

BOARD MEETING DATE: May 2, 2025

AGENDA NO. 19

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a hybrid meeting on Friday, April 11, 2025. The following is a summary of the meeting.

Agenda Item	Recommendation/Action
AB 605 (Muratsuchi) – Lower Emissions Cargo Handling Equipment Pilot program.	Oppose Unless Amended
AB 914 (Garcia) – Air pollution: indirect sources: toxic air contaminants.	Watch
SB 318 (Becker) – Air pollution: stationary sources: best available control technology: indirect sources.	Oppose
SB 712 (Grove) – Smog check: collector motor vehicles: exemption	Oppose Unless Amended

**RECOMMENDED ACTION:**

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

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**Committee Members**

Present: Vice Chair Michael A. Cacciotti, Committee Chair  
Supervisor Curt Hagman  
Mayor Patricia Lock Dawson  
Councilmember Brenda Olmos  
Supervisor V. Manuel Perez  
Absent: Councilmember Nithya Raman

**Call to Order**

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

## **ACTION/DISCUSSION ITEMS:**

### **1. Update on South Coast AQMD Sponsor 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 was amended by the author to remove the provision related to maintaining air district discretion for the implementation of fenceline monitoring. The amendment was necessary to secure the votes needed for passage of the bill in the Assembly Environmental Safety and Toxic Materials (ESTM) Committee. The author is committed to advancing the bill and working with other legislators and stakeholders to provide flexibility for air monitoring by air districts. AB 1338 passed out of Assembly ESTM Committee and has been and referred to the Assembly Appropriations Committee.
- AB 907 (Chen) 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 the consent calendar and has been referred to the Assembly Appropriations Committee. Assemblymember Solache has signed-on as co-author of the bill, making it a bipartisan bill.
- 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. The bill will be heard by the Assembly Natural Resource Committee on April 28.

For additional information, please refer to the [Webcast](#) beginning at 3:06.

Harvey Eder provided public comment regarding climate funding.

### **2. Recommend Position on State Bills**

Denise Peralta Gailey, Public Affairs Manager, Legislative, Public Affairs & Media, presented AB 605 (Muratsuchi): Lower Emissions Cargo Handling Equipment Pilot Program. Ms. Gailey informed the Committee that the bill was recently amended on April 10, 2025 and presented the updated bill content to the Committee. The bill would create a pilot program for cargo-handling equipment (CHE) that meets certain criteria to be operated for their entire useful life regardless of state regulation. Criteria for CHE to qualify for the pilot program include: purchased by December 31, 2027, and meets European Union standards. The bill would also limit CARB's

ability to regulate emissions from cargo-handling equipment, and would likely result in increased emissions.

Staff recommended an OPPOSE position on AB 605.

Mayor Lock Dawson expressed concern that South Coast AQMD should discuss AB 605 further with the bill author and sponsor to determine if amendments could be made. Vice Mayor Olmos supported more engagement on the bill.

**Based on Committee Member discussion an OPPOSE UNLESS AMENDED position on AB 605 was proposed and approved.**

Moved by: Dawson, Seconded by: Olmos

Ayes: Cacciotti, Dawson, Hagman, Olmos, Perez

Noes: None

Absent: Raman

For additional information, please refer to the Webcast beginning 8:49.

Philip Crabbe III, Senior Public Affairs Manager, Legislative, Public Affairs & Media, presented AB 914 (Garcia): Air pollution: indirect sources: toxic air contaminants. The bill would enable CARB to adopt and enforce indirect source rules. It also would require CARB to establish a statewide emissions reporting program related to indirect sources. Further, AB 914 would authorize CARB to assess and collect reasonable fees on emitters of toxic air contaminants. There are some concerns about AB 914, that may be addressed through amendments that grandfather in and preserve air districts' authority, especially as it relates to existing and ongoing indirect source rulemaking and fees. Another potential amendment in discussion is the removal of the toxic air contaminant provisions from the bill.

Supervisor Hagman stated that the political environment is more extreme than in previous years with legislative efforts to both take our authority and potentially opportunities such as addressing areas of the Clean Air Act that may require updating. He inquired in general to staff and consultants how does South Coast AQMD operate in this environment to be effective given that the next two years on federal level may present an opportunity to address longstanding issues like Port Indirect Source Rules (ISR). Ms. Tanaka responded that South Coast AQMD is works on a bipartisan level to defend our authority and ability to implement our mission and to seek opportunities to advance issues. For example, Senate Environment and Public Works Committee Chair Shelley Moore Capito is working on permit reform and South Coast AQMD is engaged in these discussions on air quality issues.

Supervisor Perez added that due to these uncertainties and political extremes it would be judicious for South Coast AQMD to act cautiously when taking positions on bills. We need to be at the table to be able to make these decisions.

**Staff recommended a WATCH position on AB 914 to ensure the Board is informed on this legislation and Committee approved the recommendation.**

For additional information, please refer to the [Webcast](#) beginning 10:42.

Moved by: Dawson, Seconded by: Hagman  
Ayes: Cacciotti, Dawson, Hagman, Olmos, Perez,  
Noes: None  
Absent: Raman

Mr. Crabbe presented SB 318 (Becker): Air pollution: stationary sources: best available control technology: indirect sources. Mr. Crabbe informed the Committee that the bill was recently amended on April 10, 2025 and presented the updated bill content to the Committee. The bill would make numerous regulatory changes providing greater authority to CARB and shifting away local air district authority, including:

- Provide for CARB ISR authority.
- Require CARB to establish a statewide reporting program to quantify emissions and collect information from indirect emissions sources.
- Authorize CARB to assess and collect fees from emitters of toxic air contaminants.
- Establish definitions for Best Available Control Technology (BACT) and Best Available Retrofit Control Technology (BARCT) and set forth various requirements for the determination of BACT, an authority that was primarily with local air districts.
- Require air districts to submit proposed Title V permits to CARB for approval.
- Authorize CARB and any air district to temporarily loan and assign staff members to each other via a memorandum of agreement.

The bill makes broad regulatory changes that undermine air district authority, create redundant regulations, and impose financial and administrative burdens.

Mayor Lock Dawson inquired about the impetus of these bills. Susan Nakamura, Chief Operating Officer, stated that there are hundreds of bills and staff carefully review them before bringing them to the Board. Currently, due to South Coast AQMD's work on the Port ISR, we are seeing legislative activity to undercut our authority and/or give it to CARB. SB 318 is a problematic bill that would not only

affect our authority but would create challenges for Title V permitting. This bill is opposed by CAPCOA, other air districts, and stakeholders because it could upend permitting and create lengthy delays in the process. Supervisor Hagman suggested that now might be an opportunity to work with the ports and other stakeholders on federal issues to address the problems. He added that we do need to be defensive on the state level, but rail and port issues are of national significance.

Mayor Lock Dawson expressed concern by who is authoring these state bills that affect South Coast AQMD. Supervisor Perez requested clarification on who is sponsoring the bills on the agenda. Mr. Crabbe and Ms. Peralta Gailey provided clarification.

**Staff recommended an OPPOSE position on SB 318 and the Committee approved the recommendation.**

Moved by: Hagman, Seconded by: Perez  
Ayes: Cacciotti, Dawson, Hagman, Olmos, Perez,  
Noes: None

For additional information, please refer to the [Webcast](#) beginning 19:23.

Ms. Peralta Gailey presented SB 712 (Grove): Smog check: collector motor vehicles: exemption. The bill would expand a partial smog check exemption in existing law for collector cars to a full exemption from the smog check requirement, both biennially and at transfer, if the vehicle is at least 35 model years old. This bill would remove all checks and safeguards to confirm that a vehicle is a collector car. The broad exemption for 35 model year old vehicles would increase emissions of criteria pollutants and toxic air contaminants making it more difficult to attain federal air quality standards.

Staff recommended an OPPOSE position on SB 712.

Supervisor Hagman recommended consideration of an alternative position because classic cars are collector items and not generally used for daily use. Supervisor Perez added that classic cars are an important part of cultural identity for many communities which should be preserved.

Supervisor Hagman recommended trying to work with the bill author and sponsor to limit the exemptions that would be provided under SB 712

**Based on Committee Member discussion an OPPOSE UNLESS AMENDED position on SB 712 was proposed and approved.**

Moved by: Hagman, Seconded by: Dawson  
Ayes: Cacciotti, Dawson, Hagman, Olmos

Noes: Perez  
Absent: Raman

For additional information, please refer to the [Webcast](#) beginning at 33:16.

Jaqueline Moore, Pacific Merchant Shipping Association, provided public comment regarding AB 605 (Muratsuchi). Ms. Moore expressed PMSA's willingness to engage in further discussion with South Coast AQMD to provide additional information on the bill.

### **DISCUSSION ITEMS:**

#### **3. Update and Discussion on Federal Legislative Issues**

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

Virgilio Barrera, Cassidy & Associates, reported on the status of the congressional budget resolution bill, H.Con.Res 14. For additional information, please refer to the [Webcast](#) beginning at 55:06.

Mark Kadesh, Kadesh & Associates, reported on the Senate Parliamentarian's ruling that the Congressional Review Act does not apply to California's Clean Air Act waivers. For additional information, please refer to the [Webcast](#) beginning at 55:56.

Gary Hoitsma, Carmen Group, provided an update on Senate confirmation of Trump Administration nominations. For additional information, please refer to the [Webcast](#) beginning at 57:43.

Supervisor Hagman requested more in-depth discussion on state and federal issues. Chief Operating Officer Susan Nakamura suggested that the May 2025 Legislative Committee meeting can start earlier at 8:30 am. For additional information, please refer to the [Webcast](#) beginning at 59:07.

There was no public comment.

#### **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.

Ross Buckley, Buckley Government Affairs, LLC, reported on AB 100 which is an early budget action item that implements 2025 priorities. For additional information, please refer to the [Webcast](#) beginning at 1:00:59.

Paul Gonsalves, Joe A. Gonsalves & Son, provided a brief overview of the legislative calendar. The Legislature is on Spring recess and will reconvene on April 21. For additional information, please refer to the [Webcast](#) beginning at 1:01:51.

David Quintana, Resolute, provided an update regarding President Trump's Executive Order focused on identifying state programs related to climate and energy such as the Cap-and-Trade program. For additional information, please refer to the [Webcast](#) beginning at 1:02:55.

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, May 9, 2025 at 9:00 a.m.

Note: After the Legislative Committee meeting, based on a poll of the availability of Committee members, the Committee Chair decided to have the longer discussion on state and federal legislation at the June Legislative Committee meeting.

### **Adjournment**

The meeting was adjourned at 10:03 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 – APRIL 11, 2025**

Council Member Michael Cacciotti .....	South Coast AQMD Board Member
Supervisor Curt Hagman .....	South Coast AQMD Board Member
Mayor Patricia Lock Dawson .....	South Coast AQMD Board Member
Supervisor Brenda Olmos .....	South Coast AQMD Board Member
Supervisor Manuel V. Perez .....	South Coast AQMD Board Member

Katherine Kolcheva .....	Board Consultant (Hagman)
Debra Mendelsohn .....	Board Consultant (McCallon)
Diane Nguyen .....	Board Consultant (Nguyen)
Marisela Santana .....	Board Consultant (Olmos)
Ben Wong .....	Board Consultant (Cacciotti)

Ross Buckley .....	Buckley Government Affairs, LLC
Gary Hoitsma .....	Carmen Group, Inc.
Lio Barrera .....	Cassidy & Associates
Paul Gonsalves .....	Joe A. Gonsalves & Son
Mark Kadesh .....	Kadesh & Associates
David Quintana .....	Resolute

Harvey Eder .....	Public Member
L. Fernandez .....	Public Member
Grace Garner .....	Public Member
Chuck Hahn .....	Public Member
Moses Huerta .....	Public Member
Sam Kang .....	Public Member
Jacqueline Moore .....	Public Member
Fortino Morales II .....	Public Member
Bill Quin .....	Public Member
Peter Whittingham .....	Public Member

Jason Aspell .....	South Coast AQMD Staff
Barbara Baird .....	South Coast AQMD Staff
Cathy Bartels .....	South Coast AQMD Staff
Cindy Bustillos .....	South Coast AQMD Staff
Lara Brown .....	South Coast AQMD Staff
Matthew Ceja .....	South Coast AQMD Staff
Maria Corralejo .....	South Coast AQMD Staff
Philip Crabbe .....	South Coast AQMD Staff
Scott Gallegos .....	South Coast AQMD Staff
Denise Gailey .....	South Coast AQMD Staff
Bayron Gilchrist .....	South Coast AQMD Staff
De Groeneveld .....	South Coast AQMD Staff
Alex Han .....	South Coast AQMD Staff
Sheri Hanizavareh .....	South Coast AQMD Staff
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
Mei Wang .....	South Coast AQMD Staff
Victor Yip .....	South Coast AQMD Staff

# ATTACHMENT 2A

South Coast Air Quality Management District  
Legislative Analysis Summary – AB 605 (Muratsuchi)  
Version: As Introduced – 2/13/25  
Analyst: PC

## **AB 605 (Muratsuchi)**

### Lower Emissions Equipment at Seaports and Intermodal Yards Program.

**Summary:** This bill would:

- 1) Require CARB to develop a methodology for calculating the cumulative emissions of port equipment, and
- 2) Establish the Lower Emissions Equipment at Seaports and Intermodal Yards Program to guarantee that ports will not need to replace their cargo handling equipment (CHE) based on new regulations before the end of the equipment's useful life if, at the time of purchase, CARB determines that the equipment will produce less cumulative emissions than the reductions estimated from waiting for zero-emissions (ZE) technology deployment by the regulatory deadline.
- 3) Apply to CHE purchased pursuant to this bill before December 31, 2027.

