act, which authorizes and funds specialized Department of Defense (DoD) programs and sets the DoD's policy agenda each year.

ATTACHMENT 4A



TO: South Coast Air Quality Management District

FROM: Anthony, Jason & Paul Gonsalves

SUBJECT: Legislative Update – April 2025

DATE: Tuesday, April 22, 2025

The month of April is when Sacramento gets into full swing. Although the Legislature took a weeklong break for Spring Recess, once they returned, policy committee's started to hear the almost 2500 new bills introduced this year. The Legislature has until May 9th to get all bills out of policy committee and until June 9th to pass bills out of their house of origin. Simultaneously, budget negotiations are continuing between the Assembly, Senate and the Administration with the Governor set to release his May Revise by May 10th and the Legislature to adopt a full budget by June 15th.

The following will provide you with updates of interest to South Coast AQMD:

63RD ASSEMBLY DISTRICT SPECIAL ELECTION

On April 1, Assemblymember Bill Essayli announced he was resigning his seat in the 63rd Assembly District, which covers the Riverside area. Assemblymember Essayli was appointed as the U.S. Attorney for the Central District of California.

Assemblymember Essayli's departure will trigger a special election this year. Governor Newsom had 14 days after the vacancy to call a special election, which is set for August 26, 2025. The race will start with a special primary, followed by a special general election if no candidate gets a majority of the vote.

The day after he stepped down, Assemblymember Essayli endorsed Lake Elsinore Councilmember Natasha Johnson to succeed him.

CAP-AND-TRADE

On April 15, Governor Newsom, alongside Senate President pro Tempore Mike McGuire and Assembly Speaker Robert Rivas, announced plans to pursue an extension of California's cap-and-trade program during this legislative year. The program is currently set to expire in 2030. Extending it now, as highlighted in the Governor's proposed budget,

would provide market stability, draw continued investment, and solidify California's path toward achieving its 2045 carbon neutrality goal. The program's renewal gains urgency as federal climate support faces uncertainty, particularly in light of opposition from the Trump Administration.

Over the past decade, the cap-and-trade program has driven \$28 billion in climate-focused investments across California and reduced emissions equivalent to removing 80% of the state's vehicles from the road. Simultaneously, California has demonstrated that environmental action and economic growth can coexist, cutting emissions by 20% since 2000 while growing its GDP by 78%. Specifics of the proposed extension are expected to be released in the coming weeks.

ELECTRIC BIKE VOUCHERS

On April 10, The CARB announced they are reopening the California E-Bike Incentive Project application window, offering up to \$2,000 for income-eligible residents to purchase a new electric bike (e-bike). The first round in December 2024 saw overwhelming demand, with nearly 100,000 people queuing online and all 1,500 applications reserved in under an hour. This strong interest underscores the growing need for affordable zero-emission transportation alternatives across the state.

CARB Executive Officer, Dr. Steven Cliff, emphasized that the surge in demand highlights both the appeal and importance of e-bikes in achieving the state's climate and transportation equity goals. In this new round, CARB will distribute \$2 million in funding—enough for approximately 1,000 randomly selected applicants—to ensure fair access. Those interested must meet income requirements and join a virtual waiting room between 5 p.m. and 6 p.m. on April 29 to be placed in a randomized queue.

To ensure equity and accessibility, CARB is continuing its partnership with over 20 community-based organizations. These groups will help underserved and low-income applicants navigate the application process, especially those who face challenges like limited internet access or digital literacy. This outreach is essential to support communities that are often left out of new transportation programs and technologies.

Once selected, participants can redeem their e-bike voucher at participating retailers. The California Legislature funds this initiative to make clean, low-cost transportation more accessible and to help reduce greenhouse gas emissions by encouraging people to replace short car trips with e-bike travel. Developed through a broad public engagement process, the program aligns with CARB's mission to ensure a just transition to a zero-emissions future, particularly for California's most vulnerable populations.