**Background:** Existing law, upon appropriation by the Legislature, requires CARB to allocate funds on a competitive basis for projects that are shown to achieve the greatest emission reductions from each emission source identified from activities related to freight movement along California's trade corridors, commencing at the state's airports, seaports, and land ports of entry.

In the 2022 update to the AB 32 Scoping Plan, CARB set a target date of 2037 for transitioning CHE to ZE. This creates an interim transition period for ports. The sponsors of the bill state that it is not feasible to deploy zero-emission CHE in the short term. However, there are some transitional and near-ZE options which are available to reduce emissions during the period from now until full ZE implementation pursuant to the CARB Scoping Plan. According to a recent Clean Air Action Plan feasibility study, 70% of CHE is one of the following: yard tractors, top handlers, rubber-tired gantry cranes, and large-capacity forklifts.

The bill sponsor argues that commercialization of effective ZE technologies for CHE is slow and prohibitively expensive. Concerns have been raised regarding the ability of ZE CHE to meet operational demands and the need for energy infrastructure to support these technologies. The bill sponsor states that to reduce greenhouse gas emissions while also remaining competitive in international shipping, it is important that California use all technologies available. However, port operators are currently hesitant to invest in new, cleaner CHE due to concerns that the lower emission equipment may not meet future "zero-emission" standards. While not truly "zero-emission," these transitional technologies are nevertheless considered "zero-emission" under EU regulations.

**Status:** 3/3/25: Referred to Assembly Transportation Committee and Assembly Natural Resources Committee. Set for Hearing on 4/21/25 in Assembly Transportation Committee.

**Specific Provisions:** Specifically, this bill would:

- 1) Require CARB to develop a methodology for calculating the cumulative emissions of port equipment, and
- 2) Establish the Lower Emissions Equipment at Seaports and Intermodal Yards Program to guarantee that ports will not need to replace their CHE based on new regulations before the end of the equipment's useful life if, at the time of purchase, CARB determines that the equipment will produce less cumulative emissions than the reductions estimated from waiting for ZE technology deployment by the regulatory deadline.
- 3) Apply to CHE purchased pursuant to this bill before December 31, 2027.
- 4) Define CHE to mean any equipment as follows:
  - a. Any off-road, self-propelled vehicle, or equipment used at a port or intermodal railyard to lift or move container, bulk, or liquid cargo carried by ship, train, or another vehicle.
  - b. Cargo handling equipment includes, but is not limited to, rubber-tired gantry cranes, yard trucks, top handlers, side handlers, reach stackers, forklifts, loaders, aerial lifts, excavators, and dozers.
  - c. Any piece of equipment that is considered zero emissions because it meets the definition for new heavy-duty vehicles at the time of its purchase pursuant to the CO<sub>2</sub> emission performance standards adopted by the European Union in Regulation (EU) 2019/1242.
- 5) Bans CARB from adopting a future regulation that prohibits or disallows the use of its entire useful life any cargo handling equipment that is purchased in accordance with this chapter before December 31, 2027.

**Impacts on South Coast AQMD's Mission, Operations or Initiatives:** The policy approach proposed in this bill provides a long-term grandfathering in of non-ZE CHE at ports. The bill also would adopt the CO<sub>2</sub> performance standards under European Union (EU) Regulation 2019/1242 to define ZE CHE. The EU standards are focused on carbon dioxide (CO<sub>2</sub>) versus criteria pollutants which could yield co-benefits but also could have unintended consequences of increasing air pollution. Further, a date certain cannot be determined when a specific ZE CHE technology would be available and, depending on the type of equipment, the useful life of CHE is approximately 7 to 20 years. Therefore, it would be difficult for CARB to estimate cumulative emissions of CHE as required in AB 605. In effect, AB 605 could slow down the adoption of ZE technology and ultimately increase port emissions into the future.

The bill would also prohibit CARB from developing and implementing a regulation for ZE CHE. CARB is currently considering a regulation for CHE and conducting a technology assessment on the availability and performance of ZE CHE for a broad range of equipment including, but not limited to yard trucks, rubber-tired gantry cranes, container handlers, and

forklifts. After this technology assessment, CARB could propose amending existing regulation to require ZE CHE including a schedule for new equipment and facility infrastructure.

The effort to reduce emissions significantly at the ports, including converting CHE to ZE technology is complicated, involving many factors such as technology availability, infrastructure, cost and grid capacity, among other things. State, local agencies, and all stakeholders should not be prevented from developing regulatory approaches to achieve emission reductions as quickly as possible in balance with what is technologically and economically feasible.

Further, if CARB is prevented from realizing emission reductions from CHE, South Coast AQMD could be responsible for a larger share of emission reductions. The Ports of Los Angeles and Long Beach have already committed to go to ZE for CHE by 2030, and this bill could hamper the Ports' ability to meet their Clean Air Action Plan commitments. Thus, this bill is contrary to South Coast AQMD policy priorities to reduce air pollution and protect public health.

**Recommended Position: OPPOSE**

**Support:**

International Longshore & Warehouse Union, Local 13 (Sponsor)  
Pacific Merchant Shipping Association (Sponsor)

**Opposition:**

N/A

# **ATTACHMENT 2B**

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

**ASSEMBLY BILL**

**No. 605**

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**Introduced by Assembly Member Muratsuchi**

February 13, 2025

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An act to add Chapter 6 (commencing with Section 39900) to Part 2 of Division 26 of the Health and Safety Code, relating to air pollution.

## LEGISLATIVE COUNSEL'S DIGEST

AB 605, as introduced, Muratsuchi. Lower Emissions Equipment at Seaports and Intermodal Yards Program.

Existing law, upon the appropriation of funds by the Legislature, requires the State Air Resources Board to allocate funds on a competitive basis for projects that are shown to achieve the greatest emission reductions from each emission source identified, as specified, from activities related to the movement of freight along California's trade corridors, commencing at the state's airports, seaports, and land ports of entry.

This bill would enact the Lower Emissions Equipment at Seaports and Intermodal Yards Program. As part of the program, the state board would be prohibited from adopting a future regulation that prohibits or disallows for the use of its entire useful life any cargo handling equipment, as defined, that is purchased pursuant to the program before December 31, 2027.

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

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

SECTION 1. Chapter 6 (commencing with Section 39900) is added to Part 2 of Division 26 of the Health and Safety Code, to read:

CHAPTER 6. LOWER EMISSIONS EQUIPMENT AT SEAPORTS AND  
INTERMODAL YARDS PROGRAM

39900. The Legislature finds and declares all of the following:

(a) It is in the best interests of all Californians to find innovative and cost-effective ways to eliminate the localized impacts from emissions of toxic air contaminants, including diesel emissions and other criteria pollutants, as quickly as possible, while it is in the best interests of all global citizens to reduce the total volume of greenhouse gas emissions.

(b) The state has accelerated emission reductions in many manners that benefit both local and global emission goals, including through regulatory enactments and the use of strategic incentives.

(c) The state must maintain its aggressive long-term priority emission reductions goals for decarbonization and the reduction of greenhouse gases through the implementation of zero-emission technologies while also addressing the priority of reducing the public health and air quality impacts of toxic air contaminants and criteria pollutants during the intervening years leading up to and during the implementation of zero-emission technologies.

(d) In those instances where zero-emission technologies are not yet commercially available, required by law, or economically feasible, transitional technologies can provide an effective bridging technology that results in significant reductions in toxic air contaminants and criteria pollutants in the short term until zero-emission technologies are implemented.

(e) Impacted California communities benefit from the reduction of toxic air contaminants and criteria pollutants earlier and greater than otherwise required by law.

(f) The state benefits from the enactment of programs that encourage regulators and regulated industry to work cooperatively in the creation of programs that successfully result in the utilization and development of innovative new concepts to introduce

1 zero-emission and lower emission equipment into seaport  
2 operations in California.

3 (g) It is in the best interests of the people of the State of  
4 California to achieve cumulative lower emission reduction  
5 outcomes at seaports and intermodal yards by application of  
6 innovative concepts in partnership with industry in a manner that  
7 protects public health and the environment.

8 (h) The state should encourage the purchase of equipment and  
9 vehicles that are built to existing decarbonization standards adopted  
10 by other jurisdictions, including the European Union, prior to the  
11 state's adoption of its own zero-emissions standards. Subsequent  
12 to the purchase of this equipment, the state should not penalize the  
13 voluntary adoption of these decarbonization standards for any  
14 equipment by prohibiting its use prior to the end of its useful life.

15 39901. The Legislature further finds and declares that all  
16 emission reductions generated by the deployment of zero-emissions  
17 cargo handling equipment pursuant to this chapter and prior to the  
18 adoption of regulations by the State Air Resources Board will  
19 result in a cumulative reduction in diesel toxic air contaminants,  
20 a cumulative reduction of nitrogen oxides emissions, and a  
21 cumulative reduction of greenhouse gas emissions for the life of  
22 the equipment being approved when compared to the current diesel  
23 engine standards. These reductions in emissions will thereby  
24 contribute to public health by reducing the total amount of diesel  
25 toxic air emissions in the state, contribute to a reduction of nitrogen  
26 oxides in nonattainment areas of the state, and reduce the state's  
27 contribution to global greenhouse gases.

28 39902. It is the intent of the Legislature to do all of the  
29 following:

30 (a) Facilitate an innovative program that produces early and  
31 extra reductions of local criteria and toxic air contaminant  
32 emissions and greenhouse gas emissions.

33 (b) Maximize near-term local emission reductions of toxic air  
34 contaminants and criteria pollutants and to accelerate global  
35 reductions of greenhouse gas emissions resulting in reductions  
36 that are greater than those that would otherwise occur under current  
37 law.

38 (c) Ensure that the cumulative emission reductions from seaport  
39 and intermodal yard equipment pursuant to this chapter will result

1 in emissions that are less than the cumulative outcome of acting  
2 pursuant to the current and expected regulatory baseline.

3 (d) Provide owners of cargo handling equipment at California  
4 seaports and intermodal yards certainty about the useful life of  
5 equipment purchased pursuant to programs implemented by the  
6 state board pursuant to this chapter to meet required environmental  
7 standards.

8 (e) Encourage, in California, the investment in, purchase of,  
9 and use of clean cargo handling equipment as early as possible.

10 (f) Support the California goods movement industry to maintain  
11 its competitive advantage and avoid risking disinvestment or cargo  
12 diversion to locations with less stringent environmental regulations.

13 39903. (a) As used in this chapter, “Cargo handling equipment”  
14 means any equipment that is either of the following:

15 (1) (A) Any off-road, self-propelled vehicle, or equipment used  
16 at a port or intermodal railyard to lift or move container, bulk, or  
17 liquid cargo carried by ship, train, or another vehicle.

18 (B) Cargo handling equipment includes, but is not limited to,  
19 rubber-tired gantry cranes, yard trucks, top handlers, side handlers,  
20 reach stackers, forklifts, loaders, aerial lifts, excavators, and dozers.

21 (2) Any piece of equipment that is considered zero emissions  
22 because it meets the definition for new heavy-duty vehicles at the  
23 time of its purchase pursuant to the CO2 emission performance  
24 standards adopted by the European Union in Regulation (EU)  
25 2019/1242.

26 (b) For purposes of this chapter, cargo handling equipment does  
27 not mean any fully automated cargo handling equipment, including  
28 equipment that is remotely operated and remotely monitored with  
29 or without the exercise of human intervention or control. This  
30 section does not limit the use of devices that support  
31 human-operated cargo handling equipment, including equipment  
32 to evaluate the utilization and environmental benefits of that  
33 human-operated equipment.

34 39904. The state board shall not adopt a future regulation that  
35 prohibits or disallows for the use of its entire useful life any cargo  
36 handling equipment that is purchased pursuant to the terms of this  
37 chapter before December 31, 2027.



# ATTACHMENT 2C

South Coast Air Quality Management District  
Legislative Analysis Summary – AB 914 (Garcia)  
Version: As Amended – 3/24/25  
Analyst: PC

## AB 914 (Garcia)

Air pollution: indirect sources: toxic air contaminants.

**Summary:** AB 914 would enable CARB to adopt and enforce indirect source rules. If CARB elects to exercise that authority, then it must establish fees on facilities and mobile sources to cover reasonable implementation and enforcement costs. It would also require CARB to establish a statewide reporting program to quantify emissions and annually collect related information from indirect sources of emissions. AB 914, for a given toxic air contaminant or airborne toxic control measure, would require CARB to adopt and enforce regulations applicable to indirect sources of emissions. Additionally, the bill would authorize CARB to assess and collect reasonable fees on emitters of toxic air contaminants.

**Background:** Existing law generally designates CARB as the state agency with the primary responsibility for the control of vehicular air pollution, and air districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources. Existing law authorizes air districts to adopt and implement regulations to reduce or mitigate emissions from indirect sources of air pollution.

State law requires CARB to identify toxic air contaminants that are emitted into the ambient air of the state and to adopt airborne toxic control measures to reduce emissions of toxic air contaminants. Local air districts implement statewide programs such as AB 2588 known as Air Toxics “Hot Spots” and reporting of criteria pollutants and toxic air contaminant emissions from facilities.

**Status:** 3/25/25: Re-referred to Assembly Natural Resources Committee.

**Specific Provisions:** Specifically, this bill would:

- 1) As necessary, require CARB to adopt and enforce regulations applicable to indirect sources of emissions;
- 2) Provide that if CARB elects to exercise that authority, then it must establish fees on facilities and mobile sources to cover reasonable implementation and enforcement costs;
- 3) Require fees to be deposited in the Air Pollution Control Fund and made available to CARB upon appropriation by the Legislature.
- 4) Require CARB to establish a statewide reporting program to quantify emissions and annually collect related information from indirect sources of emissions, including data from on-road and off-road mobile sources that visit those sources, but are not owned or operated by those sources.
- 5) For a given toxic air contaminant or airborne toxic control measure, require CARB to adopt and enforce regulations applicable to indirect sources of emissions; and
- 6) Authorize CARB to assess and collect reasonable fees on emitters of toxic air contaminants.

- 7) Require fees to be deposited in the Certification and Compliance Fund and made available for the regulation of toxic air contaminants upon appropriation by the Legislature.

**Impacts on South Coast AQMD’s Mission, Operations or Initiatives:** AB 914 would affirm CARB’s authority to regulate indirect sources. This could lead to the establishment of statewide standards, which would create more even regulation in California. At the same time, statewide indirect source rules could impact local control.

Air districts, including the South Coast AQMD, have authority under existing law to reduce or mitigate emissions from certain indirect sources. State law recognizes air districts’ ability to adopt rules to reduce or mitigate emissions from indirect sources (H & S Sections 40716; 40469(a)) and also emphasizes the need for indirect source regulation in areas where there are high-level localized concentrations of pollutants (such as the ports) (H & S Section 40440(b)(3)). South Coast AQMD has demonstrated its ability to adopt reasonable indirect source rules that do not interfere with federal regulation of mobile sources, as the agency’s warehouse rule was upheld by the federal court. *California Trucking Association v. South Coast AQMD*, 2023 WL 9622545 (12/14/23). And the Clean Air Act expressly authorizes states to include indirect source rules in their state implementation plans. 42 U.S.C. Section 7410(a)(C)(5)(A). AB 914 could affect South Coast AQMD’s existing indirect source rules including associated fees. There could be overlapping state and local indirect source rules resulting in confusion on who would be responsible for governance and enforcement.

Further, as currently written, AB 914 would authorize the state to assess and collect fees from facilities who emit air toxic air contaminants. The bill would require local air districts to implement and enforce airborne toxic control measures on nonvehicular sources within 120 days of state action. It is unclear how local air districts could comply with this timeline because indirect source rules are complicated. In addition, it does not appear that the bill would allow CARB to implement a mitigation fee in an indirect source rule which is a key feature in South Coast AQMD’s Rules 2305 (Warehouses) and 2202 (Rideshare) and San Joaquin Valley APCD’s Rule 9510 (New Development).

This new fee authority would also extend beyond indirect source rules which could overlap with local air district authority and duties, and result in permitted facilities having to pay duplicative fees to both CARB and local air districts. For example, air districts already implement the Air Toxics Hot Spots Act (H & S 44300 et seq) and this bill appears to allow CARB to charge fees to do the same work (e.g. emissions inventory, risk assessment, and emission reductions).

Some of the above concerns could be addressed through possible amendments that:

- 1) Add provisions that would grandfather in and preserve air districts' authority, especially as it relates to existing and ongoing indirect source rulemaking and related fees, in their respective regions.
- 2) Remove the toxic air contaminants provisions from the bill.

The bill sponsor, Earthjustice, has reached out to South Coast AQMD and other local air districts for comments on AB 914. Therefore, staff are recommending a “Watch” position to engage in discussion with the bill sponsor and other local air districts to determine if there is a positive path forward.

**Recommended Position: WATCH**

**Support:**

Earthjustice

**Opposition:**

N/A

# ATTACHMENT 2D

AMENDED IN ASSEMBLY MARCH 24, 2025

CALIFORNIA LEGISLATURE—2025–26 REGULAR SESSION

## ASSEMBLY BILL

**No. 914**

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**Introduced by Assembly Member Garcia**

February 19, 2025

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~~An act to amend Section 39601.5 of the Health and Safety Code, relating to air pollution. An act to amend Sections 39602.5 and 39666 of, to add Sections 39034.5 and 39607.2 to, and to add Article 7 (commencing with Section 39676) to Chapter 3.5 of Part 2 of Division 26 of, the Health and Safety Code, relating to air pollution.~~

### LEGISLATIVE COUNSEL'S DIGEST

AB 914, as amended, Garcia. ~~State Air Resources Board: regulations.~~  
*Air pollution: indirect sources: toxic air contaminants.*

*Existing law generally designates the State Air Resources Board as the state agency with the primary responsibility for the control of vehicular air pollution, and air pollution control districts and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources. Existing law authorizes air districts to adopt and implement regulations to reduce or mitigate emissions from indirect sources of air pollution.*

*This bill would require the state board to adopt and enforce rules and regulations applicable to indirect sources of emissions, as specified. If the state board elects to exercise that authority, the bill would require the state board to establish a schedule of fees on facilities and mobile sources to cover the reasonable costs of implementing and enforcing the regulations and would require the fees to be deposited in the Air Pollution Control Fund and made available to the state board upon appropriation by the Legislature. The bill would require the state board*

*to establish a statewide reporting program to quantify emissions and annually collect related information from indirect sources of emissions.*

*Existing law requires the state board to identify toxic air contaminants that are emitted into the ambient air of the state and to adopt airborne toxic control measures to reduce emissions of toxic air contaminants. Existing law also requires the state board to designate any substance that is listed as a hazardous air pollutant under federal law as a toxic air contaminant and to establish airborne toxic control measures applicable to the substance in accordance with specified procedures.*

*This bill would authorize the state board to assess and collect reasonable fees on emitters of toxic air contaminants. The bill would require the fees to be deposited in the Certification and Compliance Fund and made available for the regulation of toxic air contaminants upon appropriation by the Legislature.*

*Existing law makes any violation of a rule or regulation of the state board relating to nonvehicular air pollution control a misdemeanor.*

*Because a violation of these rules or regulations of the state board with respect to nonvehicular sources subject to those rules and regulations would be a crime, this bill would impose a state-mandated local program.*

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

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

~~Existing law requires the State Air Resources Board to make available to the public each technical, theoretical, and empirical study, report, or similar document, if any, on which the agency relies, related to, but not limited to, air emissions, public health impacts, and economic impacts, before the comment period for any regulation proposed for adoption by the state board.~~

~~This bill would make a nonsubstantive change to this provision.~~

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

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

1     SECTION 1. (a) *The Legislature finds and declares all of the*  
2     *following:*

1     (1) *Decades of policy leadership has improved air quality and*  
2     *public health for tens of millions of Californians, and beyond.*

3     (2) *California is home to the most difficult remaining air*  
4     *pollution challenges in the United States.*

5     (3) *The American Lung Association consistently ranks California*  
6     *cities as the most polluted in the nation for ozone and particulate*  
7     *pollution.*

8     (4) *The transportation sector is the dominant source of*  
9     *ozone-forming emissions and diesel particulate matter in*  
10    *California.*

11    (5) *Transportation-related air pollution is associated with*  
12    *premature death, death due to cardiovascular disease, death due*  
13    *to lung cancer, onset of asthma in children and adults, and other*  
14    *health emergencies.*

15    (6) *Millions of Californians face increased risk due to*  
16    *preexisting health conditions exacerbated by exposure to harmful*  
17    *air pollution, including communities of color and lower income*  
18    *communities.*

19    (7) *Communities nearest major hubs of freight activities,*  
20    *including ports, rail yards, warehouses, and major roadways bear*  
21    *a disproportionate burden of harmful, toxic emissions.*

22    (8) *Air quality control districts and air quality management*  
23    *districts have authority under Section 40716 of the Health and*  
24    *Safety Code to reduce or mitigate emissions from indirect sources*  
25    *of air pollution.*

26    (9) *Emissions attributable to indirect sources include criteria*  
27    *pollutants, toxic air contaminants, and greenhouse gases.*

28    (10) *Indirect sources often attract mobile sources of pollution*  
29    *from across the state and across the state border. These air*  
30    *pollutants do not respect district boundaries.*

31    (b) *For the reasons stated in subdivision (a), it is the intent of*  
32    *the Legislature that the State Air Resources Board take a more*  
33    *active role in regulating these indirect sources.*

34    SEC. 2. *Section 39034.5 is added to the Health and Safety*  
35    *Code, to read:*

36    39034.5. *“Indirect source” has the same meaning as set forth*  
37    *in Section 7410(a)(5)(C) of Title 42 of the United States Code.*

38    SEC. 3. *Section 39602.5 of the Health and Safety Code is*  
39    *amended to read:*

1 39602.5. (a) The state board shall adopt rules and regulations  
2 pursuant to Section 43013 that, in conjunction with other measures  
3 adopted by the state board, the districts, and the United States  
4 Environmental Protection Agency, will achieve ambient air quality  
5 standards required by the federal Clean Air Act (42 U.S.C. Sec.  
6 7401 et seq.) in all areas of the state by the applicable attainment  
7 date, and to maintain these standards thereafter. The state board  
8 shall adopt these measures if they are necessary, technologically  
9 feasible, and cost effective, consistent with Section 43013.

10 (b) If necessary to carry out its duties under this section, the  
11 state board shall adopt and enforce rules and regulations that  
12 anticipate the development of new technologies or the improvement  
13 of existing technologies. The rules and regulations shall require  
14 standards that the state board finds and determines can likely be  
15 achieved by the compliance date set forth in the rule.

16 (c) *If necessary to carry out its duties under this section, the*  
17 *state board shall adopt and enforce rules and regulations*  
18 *applicable to indirect sources of emissions. In doing so, the state*  
19 *board shall do all of the following:*

20 (1) *Consult with affected districts to ensure that any state*  
21 *regulation supports district emission reduction needs.*

22 (2) *Establish a schedule of fees on facilities and mobile sources*  
23 *limited in amount to cover only the reasonable costs of*  
24 *implementing and enforcing the regulations. Fees collected*  
25 *pursuant to this paragraph shall be deposited in the Air Pollution*  
26 *Control Fund and made available to the state board for those*  
27 *purposes upon appropriation by the Legislature.*

28 (3) *Eliminate or minimize impacts to disadvantaged,*  
29 *low-income, and high-poverty communities.*

30 (4) *Prioritize controls for indirect sources that have the most*  
31 *significant impact on air quality in the state or contribute to*  
32 *high-level, localized concentrations of pollutants in disadvantaged,*  
33 *low-income, and high-poverty communities.*

34 SEC. 4. Section 39607.2 is added to the Health and Safety  
35 Code, to read:

36 39607.2. *The state board shall establish a statewide reporting*  
37 *program to quantify emissions and annually collect related*  
38 *information from indirect sources of emissions, including data*  
39 *from on-road and off-road mobile sources that visit those sources,*  
40 *but are not owned or operated by those sources.*

1     *SEC. 5. Section 39666 of the Health and Safety Code is*  
2     *amended to read:*

3     39666. (a) Following a noticed public hearing, the state board  
4     shall adopt airborne toxic control measures to reduce emissions  
5     of toxic air contaminants from nonvehicular sources.

6     (b) For toxic air contaminants for which the state board has  
7     determined, pursuant to Section 39662, that there is a threshold  
8     exposure level below which no significant adverse health effects  
9     are anticipated, the airborne toxic control measure shall be  
10    designed, in consideration of the factors specified in subdivision  
11    (b) of Section 39665, to reduce emissions sufficiently so that the  
12    source will not result in, or contribute to, ambient levels at or in  
13    excess of the level ~~which~~ *that* may cause or contribute to adverse  
14    health effects as that level is estimated pursuant to subdivision (c)  
15    of Section 39660.

16    (c) For toxic air contaminants for which the state board has not  
17    specified a threshold exposure level pursuant to Section 39662,  
18    the airborne toxic control measure shall be designed, in  
19    consideration of the factors specified in subdivision (b) of Section  
20    39665, to reduce emissions to the lowest level achievable through  
21    application of best available control technology or a more effective  
22    control method, unless the state board or a district board  
23    determines, based on an assessment of risk, that an alternative  
24    level of emission reduction is adequate or necessary to prevent an  
25    endangerment of public health.