2025 LEGISLATIVE DEADLINES

<u>May 2:</u> Last day for policy committees to hear and report to fiscal committees' fiscal bills introduced in their house

<u>May 9:</u> Last day for policy committees to hear and report to the Floor nonfiscal bills introduced in their house

May 16: Last day for policy committees to meet prior to June 9

<u>May 23:</u> Last day for fiscal committees to hear and report to the Floor bills introduced in their house. Last day for fiscal committees to meet prior to June 9

<u>June 2-6:</u> Floor Session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to A.R. 77.2, and Conference Committees

June 6: Last day for each house to pass bills introduced in that house

June 9: Committee meetings may resume

June 15: Budget bill must be passed by midnight

July 18: Last day for policy committees to hear and report bills

Aug. 29: Last day for fiscal committees to hear and report bills to the Floor

<u>Sept. 2-12:</u> Floor session only. No committees may meet for any purpose, except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees

Sept. 5: Last day to amend on the Floor

Sept. 12: Last day for each house to pass bills. Interim Recess begins upon adjournment

ATTACHMENT 4B



South Coast Air Quality Management District

Legislative and Regulatory Update -April 2025

Important Upcoming Dates

May 14, 2025 – Last Day for Governor to Submit May Revision to the Proposed Budget Act

May 22, 2025 Appropriations Suspense Hearing

- ❖ RESOLUTE Actions on Behalf of South Coast AQMD. RESOLUTE partners David Quintana, and Alfredo Arredondo continued their representation of South Coast AQMD before the State's Legislative and the Executive branch. Selected highlights of our recent advocacy include:
 - Provided ongoing updates as the policy committees have been hearing bills.
 - Followed up on bills for the 2025 legislative session, including for South Coast AQMD sponsored legislation.
 - Arranged meetings with key legislators on behalf of South Coast AQMD.
- ❖ AB 907 (Chen). Assemblymember Philip Chen has introduced AB 906, sponsored legislation for South Coast AQMD dealing with the inequity of pay for air district board members appointed to serve on the CA Air Resources Board.

AB 907 was heard in Assembly Natural Resources Committee on April 7 and Passed.

Ayes: 14 Noes: 0 Abstained: 0

Subsequently, the bill was placed on the Assembly Appropriations Suspense File.

❖ AB 1106 (Rodriguez). Assemblymember Michelle Rodriguez has introduced AB 1106 which is sponsored legislation for South Coast AQMD to establish Office of Emergency Management centers to support response to crisis impacting air quality and public health in Southern, Central and Northern California. The OEMs would provide technical and communications infrastructure to support emergency response including, but not limited to, air monitoring, data collection and analysis, publishing data, integration into Unified Command and/or Joint Information Center, and other related activities. The bill would provide funding to plan, construct, and equip OEMs as well as on-going administrative funding to support readiness and implementation during crisis.

AB 1106 will be heard in the Assembly Natural Resources Committee on April 28.

ATTACHMENT 4C

South Coast AQMD, Legislative Committee Report Buckley Government Affairs LLC May 9, 2025

Legislative Session Update

The Legislature adjourned for Spring Recess on April 10th and reconvened on April 21st. While the break offered a brief pause in formal legislative activity, significant work continued behind the scenes. Legislators, staff, and stakeholders used this time to negotiate and refine bill language in preparation for the next phase of the legislative process. This recess fell between two particularly demanding periods in Sacramento, with committee hearings often extending late into the evening. These extended sessions were driven by the fast-approaching May 2nd deadline to move fiscal bills to their respective Appropriations Committees.

On April 15th, Governor Newsom, Senate President pro Tempore Mike McGuire, and Assembly Speaker Robert Rivas announced their intent to pursue an extension of California's cap-and-trade program during the current legislative session. The program, which is set to expire in 2030, requires legislative action to continue beyond that date.

The announcement follows recent criticism from the Trump Administration targeting California's climate policies. Since its inception, the cap-and-trade program has generated \$28 billion in investments statewide over the past decade and has reduced carbon emissions equivalent to removing 80% of the state's vehicles from the road.

Budget Update

On April 14th, the Governor signed AB 100, the early action budget bill that the Legislature passed prior to their recess. Key provisions of the bill include the appropriation of \$2.8 billion to cover additional Medi-Cal program costs, the allocation of \$181 million in Proposition 4 wildfire prevention and forest resilience bond funds to various Conservancies statewide and provided additional funding for the Clean Cars 4 All Program.

Preliminary General Fund agency cash receipts were \$144 million, or 0.9 percent, below the Governor's Budget forecast in March, and \$4.4 billion, or 3.3 percent, above the fiscal year-to-date forecast. The fiscal year-to-date overage was the result of higher receipts from personal income tax, which is partially offset by lower-than-expected corporation tax (down \$235 million) and sales tax receipts (down \$326 million).

Election Update

On April 1st, Assemblymember Bill Essayli resigned from the Legislature following his appointment as United States Attorney for the Central District of California. In response, Governor Newsom issued a proclamation on April 14th calling a special election to fill the vacancy in Assembly District 63, scheduled for August 26, 2025.