26    (d) Not later than 120 days after the adoption or implementation  
27    by the state board of an airborne toxic control measure pursuant  
28    to this section or Section 39658, the districts shall implement and  
29    enforce the airborne toxic control measure or shall propose  
30    regulations enacting airborne toxic control measures on  
31    nonvehicular sources within their jurisdiction ~~which~~ *that* meet the  
32    requirements of subdivisions (b), (c), and (e), except that a district  
33    may, at its option, and after considering the factors specified in  
34    subdivision (b) of Section 39665, adopt and enforce equally  
35    effective or more stringent airborne toxic control measures than  
36    the airborne toxic control measures adopted by the state board. A  
37    district shall adopt rules and regulations implementing airborne  
38    toxic control measures on nonvehicular sources within its  
39    jurisdiction in conformance with subdivisions (b), (c), and (e), not



1 later than six months following the adoption of airborne toxic  
2 control measures by the state board.

3 (e) District new source review rules and regulations shall require  
4 new or modified sources to control emissions of toxic air  
5 contaminants consistent with subdivisions (b), (c), and (d) and  
6 Article 2.5 (commencing with Section 39656).

7 (f) Where an airborne toxic control measure requires the use  
8 of a specified method or methods to reduce, avoid, or eliminate  
9 the emissions of a toxic air contaminant, a source may submit to  
10 the district an alternative method or methods that will achieve an  
11 equal or greater amount of reduction in emissions of, and risk  
12 associated with, that toxic air contaminant. The district shall  
13 approve the proposed alternative method or methods if the operator  
14 of the source demonstrates that the method is, or the methods are,  
15 enforceable, that equal or greater amounts of reduction in emissions  
16 and risk will be achieved, and that the reductions will be achieved  
17 within the time period required by the applicable airborne toxic  
18 control measure. The district shall revoke approval of the  
19 alternative method or methods if the source fails to adequately  
20 implement the approved alternative method or methods or if  
21 subsequent monitoring demonstrates that the alternative method  
22 or methods do not reduce emissions and risk as required. The  
23 district shall notify the state board of any action it proposes to take  
24 pursuant to this subdivision. This subdivision is operative only to  
25 the extent it is consistent with the federal act.

26 (g) *For a given toxic air contaminant or airborne toxic control*  
27 *measure, the state board shall adopt and enforce rules and*  
28 *regulations applicable to indirect sources of emissions. In doing*  
29 *so, the state board shall do all of the following:*

30 (1) *Consult with affected districts to ensure that any state*  
31 *regulation supports district emission reduction needs.*

32 (2) *Establish a schedule of fees on facilities and mobile sources*  
33 *limited in amount to cover only the reasonable costs of*  
34 *implementing and enforcing the regulations. Fees collected*  
35 *pursuant to this paragraph shall be deposited in the Air Pollution*  
36 *Control Fund and made available to the state board for those*  
37 *purposes upon appropriation by the Legislature.*

38 (3) *Prioritize controls for indirect sources that have the most*  
39 *significant impact on air quality in the state or contribute to*

1 *high-level, localized concentrations of pollutants in disadvantaged,*  
2 *low-income, and high-poverty communities.*

3 *SEC. 6. Article 7 (commencing with Section 39676) is added*  
4 *to Chapter 3.5 of Part 2 of Division 26 of the Health and Safety*  
5 *Code, to read:*

6  
7 *Article 7. Fees*  
8

9 *39676. (a) The state board may assess and collect reasonable*  
10 *fees on emitters of toxic air contaminants.*

11 *(b) Revenue collected pursuant to this article shall be expended*  
12 *to carry out responsibilities authorized by this chapter, including,*  
13 *but not limited to, any of the following:*

14 *(1) Developing new, and amending existing, airborne toxic*  
15 *control measures.*

16 *(2) Developing new, and amending existing, emission reduction*  
17 *measures for on-road and nonroad sources.*

18 *(3) Implementing and enforcing airborne toxic control measures*  
19 *and emission reduction measures for on-road and nonroad sources.*

20 *(4) Identifying, quantifying, inventorying, monitoring,*  
21 *evaluating, and reducing emissions of toxic pollutants in*  
22 *communities across the state, as determined to be necessary by*  
23 *the state board.*

24 *(c) Fees collected pursuant to this article shall be limited to an*  
25 *amount sufficient to cover the state board's reasonable costs in*  
26 *developing and implementing the programs authorized by this*  
27 *chapter, including any administrative costs, and may be adjusted*  
28 *by the annual change in the California Consumer Price Index, as*  
29 *determined pursuant to Section 2212 of the Revenue and Taxation*  
30 *Code, for the preceding year.*

31 *(d) Fees collected by the state board pursuant to this section*  
32 *shall be deposited in the Certification and Compliance Fund and*  
33 *shall be available upon appropriation by the Legislature for*  
34 *purposes specified in this chapter.*

35 *SEC. 7. No reimbursement is required by this act pursuant to*  
36 *Section 6 of Article XIII B of the California Constitution because*  
37 *the only costs that may be incurred by a local agency or school*  
38 *district will be incurred because this act creates a new crime or*  
39 *infraction, eliminates a crime or infraction, or changes the penalty*  
40 *for a crime or infraction, within the meaning of Section 17556 of*

1 *the Government Code, or changes the definition of a crime within*  
2 *the meaning of Section 6 of Article XIII B of the California*  
3 *Constitution.*

4 SECTION 1. ~~Section 39601.5 of the Health and Safety Code~~  
5 ~~is amended to read:~~

6 ~~39601.5. (a) The state board shall make available to the public~~  
7 ~~all information described in paragraph (3) of subdivision (b) of~~  
8 ~~Section 11346.2 of the Government Code, related to, but not~~  
9 ~~limited to, air emissions, public health impacts, and economic~~  
10 ~~impacts, before the comment period for any regulation proposed~~  
11 ~~for adoption by the state board.~~

12 ~~(b) In meeting the requirement of subdivision (a), the state board~~  
13 ~~shall not release proprietary, confidential, or otherwise legally~~  
14 ~~protected business information. The state board shall release~~  
15 ~~information in aggregated form, where necessary, to protect~~  
16 ~~proprietary, confidential, or otherwise legally protected business~~  
17 ~~information.~~

# ATTACHMENT 2E

South Coast Air Quality Management District  
Legislative Analysis Summary – SB 318 (Becker)  
Version: As Amended - 3/26/25  
Analyst: EV/PC

## SB 318 (Becker)

Air pollution: stationary sources: best available control technology: indirect sources.

**Summary:** SB 318 seeks to expand the California Air Resources Board's (CARB) regulatory authority over indirect sources of emissions, impose new reporting requirements, authorize the collection of fees, and modify air permitting processes.

**Background:** Existing law assigns primary CARB responsibility for vehicle-related air pollution control, while air districts primarily regulate non-vehicular sources. Air districts can implement rules to reduce emissions from indirect sources, and CARB is required to identify and regulate toxic air contaminants. Air districts also manage permitting, including Title V permits, under federal and state air quality laws. The law already mandates the use of BACT and BARCT for emissions control.

**Status:** 3/26/25: Read second time and amended. Re-referred to Senate Rules Committee.

**Specific Provisions:** Specifically, this bill would:

- 1) Authorize CARB to adopt and enforce regulations applicable to indirect sources of emissions;
- 2) Provide that if CARB elects to exercise that authority, then it must establish fees on facilities and mobile sources to cover reasonable implementation and enforcement costs;
- 3) Require fees to be deposited in the Air Pollution Control Fund and made available to CARB upon appropriation by the Legislature.
- 4) Require CARB to establish a statewide reporting program to quantify emissions and annually collect related information from indirect sources of emissions, including data from on-road and off-road mobile sources that visit those sources, but are not owned or operated by those sources.
- 5) For a given toxic air contaminant or airborne toxic control measure, authorize CARB to adopt and enforce regulations applicable to indirect sources of emissions; and
- 6) Authorize CARB to assess and collect reasonable fees on emitters of toxic air contaminants.
- 7) Require fees to be deposited in the Air Pollution Control Fund and made available for the regulation of toxic air contaminants upon appropriation by the Legislature.
- 8) Establish definitions for “best available control technology” and “best available retrofit control technology” for purposes of the laws governing air pollution and would set forth various requirements for the determination of best available control technology.
- 9) Require an air district to submit a proposed permit for a Title V source to CARB’s executive officer, and,

- a) Require, if the executive officer determines that the permit does not to comply with the federal Clean Air Act or state law governing air pollution, to object to the issuance of that permit.
  - b) Provide that if the executive officer objects to the issuance of a permit, the bill would prohibit the air district from finalizing that permit without revising it to address the objection to the satisfaction of the executive officer.
  - c) Authorize any person to petition the executive officer to object to a proposed Title V permit within 30 days of the executive officer's receipt of the proposed permit.
- 10) Require an applicant for a renewal of a Title V permit to submit a technical feasibility analysis to the relevant air district as part of its application if the facility's current effective operating permit includes equipment or control apparatus that meets certain criteria.
- a) Require an air district to require best available retrofit control technology to be applied at each piece of equipment or source category identified in the technical feasibility analysis and may impose measures more stringent than those proposed by the applicant.
- 11) Revise the precertification program including requiring CARB to update criteria and guidelines for precertification at least once every 8 years.
- a) Authorize the precertification program to include the identification of equipment, controls, fuels, and processes.
  - b) As part of the precertification program, authorize CARB to prescribe rules to establish a voluntary program for the temporary assignment or loan of employees within an agency, or between agencies or jurisdictions, including air districts, on a limited-term basis, to enable the state to obtain expertise needed to meet a compelling program need.
- 12) Authorize Cal EPA to expand the precertification program to involve other state and local regulatory agencies with jurisdiction over other environmental media.
- 13) Eliminate the requirement that the expedited permit system include a precertification program established by the applicable air district.
- a) Instead require the expedited permit system to include an expedited permit review pathway for permit applications that propose to use equipment and processes identified through CARB's precertification program described above.
  - b) Eliminate the requirement that the expedited permit system include a training and certification program and instead require the publication of online training resources for private sector personnel that explain expedited permitting pathways.
- 14) Require CARB to periodically issue determinations to suggest best available control technology, and best available retrofit control technology, for any class or category of sources and to establish best available control technology for the control of toxic air contaminants for any class or category of sources.
- a) Authorize members of the public to petition CARB to issue a determination.
- 15) Authorize CARB and any district to temporarily loan and assign staff members to each other, via a memorandum of agreement, for any lawful purpose.

**Impacts on South Coast AQMD’s Mission, Operations or Initiatives:** SB 318 introduces broad regulatory changes that may undermine air district authority, create redundant regulations, and impose financial and administrative burdens. While the bill aims to enhance air quality oversight, its provisions could negatively impact the efficiency of existing air district programs.

Air districts, including the South Coast AQMD, have authority under existing law to reduce or mitigate emissions from indirect sources. State law recognizes air districts’ ability to adopt rules to reduce or mitigate emissions from indirect sources (H & S Sections 40716; 40469(a)) and also emphasizes the need for indirect source regulation in areas where there are high-level localized concentrations of pollutants (such as the ports) (H & S Section 40440(b)(3)). South Coast AQMD has demonstrated its ability to adopt reasonable indirect source rules that do not interfere with federal regulation of mobile sources, as the agency’s warehouse rule was upheld by the federal court. *California Trucking Association v. South Coast AQMD*, 2023 WL 9622545 (12/14/23). And the Clean Air Act expressly authorizes states to include indirect source rules in their state implementation plans. 42 U.S.C. Section 7410(a)(C)(5)(A). This bill would require CARB to collect fees if the agency adopts an indirect source rule which could impact air districts with indirect source rules and fees.

SB 318 contains several problematic provisions which could impact South Coast AQMD and local air districts including:

- Conflicts between CARB rules and fees relating to toxic air contaminants are not necessary and could conflict with existing state and local rules.
- Reduce air district authority by allowing CARB to invalidate air district Title V permits. Allow air district staff to be on loan or assigned to CARB temporarily, which could negatively impact air district resources.
- Complicate how Best Available Control Technology and Best Available Retrofit Control Technology are established.

Overall, the bill’s provisions do not help reduce emissions, but instead limit air district authority and negatively impact air district resources.

**Recommended Position: OPPOSE**

**SUPPORT**

N/A

**OPPOSITION**

N/A

# ATTACHMENT 2F

AMENDED IN SENATE MARCH 26, 2025

**SENATE BILL**

**No. 318**

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**Introduced by Senator Becker**

February 11, 2025

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~~An act to amend Section 40406 of the Health and Safety Code, relating to air resources. An act to amend Sections 39602.5, 39620, 39666, 40405, 40406, 40440.11, 40920.8, 42301, and 42322 of, to add Sections 39013.5, 39016.1, 39016.2, 39034.5, 39514.5, 39607.2, 42301.19, and 42301.20 to, and to add Article 7 (commencing with Section 39676) to Chapter 3.5 of Part 2 of Division 26 of, the Health and Safety Code, relating to air pollution.~~

## LEGISLATIVE COUNSEL'S DIGEST

SB 318, as amended, Becker. ~~Air resources: Lewis-Presley Air Quality Management Act. Air pollution: stationary sources: best available control technology: indirect sources.~~

*(1) Existing law generally designates the State Air Resources Board as the state agency with the primary responsibility for the control of vehicular air pollution, and air pollution control districts and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources. Existing law authorizes air districts to adopt and implement regulations to reduce or mitigate emissions from indirect sources of air pollution.*

*This bill would authorize the state board to adopt and enforce rules and regulations applicable to indirect sources of emissions, as specified. If the state board elects to exercise that authority, the bill would require the state board to establish a schedule of fees on facilities and mobile sources to cover the reasonable costs of implementing and enforcing the regulations and would require the fees to be deposited in the Air*

*Pollution Control Fund and made available to the state board upon appropriation by the Legislature. The bill would require the state board to establish a statewide reporting program to quantify emissions and annually collect related information from indirect sources of emissions.*

*(2) Existing law requires the state board to identify toxic air contaminants that are emitted into the ambient air of the state and to adopt airborne toxic control measures to reduce emissions of toxic air contaminants. Existing law also requires the state board to designate any substance that is listed as a hazardous air pollutant under federal law as a toxic air contaminant and to establish airborne toxic control measures applicable to the substance in accordance with specified procedures.*

*This bill would authorize the state board to assess and collect reasonable fees on emitters of toxic air contaminants. The bill would require the fees to be deposited in the Air Pollution Control Fund and made available for the regulation of toxic air contaminants upon appropriation by the Legislature.*

*(3) Existing law authorizes air districts to establish a permit system to require, with specified exceptions, that a person obtain a permit before constructing or operating any article, machine, equipment, or contrivance that may cause the issuance of air contaminants. Existing law prohibits an air district from issuing a permit to a Title V source, as defined, if the Administrator of the United States Environmental Protection Agency objects to its issuance, as specified.*

*Existing law requires each district with moderate, serious, or severe air pollution to include certain measures in its plan to attain state ambient air quality standards, including the use of best available control technology for any new or modified stationary source, and the use of best available retrofit control technology for all existing stationary sources, under certain circumstances, as prescribed. Under the federal Clean Air Act, a new or modified major stationary source is required to meet various requirements in order to obtain a permit to operate, including a requirement that the source employs best available control technology on its emission-emitting equipment.*

*This bill would establish definitions for the terms “best available control technology” and “best available retrofit control technology” for purposes of the laws governing air pollution and would set forth various requirements for the determination of best available control technology.*



*The bill would require an air district to submit a proposed permit for a Title V source to the executive officer of the state board. The bill would require the executive officer to review the permit and, if the executive officer determines that the permit does not to comply with the federal Clean Air Act or state law governing air pollution, to object to the issuance of that permit. If the executive officer objects to the issuance of a permit, the bill would prohibit the air district from finalizing that permit without revising it to address the objection to the satisfaction of the executive officer. The bill would also authorize any person to petition the executive officer to object to a proposed Title V permit within 30 days of the executive officer's receipt of the proposed permit, as specified.*

*The bill would require an applicant for a renewal of a Title V permit to submit a technical feasibility analysis to the air district as part of its application for the renewal of that permit if the facility's current effective operating permit includes equipment or control apparatus that meets certain criteria. The bill would require an air district to require best available retrofit control technology to be applied at each piece of equipment or source category identified in the technical feasibility analysis and to impose measures more stringent than those proposed by the applicant, as specified.*

*(4) Existing law requires the state board to implement a program to assist air districts to improve efficiencies in the issuance of permits and requires that program to include a process to precertify simple, commonly used equipment and processes as being in compliance with air quality rules and regulations, to expedite permitting of air pollution sources. Existing law requires the California Environmental Protection Agency to evaluate the feasibility of expanding the precertification program to involve other state and local regulatory agencies with jurisdiction over other environmental media.*

*This bill would revise the precertification program including by requiring the state board to update criteria and guidelines for precertification at least once every 8 years. The bill would authorize the precertification program to include the identification of equipment, controls, fuels, and processes, as specified. As part of the precertification program, the bill would authorize the state board to prescribe rules to establish a voluntary program for the temporary assignment or loan of employees within an agency, or between agencies or jurisdictions, including air districts, on a limited-term basis, to enable the state to obtain expertise needed to meet a compelling program need.*

*The bill would authorize the California Environmental Protection Agency to expand the precertification program to involve other state and local regulatory agencies with jurisdiction over other environmental media.*

*(5) Existing law requires every air district, except as provided, to establish a program to provide for the expedited review of permits. Existing law requires that expedited permit system to include, among other things, a precertification program for equipment that is mass-produced and operated by numerous sources under the same or similar conditions and a training and certification program for private sector personnel, as specified.*

*This bill would eliminate the requirement that the expedited permit system include a precertification program established by the applicable air district. The bill would instead require the expedited permit system to include an expedited permit review pathway for permit applications that propose to use equipment and processes identified through the state board's precertification program described above, as specified. The bill would also eliminate the requirement that the expedited permit system include a training and certification program and would instead require the publication of online training resources for private sector personnel that explain expedited permitting pathways.*

*(6) Existing law requires the state board to establish and maintain a statewide clearinghouse that identifies the best available control technology and best available retrofit control technology for criteria air pollutants, and related technologies for the control of toxic air contaminants. When updating best available control technology determinations, existing law requires a district to use the information in the statewide clearinghouse.*

*This bill would require the state board to periodically issue determinations to suggest best available control technology, and best available retrofit control technology, for any class or category of sources and to establish best available control technology for the control of toxic air contaminants for any class or category of sources. The bill would authorize members of the public to petition the state board to issue a determination.*

*(7) Existing law authorizes the state board to appoint employees and prescribe their duties.*

*This bill would authorize the state board and any district to temporarily loan and assign staff members to each other, via a memorandum of agreement, for any lawful purpose.*

(8) Existing law generally makes any violation of a rule or regulation of the state board or an air district relating to nonvehicular air pollution control a misdemeanor.

To the extent that the bill would expand the definition of a crime, this bill would impose a state-mandated local program.

(9) By expanding the duties of air districts, the bill would impose a state-mandated local program.

(10) 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 specified reasons.

~~Existing law, the Lewis-Presley Air Quality Management Act, regulates air quality in the South Coast Air Basin. Existing law requires the south coast district board to adopt rules and regulations that require the use of best available retrofit control technology for existing sources of air pollution. Existing law defines the term “best available retrofit control technology” for purposes of the act.~~

~~This bill would make a nonsubstantive change to the definition.~~

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

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

- 1     SECTION 1. Section 39013.5 is added to the Health and Safety
- 2     Code, to read:
- 3     39013.5. “Alternative technology” means a process that does
- 4     not produce air pollutant emissions, or that produces emissions
- 5     below permitting thresholds, including, but not limited to,
- 6     zero-emissions technology, at a source being permitted. Upstream
- 7     emissions from power sector generation shall not be construed as
- 8     excluding any technology from this definition.
- 9     SEC. 2. Section 39016.1 is added to the Health and Safety
- 10    Code, to read:
- 11    39016.1. “Best available control technology” has the same
- 12    meaning as defined in Section 40405.
- 13    SEC. 3. Section 39016.2 is added to the Health and Safety
- 14    Code, to read:

1     39016.2. “Best available retrofit control technology” has the  
2 same meaning as defined in Section 40406.

3     SEC. 4. Section 39034.5 is added to the Health and Safety  
4 Code, to read:

5     39034.5. “Indirect source” has the same meaning as set forth  
6 in Section 7410(a)(5)(C) of Title 42 of the United States Code.

7     SEC. 5. Section 39514.5 is added to the Health and Safety  
8 Code, to read:

9     39514.5. The state board and any district may temporarily  
10 loan or assign staff members to each other, via a memorandum of  
11 agreement, for any lawful purpose, including to support the  
12 development of pollution control plans, the issuance and review  
13 of air pollution permits, and the development or implementation  
14 of determinations pursuant to Section 40920.8.

15     SEC. 6. Section 39602.5 of the Health and Safety Code is  
16 amended to read:

17     39602.5. (a) The state board shall adopt rules and regulations  
18 pursuant to Section 43013 that, in conjunction with other measures  
19 adopted by the state board, the districts, and the United States  
20 Environmental Protection Agency, will achieve ambient air quality  
21 standards required by the federal Clean Air Act (42 U.S.C. Sec.  
22 7401 et seq.) in all areas of the state by the applicable attainment  
23 date, and to maintain these standards thereafter. The state board  
24 shall adopt these measures if they are necessary, technologically  
25 feasible, and cost effective, consistent with Section 43013.

26     (b) If necessary to carry out its duties under this section, the  
27 state board shall adopt and enforce rules and regulations that  
28 anticipate the development of new technologies or the improvement  
29 of existing technologies. The rules and regulations shall require  
30 standards that the state board finds and determines can likely be  
31 achieved by the compliance date set forth in the rule.

32     (c) If necessary to carry out its duties under this section, the  
33 state board may adopt and enforce rules and regulations applicable  
34 to indirect sources of emissions to facilitate mobile source emission  
35 reduction. This subdivision does not affect the authority of a district  
36 to establish rules for, require permits of, or establish fees on  
37 indirect sources of emissions. In adopting these rules and  
38 regulations, the state board shall do all of the following

39     (1) Consult with affected districts to ensure that any state  
40 regulation supports district emission reduction needs.

(2) *Establish a schedule of fees on facilities and mobile sources limited in amount to cover only the reasonable costs of implementing and enforcing the regulations on those facilities and mobile sources. Fees collected pursuant to this paragraph shall be deposited in the Air Pollution Control Fund and made available to the state board for those purposes upon appropriation by the Legislature.*

(3) *Eliminate or minimize impacts to disadvantaged, low-income, and high-poverty communities.*

SEC. 7. *Section 39607.2 is added to the Health and Safety Code, to read:*

39607.2. *The state board shall establish a statewide reporting program to quantify emissions and annually collect related information from indirect sources of emissions, including data from on-road and off-road mobile sources that visit those sources, but are not owned or operated by those sources.*

SEC. 8. *Section 39620 of the Health and Safety Code is amended to read:*

39620. (a) *The state board shall implement a program to assist districts to improve efficiencies in the issuance of permits pursuant to this division. The program shall be consistent with the requirements of Title V.*

(b) (1) *The program shall include a process, developed in coordination with the districts, for the state board to precertify simple, commonly-used equipment and processes as being in compliance with applicable air quality rules and regulations, under conditions specified by the state board. The state board shall develop develop, and update at least once every eight years, criteria and guidelines for precertification in coordination with the districts. The precertification program may include the identification of equipment, controls, fuels, and processes that can achieve all of the following:*

(A) *Emissions limits lower than best available control technology limits.*

(B) *Emissions limits lower than best available control technology limits for toxic air contaminants.*

(C) *Reductions in greenhouse gas emissions, or removals of greenhouse gases from the atmosphere, in alignment with climate goals and targets established pursuant to the California Global*

1 *Warming Solutions Act of 2006 (Division 25.5 (commencing with*  
2 *Section 38500)).*

3 (2) (A) The state board shall charge a reasonable fee for  
4 precertification, not to exceed the state board's estimated costs.  
5 Payment of the fee shall be a condition of precertification.

6 (B) *As part of the precertification program, the state board may*  
7 *prescribe rules to establish a voluntary program for the temporary*  
8 *assignment or loan of employees within an agency, or between*  
9 *agencies or jurisdictions, including districts, on a limited-term*  
10 *basis, to enable the state to obtain expertise needed to meet a*  
11 *compelling program need. The rules shall outline terms and*  
12 *conditions of this program, including procedures governing the*  
13 *award of precertification fees, subject to appropriation by the*  
14 *Legislature, to agencies or jurisdictions participating in this*  
15 *program, to help offset the cost of the program.*

16 (3) Precertification shall not affect any existing authority of a  
17 district regarding permitting and compliance requirements.  
18 Precertification shall constitute a preliminary evaluation of the  
19 equipment or process, and a recommendation by the state board  
20 for permit conditions to be adopted by a district having jurisdiction  
21 over particular equipment or a particular process, that would allow  
22 district permitting staff to more quickly process permit applications  
23 for air pollution sources.

24 (4) *The state board shall periodically release public notices or*  
25 *requests for information to facilitate efforts to collect information*  
26 *on areas of interest relating to the precertification program.*

27 (4)

28 (5) The California Environmental Protection Agency, within  
29 existing resources, and in consultation with appropriate state and  
30 local regulatory agencies, ~~shall evaluate the feasibility and benefits~~  
31 ~~of expanding~~ *may expand* the precertification program to involve  
32 other state and local regulatory agencies with jurisdiction over  
33 other environmental media, including land and water.

34 SEC. 9. *Section 39666 of the Health and Safety Code is*  
35 *amended to read:*

36 39666. (a) Following a noticed public hearing, the state board  
37 shall adopt airborne toxic control measures to reduce emissions  
38 of toxic air contaminants from nonvehicular sources.

39 (b) For toxic air contaminants for which the state board has  
40 determined, pursuant to Section 39662, that there is a threshold

1 exposure level below which no significant adverse health effects  
2 are anticipated, the airborne toxic control measure shall be  
3 designed, in consideration of the factors specified in subdivision  
4 (b) of Section 39665, to reduce emissions sufficiently *through the*  
5 *application of best available control technology* so that the source  
6 will not result in, or contribute to, ambient levels at or in excess  
7 of the level ~~which~~ *that* may cause or contribute to adverse health  
8 effects as that level is estimated pursuant to subdivision (c) of  
9 Section 39660.

10 (c) For toxic air contaminants for which the state board has not  
11 specified a threshold exposure level pursuant to Section 39662,  
12 the airborne toxic control measure shall be designed, in  
13 consideration of the factors specified in subdivision (b) of Section  
14 39665, to reduce emissions to the lowest level achievable through  
15 application of best available control technology or a more effective  
16 control method, unless the state board or a district board  
17 determines, based on an assessment of risk, that an alternative  
18 level of emission reduction is adequate or necessary to prevent an  
19 endangerment of public health.

20 (d) Not later than 120 days after the adoption or implementation  
21 by the state board of an airborne toxic control measure pursuant  
22 to this section or Section 39658, the districts shall implement and  
23 enforce the airborne toxic control measure or shall propose  
24 regulations enacting airborne toxic control measures on  
25 nonvehicular sources within their jurisdiction ~~which~~ *that* meet the  
26 requirements of subdivisions (b), (c), and (e), except that a district  
27 may, at its option, and after considering the factors specified in  
28 subdivision (b) of Section 39665, adopt and enforce equally  
29 effective or more stringent airborne toxic control measures than  
30 the airborne toxic control measures adopted by the state board. A  
31 district shall adopt rules and regulations implementing airborne  
32 toxic control measures on nonvehicular sources within its  
33 jurisdiction in conformance with subdivisions (b), (c), and (e), not  
34 later than six months following the adoption of airborne toxic  
35 control measures by the state board.

36 (e) District new source review rules and regulations shall require  
37 new or modified sources to control emissions of toxic air  
38 contaminants consistent with subdivisions (b), (c), and (d) and  
39 Article 2.5 (commencing with Section 39656).

(f) Where an airborne toxic control measure requires the use of a specified method or methods to reduce, avoid, or eliminate the emissions of a toxic air contaminant, a source may submit to the district an alternative method or methods that will achieve an equal or greater amount of reduction in emissions of, and risk associated with, that toxic air contaminant. The district shall approve the proposed alternative method or methods if the operator of the source demonstrates that the method is, or the methods are, enforceable, that equal or greater amounts of reduction in emissions and risk will be achieved, and that the reductions will be achieved within the time period required by the applicable airborne toxic control measure. The district shall revoke approval of the alternative method or methods if the source fails to adequately implement the approved alternative method or methods or if subsequent monitoring demonstrates that the alternative method or methods do not reduce emissions and risk as required. The district shall notify the state board of any action it proposes to take pursuant to this subdivision. This subdivision is operative only to the extent it is consistent with the federal act.

(g) *For a given toxic air contaminant or airborne toxic control measure, the state board may adopt and enforce rules and regulations applicable to indirect sources of emissions to facilitate stationary and mobile source emission reductions. This subdivision does not affect the authority of a district to establish rules for, require permits of, or establish fees on indirect sources of emissions. In adopting these rules and regulations, the state board shall do all of the following:*

*(1) Consult with affected districts to ensure that any state regulation supports district emission reduction needs.*

*(2) Establish a schedule of fees on facilities and mobile sources limited in amount to cover only the reasonable costs of implementing and enforcing the regulations on those facilities and mobile sources. Fees collected pursuant to this paragraph shall be deposited in the Air Pollution Control Fund and made available to the state board for those purposes upon appropriation by the Legislature.*

*(3) Eliminate or minimize impacts to disadvantaged, low-income, and high-poverty communities.*



1     *SEC. 10. Article 7 (commencing with Section 39676) is added*  
2     *to Chapter 3.5 of Part 2 of Division 26 of the Health and Safety*  
3     *Code, to read:*

4  
5                     *Article 7. Fees*  
6

7     39676. (a) *The state board may assess and collect reasonable*  
8     *fees not to exceed the costs of implementing this chapter on emitters*  
9     *of toxic air contaminants.*

10    (b) (1) *Funds collected pursuant to this section shall be*  
11    *expended to carry out responsibilities authorized by this chapter;*  
12    *including, but not limited to, any of the following:*

13    (A) *Developing new, and amending existing, airborne toxic*  
14    *control measures.*

15    (B) *Implementing and enforcing airborne toxic control*  
16    *measures.*

17    (C) *Identifying, quantifying, inventorying, monitoring,*  
18    *evaluating, and reducing emissions of toxic pollutants in*  
19    *communities across the state, as determined to be necessary by*  
20    *the state board.*

21    (2) *In expending funds pursuant to paragraph (1), the state*  
22    *board shall prioritize emission reductions of toxic air contaminants*  
23    *in disadvantaged communities identified pursuant to Section 39711.*

24    (c) *Any fees imposed pursuant to this section shall be in an*  
25    *amount sufficient to cover the state board's reasonable costs in*  
26    *developing and implementing the programs authorized by this*  
27    *chapter, including any administrative costs, and may be adjusted*  
28    *by the annual change in the California Consumer Price Index, as*  
29    *determined pursuant to Section 2212 of the Revenue and Taxation*  
30    *Code, for the preceding year.*

31    (d) *Fees collected by the state board pursuant to this section*  
32    *shall be deposited in the Air Pollution Control Fund and shall be*  
33    *available upon appropriation by the Legislature for purposes of*  
34    *carrying out this chapter.*

35    *SEC. 11. Section 40405 of the Health and Safety Code is*  
36    *amended to read:*

37    40405. (a) *As used in this chapter, "best available control*  
38    *technology" means an emission limitation that will achieve the*  
39    *lowest achievable emission rate for the source to which it is*  
40    *applied. ~~Subject to subdivision (b), "Best available control~~*

1 *technology” includes the consideration of measures applied to*  
2 *sources in similar categories, the use of alternative technologies,*  
3 *modification of the process or process equipment, fuel selection,*  
4 *and other pollution prevention measures. An emissions limitation*  
5 *may include a requirement that a source use a different type of*  
6 *fuel, including a requirement to use electric power, to power a*  
7 *process or source, and an emission limitation shall not be declined*  
8 *to be set on the ground that the limitation would require a source*  
9 *to be powered by a different fuel.*

10 *(b) “Achieved in practice,” as used in this section, means*  
11 *emissions limits achieved by any combination of technologies,*  
12 *fuels, and processes that have operated at one or more facilities*  
13 *for a minimum of six months and that have been demonstrated as*  
14 *effective and reliable on a full-scale unit for a specific class and*  
15 *category of source. This combination includes technologies*  
16 *employed outside of the United States.*

17 *(c) (1) Subject to paragraph (2), “lowest achievable emission*  
18 *rate,” as used in this section, means the more stringent of the*  
19 *following:*

20 ~~(1)~~

21 *(A) The most stringent emission limitation that is contained in*  
22 ~~the any~~ *state implementation plan for the particular class or*  
23 *category of source, source, or in any permit for a source in the*  
24 *same class or category of sources, unless the owner or operator*  
25 *of the source demonstrates that the limitation is not achievable.*

26 ~~(2)~~

27 *(B) The most stringent emission limitation that is achieved in*  
28 *practice by that class or category or source, source or at any similar*  
29 *source through technology transfer.*

30 ~~(b)~~

31 *(2) “Lowest achievable emission rate” shall not be construed*  
32 *to authorize the permitting of a proposed new source or a modified*  
33 *source that will emit any pollutant in excess of the amount*  
34 *allowable under the applicable new source standards of*  
35 *performance.*

36 *(d) “Technology transfer,” as used in this section, means the*  
37 *consideration of technologies, fuels, and processes that are*  
38 *achieved in practice for a similar class or category of source. This*  
39 *consideration may include, but is not limited to, sources that have*

1 *similar exhaust stream characteristics or that are designed to*  
2 *produce similar products or outputs.*

3 *SEC. 12. Section 40406 of the Health and Safety Code is*  
4 *amended to read:*

5 40406. As used in this chapter, “best available retrofit control  
6 technology” means an emission limitation that is based on the  
7 maximum degree of reduction achievable, *which includes the*  
8 *consideration of fuels, process changes, or alternative technologies,*  
9 taking into account environmental, energy, and economic impacts  
10 by each class or category of source.

11 *SEC. 13. Section 40440.11 of the Health and Safety Code is*  
12 *amended to read:*

13 ~~40440.11. (a) In establishing the best available control~~  
14 ~~technology that is more stringent than the lowest achievable~~  
15 ~~emission rate pursuant to federal law for a proposed new or~~  
16 ~~modified source, the south coast district shall consider only control~~  
17 ~~options or emission limits to be applied to the basic production or~~  
18 ~~process equipment existing in that source category or a similar~~  
19 ~~source category.~~

20 ~~(b)~~

21 40440.11. (a) In establishing the best available control  
22 technology for a source category or determining the best available  
23 control technology for a particular new or modified source, when  
24 a particular control alternative for one pollutant will increase  
25 emissions of one or more other pollutants, the south coast district’s  
26 cost-effectiveness calculation for that particular control alternative  
27 shall include the cost of eliminating or reducing the increases in  
28 emissions of the other pollutants as required by the south coast  
29 district.

30 ~~(e)~~

31 (b) Prior to revising the best available control technology  
32 guideline for a source category to establish an emission limit that  
33 is more stringent than the existing best available control technology  
34 guideline for that source category, the south coast district shall do  
35 all of the following:

36 (1) Identify one or more potential control alternatives that may  
37 constitute the best available control technology, as defined in  
38 Section 40405.

39 (2) Determine that the proposed emission limitation has been  
40 met by production equipment, control equipment, or a process that

1 is commercially available for sale, and has achieved the best  
2 available control technology in practice on a comparable  
3 commercial operation for at least one year, or a period longer than  
4 one year if a longer period is reasonably necessary to demonstrate  
5 the operating and maintenance reliability, and costs, for an  
6 operating cycle of the production or control equipment or process.

7 (3) Review the information developed to assess the  
8 cost-effectiveness of each potential control alternative. For  
9 purposes of this paragraph, “cost-effectiveness” means the annual  
10 cost, in dollars, of the control alternative, divided by the annual  
11 emission reduction potential, in tons, of the control alternative.

12 (4) Calculate the incremental cost-effectiveness for each  
13 potential control option. To determine the incremental  
14 cost-effectiveness under this paragraph, the district shall calculate  
15 the difference in the annual dollar costs, divided by the difference  
16 in the annual emission reduction between each progressively more  
17 stringent control alternative, as compared either to the next less  
18 expensive control alternative, or to the current best available control  
19 technology, whichever is applicable.

20 (5) Place the best available control technology revision for a  
21 source category proposed under this subdivision on the calendar  
22 of a regular meeting agenda of the south coast district board, for  
23 its acceptance or further action, as the board determines.

24 ~~(d)~~

25 (c) If the proposed control option is more stringent than the  
26 lowest achievable emission rate for a source category pursuant to  
27 federal law, the south coast district shall not establish an emission  
28 limit for best available control technology that is conditioned on  
29 the use of a particular control option unless the incremental  
30 cost-effectiveness value of that option is less than the district’s  
31 established incremental cost-effectiveness value for each pollutant.  
32 Notwithstanding any other ~~provision of law~~, the south coast district  
33 shall have the discretion to revise incremental cost-effectiveness  
34 value for each pollutant, provided it holds a public hearing pursuant  
35 to Section 40440.10 ~~prior to~~ *before* revising the value.

36 ~~(e)~~

37 (d) After the south coast district determines what is the best  
38 available control technology for a source, it shall not change that  
39 determination for that application for a period of at least one year  
40 from the date that an application for authority to construct was

1 determined to be complete by the district. For major capital projects  
2 in excess of ten million dollars (\$10,000,000), after the applicant  
3 has met and conferred with the south coast district in a  
4 preapplication meeting, the south coast district executive officer  
5 may approve existing best available control technology for the  
6 project, for a longer time period as long as the final design is  
7 consistent with the initial, preliminary project design presented in  
8 the preapplication meeting.

9 *SEC. 14. Section 40920.8 of the Health and Safety Code is*  
10 *amended to read:*

11 40920.8. (a) (1) The state board shall establish and maintain  
12 a statewide clearinghouse that identifies the best available control  
13 technology and best available retrofit control technology for criteria  
14 air pollutants, and related technologies for the control of toxic air  
15 contaminants. *The statewide clearinghouse shall also identify*  
16 *relevant CDR technologies, as defined in Section 39741, to provide*  
17 *the public with centralized information on emissions control*  
18 *technology options.*

19 (2) *To assist in controlling air pollution from stationary sources,*  
20 *the state board shall, using the information collected and evaluated*  
21 *pursuant to Section 39620, periodically issue determinations to*  
22 *do any of the following:*

23 (A) *Suggest best available control technology for any class or*  
24 *category of sources.*

25 (B) *Suggest best available retrofit control technology for any*  
26 *class or category of sources.*

27 (C) *Establish best available control technology for the control*  
28 *of toxic air contaminants pursuant to Chapter 3.5 (commencing*  
29 *with Section 39650) of Part 2 for any class or category of sources.*

30 (3) *To ensure the statewide clearinghouse contains*  
31 *comprehensive information on technology options, the state board*  
32 *shall, using the information collected and evaluated pursuant to*  
33 *Section 39620, publish information on both of the following:*

34 (A) *Next generation technologies that are capable of achieving*  
35 *criteria air pollutant or toxic air contaminant emission reductions*  
36 *lower than existing standards for a given source type.*

37 (B) *Carbon management technologies that are capable of*  
38 *reducing greenhouse gases or removing greenhouse gases from*  
39 *the atmosphere.*

(b) In issuing determinations pursuant to paragraph (2) of subdivision (a), the state board shall prioritize classes or categories of sources that it deems to contribute to local air pollution exposure, including sources within or impacting disadvantaged communities identified pursuant to Section 39711. This includes the prioritization of sources of concern identified through air monitoring efforts. The state board may also prioritize the issuance of determinations to address sources that emit nonattainment pollutants, as defined in Section 39607.1, to strengthen state implementation plans pursuant to Section 39602.5.

(c) The state board shall provide the public an opportunity to comment before a determination issued pursuant to paragraph (2) of subdivision (a) is finalized. A determination issued pursuant to this section is not a regulation for purposes of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(d) (1) Members of the public may petition the state board to issue a determination pursuant to paragraph (2) of subdivision (a).

(2) The state board shall respond to a petition received pursuant to paragraph (1) within 60 calendar days.

(e) The state board shall provide annual updates at a public hearing to summarize the publications made in the statewide clearinghouse, the number of petitions received, and the response to any petitions.

~~(f)~~

~~(f) When updating best available control technology determinations, issuing air pollution control permits for all categories and classes of sources to which best available control technology determinations apply, a district shall use the information in the statewide clearinghouse established and maintained by the state board.~~

SEC. 15. Section 42301 of the Health and Safety Code is amended to read:

42301. A permit system established pursuant to Section 42300 shall do all of the following:

(a) Ensure that the article, machine, equipment, or contrivance for which the permit was issued does not prevent or interfere with the attainment or maintenance of any applicable air quality standard.

(b) Prohibit the issuance of a permit unless the air pollution control officer is satisfied, on the basis of criteria adopted by the district board, that the article, machine, equipment, or contrivance will comply with all of the following:

(1) All applicable orders, rules, and regulations of the district and of the state board.

(2) All applicable provisions of this division.

(c) Prohibit the issuance of a permit to a Title V source if the Administrator of the *United States* Environmental Protection Agency objects to its issuance in a timely manner as provided in ~~Title V: V or the executive officer objects to its issuance in a timely manner pursuant to Section 42301.19.~~ This subdivision is not intended to provide any authority to the *United States* Environmental Protection Agency to object to the issuance of a permit other than that authority expressly granted by Title V.

(d) Provide that the air pollution control officer may issue to a Title V source a permit to operate or use if the owner or operator of the Title V source presents a variance exempting the owner or operator from Section 41701, any rule or regulation of the district, or any permit condition imposed pursuant to this section, or presents an abatement order that has the effect of a variance and that meets all of the requirements of this part pertaining to variances, and the requirements for the issuance of permits to operate are otherwise satisfied. The issuance of any variance or abatement order is a matter of state law and procedure only and does not amend a Title V permit in any way. Those terms and conditions of any variance or abatement order that prescribe a compliance schedule may be incorporated into the permit consistent with Title V and this division.

(e) Require, upon annual renewal, that each permit be reviewed to determine that the permit conditions are adequate to ensure compliance with, and the enforceability of, district rules and regulations applicable to the article, machine, equipment, or contrivance for which the permit was issued ~~which that~~ were in effect at the time the permit was issued or modified, or ~~which that~~ have subsequently been adopted and made retroactively applicable to an existing article, machine, equipment, or contrivance, by the district board and, if the permit conditions are not consistent, require that the permit be revised to specify the permit conditions in accordance with all applicable rules and regulations.

(f) Provide for the reissuance or transfer of a permit to a new owner or operator of an article, machine, equipment, or contrivance. An application for transfer of ownership only, or change in operator only, of any article, machine, equipment, or contrivance—~~which~~ *that* had a valid permit to operate within the two-year period immediately preceding the application is a temporary permit to operate. Issuance of the final permit to operate shall be conditional upon a determination by the district that the criteria specified in subdivisions (b) and (e) are met, if the permit was not surrendered as a condition to receiving emission reduction credits pursuant to banking or permitting rules of the district. However, under no circumstances shall the criteria specify that a change of ownership or operator alone is a basis for requiring more stringent emission controls or operating conditions than would otherwise apply to the article, machine, equipment, or contrivance.

*SEC. 16. Section 42301.19 is added to the Health and Safety Code, to read:*

*42301.19. (a) A district shall electronically transmit each proposed and final Title V permit to the executive officer of the state board at the same time that the district transmits those permits to the United States Environmental Protection Agency pursuant to Section 70.8 of Title 40 of the Code of Federal Regulations with all the same information that is transmitted to the United States Environmental Protection Agency. The district shall post each proposed permit publicly on its internet website at the time of transmission.*

*(b) (1) Within 45 days of receipt of a proposed Title V permit, the executive officer of the state board shall review the permit and, if the executive officer determines that the permit does not comply with any relevant provision of the federal Clean Air Act (42 U.S.C. Sec. 7401 et seq.) or this division, shall object to that permit. If the executive officer objects to the issuance of the permit, the executive officer shall prepare a full statement of their reasons for objecting to that permit.*

*(2) If the executive officer objects to the issuance of a Title V permit pursuant to paragraph (1), the district shall not finalize that permit without revising it to address the objection to the satisfaction of the executive officer. In cases where the objection cannot be reasonably addressed, the district shall deny the permit application subject to Sections 42302 and 42309.*



1     (c) (1) Any person may petition the executive officer of the state  
2 board to object to a proposed Title V permit within 30 days of the  
3 executive officer's receipt of the proposed permit. A petition  
4 submitted pursuant to this subdivision shall explain its basis in  
5 facts and law for the requested objection and demonstrate that its  
6 bases were raised before the district, or provide good cause for a  
7 failure to raise those bases.

8     (2) The executive officer shall consider a petition submitted  
9 pursuant to paragraph (1) if it meets all of the following criteria:

10    (A) The issuance of the permit will result in a net increase of  
11 local air pollutants, including directly emitted airborne fine  
12 particles smaller than 2.5 microns in diameter or toxic air  
13 contaminants,

14    (B) Net emissions increases will occur within a disadvantaged  
15 community identified pursuant to Section 39711.

16    (C) The emissions increases will not be offset onsite or within  
17 the community.

18    (3) For permit modifications, the executive officer shall consider  
19 a petition submitted pursuant to paragraph (1) if the petition  
20 demonstrates that regression has occurred pursuant to Sections  
21 42500 to 42507, inclusive, including proposals to increase existing  
22 permit limits due to changes in fuel, processes, or equipment.

23    (4) The state board shall provide annual updates at a public  
24 hearing to summarize the number of petitions received pursuant  
25 to this section and the status of each petition.

26    SEC. 17. Section 42301.20 is added to the Health and Safety  
27 Code, to read:

28    42301.20. (a) (1) Except as provided in paragraph (2), an  
29 applicant for a renewal of a Title V permit issued pursuant to this  
30 chapter for a facility shall submit a technical feasibility analysis  
31 as part of its application for the renewal of that permit in  
32 accordance with subdivisions (b) and (c) if the facility's current  
33 effective operating permit includes any equipment or control  
34 apparatus that meets both of the following:

35    (A) Any equipment or control apparatus required by the permit  
36 subject to renewal was installed at least 20 years before the  
37 expiration date of its current effective operating permit.

38    (B) Any equipment or control apparatus required by the permit  
39 subject to renewal was not reviewed under this section in the 15  
40 years before the expiration date of the permit.

(2) *In cases where any equipment or control apparatus that was electively installed and permitted at emissions limits lower than best available control technology or best available control technology for toxic air contaminants limits that applied at the time the final permit to operate was issued, the equipment or control apparatus may be granted, in writing, an additional five years of operation before triggering the requirements of this section.*

(b) *The applicant shall list each piece of equipment and source operation that meets the criteria of subdivision (a), according to the potential of each piece of equipment and source operation, in descending order, to emit each applicable pollutant. For each listed piece of equipment and source operation, the applicant shall identify whether it is subject to any determinations made by the state board pursuant to Section 40920.8.*

(c) *For each piece of equipment and source operation listed under subdivision (b), the applicant shall provide a technical feasibility analysis addressing whether further reductions of air pollution from that equipment or source are feasible. The technical feasibility analysis shall include the following, and use the top-down approach, as provided below:*

(1) *A list of air pollution control technologies or pollution prevention options that may be applied to each equipment or control apparatus to reduce air pollution emissions, which shall:*

(A) *Include control applied to similar types of sources, alternative technologies, modification of the process or process equipment, other pollution prevention measures, and combination of these measures, including any measures identified in determinations made by the state board, or next generation technologies identified in the statewide clearinghouse, pursuant to Section 40920.8.*

(B) *List each measure in descending order of air pollution control effectiveness.*

(2) *A proposal to reduce emissions of each pollutant by applying the first listed or “top” measure in its list prepared pursuant to paragraph (1) for each equipment and control apparatus, unless the applicant demonstrates any of the following:*

(A) *The top measure is technically infeasible, based on physical, chemical, or engineering principles, or technical difficulties that would prevent the successful application of the measure, or both.*

1     (B) *The top measure would be unreasonable when comparing*  
2 *its air contaminant emission reduction benefits with its adverse*  
3 *environmental effects, such as effects on water or land, or toxic*  
4 *air contaminant emissions.*

5     (C) *The total and incremental costs of the top measure are*  
6 *greater than the total and incremental costs of the other proposed*  
7 *measures, which costs shall be calculated using the techniques in*  
8 *the latest edition of the United States Environmental Protection*  
9 *Agency's Air Pollution Control Cost Manual and that the extra*  
10 *costs, compared with the air contaminant emission reduction*  
11 *benefits resulting from the top measure, would make use of the top*  
12 *measure unreasonable.*

13     (D) *The top measure uses fuels that are not reliably available,*  
14 *or that the energy consumed by the top measure is greater than*  
15 *any proposed measure, and the extra energy used, when compared*  
16 *with the air contaminant emission reduction benefits resulting*  
17 *from the top measure, would make use of the top measure*  
18 *unreasonable.*

19     (3) *If the top measure is eliminated from consideration, the*  
20 *applicant shall evaluate each successive measure on the list, using*  
21 *the procedure described in paragraph (2), until the applicant*  
22 *reaches its proposed measure.*

23     (d) *The district shall require best available retrofit control*  
24 *technology to be applied at each piece of equipment or source*  
25 *category identified in the technical feasibility analysis and shall*  
26 *apply its expert judgment to each measure proposed by the*  
27 *applicant. The district may impose measures more stringent than*  
28 *proposed by the applicant if justified on the record.*

29     (e) *Measures imposed under this section are to be identified as*  
30 *nonfederally enforceable measures pursuant to Section 42301.12.*

31     SEC. 18. *Section 42322 of the Health and Safety Code is*  
32 *amended to read:*

33     42322. (a) *Every district shall establish, and update at least*  
34 *once every eight years, by regulation, a program to provide for the*  
35 *expedited review of permits issued pursuant to Article 1*  
36 *(commencing with Section 42300) in order to reduce unnecessary*  
37 *delay in the issuance of those permits and to protect the public*  
38 *health and the environment. The expedited permit system shall*  
39 *include all of the following:*

(1) ~~A~~ *An expedited permit review pathway for permit applications that propose to use equipment and processes identified through the state board's precertification program for equipment which is mass-produced and operated by numerous sources under the same or similar conditions, adopted pursuant to Section 39620 in order to allow permit applicants who purchase that propose to use identified equipment or processes to receive permits in an expedited fashion.*

(2) A consolidated permitting process for any source that requires more than one permit, which provides that the source will be permitted on a facility or project basis, provides a single point of contact for the permit applicant, and allows a source to be reviewed and permitted on a single, consolidated schedule.

(3) An expedited permit review schedule, based upon the types and amount of pollution emitted from sources. In order to comply with this subdivision, a district shall classify sources within its jurisdiction as minor, moderate, and major sources of air pollution, and shall establish a permit action schedule that sets forth specific deadlines, based on each classification, for an air pollution control officer to notify a permit applicant in writing of the approval or disapproval of a permit application.

(4) ~~A~~ *The publication of online training and certification program resources for private sector personnel, in order to establish a pool of professionals who can certify businesses as being in compliance with district rules and regulations. personnel that explain expedited permitting pathways, including where to find information on commercially available technology options that do not trigger the requirement to obtain a permit pursuant to Article 1 (commencing with Section 42300).*

(5) The development of standardized permit application forms that are written in clear and understandable language and provide applicants with adequate information to complete and return the forms.

(6) To the extent that a district determines that it will not adversely affect the public health and safety or the environment, the consolidation of the authority to construct and permit to operate into a single permit process in order to reduce processing times and paperwork for stationary sources.

(7) An appeals process whereby, if the air pollution control officer fails to notify a permit applicant of the approval or

1 disapproval of a permit application within the schedule established  
2 pursuant to paragraph (3), the permit applicant may, after notifying  
3 the district, request the district board, at its next regularly scheduled  
4 meeting, to set a date certain on which the permit will be acted  
5 upon. This paragraph does not prohibit a permit applicant from  
6 seeking relief under Section 42302.

7 (b) For those districts~~which~~ *that* have a population of less than  
8 1,000,000 persons, the state board shall provide assistance in  
9 developing regulations implementing this section.

10 (c) This section does not apply to county air pollution control  
11 districts in counties that have a population of less than 250,000  
12 persons.

13 *SEC. 19. No reimbursement is required by this act pursuant*  
14 *to Section 6 of Article XIII B of the California Constitution because*  
15 *a local agency or school district has the authority to levy service*  
16 *charges, fees, or assessments sufficient to pay for the program or*  
17 *level of service mandated by this act or because costs that may be*  
18 *incurred by a local agency or school district will be incurred*  
19 *because this act creates a new crime or infraction, eliminates a*  
20 *crime or infraction, or changes the penalty for a crime or*  
21 *infraction, within the meaning of Section 17556 of the Government*  
22 *Code, or changes the definition of a crime within the meaning of*  
23 *Section 6 of Article XIII B of the California Constitution.*

24 ~~SECTION 1. Section 40406 of the Health and Safety Code is~~  
25 ~~amended to read:~~

26 ~~40406. As used in this chapter, “best available retrofit control~~  
27 ~~technology” means an emission limitation that is based on the~~  
28 ~~maximum degree of reduction achievable, that takes into account~~  
29 ~~environmental, energy, and economic impacts by each class or~~  
30 ~~category of source.~~

# ATTACHMENT 2G

South Coast Air Quality Management District  
Legislative Analysis Summary – SB 712 (Grove)  
Version: Amended – 3/24/25  
Analyst: Maria Corralejo

## **SB 712 (Grove)**

Smog check: collector motor vehicles: exemption.

**Summary:** The bill would expand a partial smog check exemption in existing law for collector motor vehicles to a full exemption from the smog check requirement, both biennially and at transfer, if the vehicle is at least 35 model years old.

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

Existing law also exempts from specified portions of the smog test a collector motor vehicle that is insured as a collector motor vehicle, is at least 35 model years old, complies with the exhaust emissions standards for that motor vehicle's class and model year as prescribed by the department, and that passes a functional inspection of the fuel cap and a visual inspection for liquid fuel leaks.

**Status:** 3/25/25: Set for hearing April 8 in Senate Transportation Committee.

**Specific Provisions:** Specifically, this bill would expand a partial smog check exemption in existing law for collector motor vehicles to a full exemption from the smog check requirement, both biennially and at transfer, if the vehicle is at least 35 model years old.

**Impacts on South Coast AQMD's Mission, Operations or Initiatives:** In the South Coast Air Basin, motor vehicles are a large source of emissions, with millions of cars in the region. Some of the major air pollutants from motor vehicles include particulate matter, nitrogen oxides (NOx), volatile organic compounds (VOCs), and toxic air contaminants. Older vehicles are some of the largest polluters as compared to newer, cleaner light-duty vehicles on the road today. Adding collector motor vehicles to the list of cars exempted from the smog check program would lead to an increase in emissions within the South Coast region.

First, the definition of a "collector motor vehicle" in state law has a level of ambiguity to it that could create a loophole in which more cars 35 years and older qualify for this rolling exemption.

Second, the bill could result in a significant increase in emissions within the South Coast region. For example, CARB data shows that a new 1982 passenger car has approximately 97

times higher NOx emissions than a new 2025 model year passenger car. In the current calendar year, assuming the 1982 vehicle complies with Smog Check, it would emit approximately 123 times the NOx emissions of a 2025 passenger car. This increase is due to the expected degradation of the vehicle's emissions control systems, which the Smog Check program takes into consideration. Assuming the 1982 car is driven just 3,000 miles a year, at 123 times the NOx emissions, it is equivalent to a 2025 passenger car being driven 369,000 miles a year. For daily drivers, the emissions data is even more astonishing. Using the same emissions numbers as above, a single 1982 car with expected degradation of its pollution control equipment, driven 11,000 miles, is equivalent to 1.353 million miles of NOx emissions from a 2025 car. Without regular inspections through Smog Check, vehicle emissions control systems can degrade to the point of being entirely ineffective, be tampered with, or removed altogether, which will result in untold air pollution impacts even greater than illustrated above, making the South Coast region's already challenging air quality issues even more difficult to address.

Thus, this bill is in opposition to South Coast AQMD's policy priorities related to reducing criteria pollutant and toxic air emissions within the South Coast region from mobile sources. The bill would be detrimental to public health and be contrary to South Coast AQMD's efforts to attain federal air quality standards and reduce GHG emissions through the deployment of clean technology.

### **Recommended Position: OPPOSE**

#### **Support:**

Bakersfield Car Club Council, INC.  
Californians for Classic Car Smog Exemptions  
City of Clovis  
City of Clovis Councilmember Drew Bessinger  
Classic Corvairs of River City  
Disabled Veteran Empowerment Network  
Hb Car Club  
Heritage Garage  
Jay Leno (Individual)  
Mariposa Lions Club  
Monica Burcelis (Individual)  
Noel Burcelis (Individual)  
Over the Hill Gang San Diego  
Petersen Automotive Museum  
Road Kings of Burbank CA  
Russell Gibbon (Individual)  
Sacramento Lowrider Commission  
San Diego Region of The Antique Automobile Club of America

South Coast Air Quality Management District  
Legislative Analysis Summary – SB 712 (Grove)  
Version: Amended – 3/24/25  
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San Joaquin County Supervisor Mario Gardea  
San Joaquin County Supervisor Robert Rickman  
Santa Barbara Woodie Club  
Santa Clara Valley Model T Ford Club  
Specialty Equipment Market Association (SEMA)  
United British Sports Cars Club

**Opposition:**

7th Generation Advisors  
Active San Gabriel Valley  
American Lung Association in California  
Bay Area Air Quality Management District  
California Air Pollution Control Officers Association  
Cleaneearth4kids.org  
Coalition for Clean Air  
Physicians for Social Responsibility - San Francisco Bay Area Chapter  
Regional Asthma Management and Prevention (RAMP)  
San Francisco Bay Physicians for Social Responsibility



# ATTACHMENT 2H

AMENDED IN SENATE MARCH 24, 2025

**SENATE BILL**

**No. 712**

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**Introduced by Senator Grove**

*(Principal coauthor: Assembly Member Wallis)*

*(Coauthors: Senators Alvarado-Gil, Choi, Cortese, Dahle, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, and Valladares)*

*(Coauthors: Assembly Members Alanis, Castillo, Davies, Gallagher, Jeff Gonzalez, Hadwick, Patterson, and Michelle Rodriguez)*

February 21, 2025

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An act to amend Section 44011 of the Health and Safety Code, *and to amend Section 4000.1 of the Vehicle Code*, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

SB 712, as amended, Grove. Smog check: *collector motor vehicles*: exemption.

Existing law establishes a motor vehicle inspection and maintenance (smog check) program that is administered by the Department of Consumer Affairs. The smog check program requires inspection of motor vehicles upon initial registration, biennially upon renewal of registration, upon transfer of ownership, and in certain other circumstances. Existing law exempts specified vehicles from being inspected biennially upon renewal of registration, including, among others, all motor vehicles manufactured prior to the 1976 model year. Existing law also exempts from specified portions of the smog ~~test~~ *test*, *both biennially and at transfer*, a collector motor vehicle that is insured as a collector motor vehicle, is at least 35 model years old, complies with the exhaust emissions standards for that motor vehicle's class and model year as prescribed by the department, and that passes a functional inspection of the fuel cap and a visual inspection for liquid fuel leaks.

This bill would delete the above partial smog check exemption for collector motor vehicles from existing law. Instead, the bill would fully exempt a collector motor vehicle from the smog check ~~requirement~~ *requirement, both biennially and at transfer*, if the vehicle is at least 35 model years ~~old and proof is submitted that the motor vehicle is insured as a collector motor vehicle, as specified.~~ *old. The bill would be known, and may be cited as, Leno's Law.*

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

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

1     SECTION 1. This act shall be known, and may be cited as,  
2     *Leno's Law.*

3     ~~SECTION 1.~~

4     SEC. 2. Section 44011 of the Health and Safety Code is  
5     amended to read:

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

10    (1) All motorcycles until the department, pursuant to Section  
11    44012, implements test procedures applicable to motorcycles.

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

16    (3) All motor vehicles manufactured prior to the 1976 model  
17    year.

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

20    (B) (i) Beginning January 1, 2005, all motor vehicles six or  
21    less model years old, unless the state board finds that providing  
22    an exception for these vehicles will prohibit the state from meeting  
23    the requirements of Section 176(c) of the federal Clean Air Act  
24    (42 U.S.C. Sec. 7401 et seq.) or the state's commitments with  
25    respect to the state implementation plan required by the federal  
26    Clean Air Act.

27    (ii) Notwithstanding clause (i), beginning January 1, 2019, all  
28    motor vehicles eight or less model years old, unless the state board

1 finds that providing an exception for these vehicles will prohibit  
2 the state from meeting the requirements of Section 176(c) of the  
3 federal Clean Air Act (42 U.S.C. Sec. 7401 et seq.) or the state's  
4 commitments with respect to the state implementation plan required  
5 by the federal Clean Air Act.

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

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

12 (i) The department determines through remote sensing activities  
13 or other means that there is a substantial probability that the vehicle  
14 has a tampered emission control system or would fail for other  
15 cause a smog check test as specified in Section 44012.

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

18 (iii) The vehicle is being registered as a specially constructed  
19 vehicle.

20 (iv) The vehicle has been selected for testing pursuant to Section  
21 44014.7 or any other provision of this chapter authorizing  
22 out-of-cycle testing.

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

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

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

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

36 (8) (A) All diesel-powered vehicles manufactured prior to the  
37 1998 model year.

38 (B) All diesel-powered vehicles that have a gross vehicle weight  
39 rating of 8,501 to 10,000 pounds, inclusive, until the department,

1 in consultation with the state board, pursuant to Section 44012,  
2 implements test procedures applicable to these vehicles.

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

9 (D) All diesel-powered vehicles that have a gross vehicle weight  
10 rating of 14,001 pounds or greater.

11 (9) A collector motor vehicle, as defined in Section 259 of the  
12 Vehicle Code, ~~if the motor vehicle meets all of the following~~  
13 ~~criteria: that is at least 35 model years old.~~

14 ~~(A) Submission of proof that the motor vehicle is insured as a~~  
15 ~~collector motor vehicle, as shall be required by regulation of the~~  
16 ~~bureau.~~

17 ~~(B) The motor vehicle is at least 35 model years old.~~

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

21 *SEC. 3. Section 4000.1 of the Vehicle Code is amended to read:*

22 4000.1. (a) Except as otherwise provided in subdivision (b),  
23 (c), or (d) of this section, or subdivision (b) of Section 43654 of  
24 the Health and Safety Code, the department shall require upon  
25 initial registration, and upon transfer of ownership and registration,  
26 of any motor vehicle subject to Part 5 (commencing with Section  
27 43000) of Division 26 of the Health and Safety Code, a valid  
28 certificate of compliance or a certificate of noncompliance, as  
29 appropriate, issued in accordance with Section 44015 of the Health  
30 and Safety Code.

31 (b) With respect to new motor vehicles certified pursuant to  
32 Chapter 2 (commencing with Section 43100) of Part 5 of Division  
33 26 of the Health and Safety Code, the department shall accept a  
34 statement completed pursuant to subdivision (b) of Section 24007  
35 in lieu of the certificate of compliance.

36 (c) For purposes of determining the validity of a certificate of  
37 compliance or noncompliance submitted in compliance with the  
38 requirements of this section, the definitions of new and used motor  
39 vehicle contained in Chapter 2 (commencing with Section 39010)  
40 of Part 1 of Division 26 of the Health and Safety Code shall control.

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

(1) The initial application for transfer is submitted within the 90-day validity period of a smog certificate as specified in Section 44015 of the Health and Safety Code.

(2) The transferor is the parent, grandparent, sibling, child, grandchild, or spouse of the transferee.

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

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

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

(6) The motor vehicle was manufactured prior to the 1976 ~~model-year~~ *model year*.

(7) Except for diesel-powered vehicles, the transfer is for a motor vehicle that is four or less ~~model-years~~ *model years* old. The department shall impose a fee of eight dollars (\$8) on the transferee of a motor vehicle that is four or less ~~model-years~~ *model years* old. Revenues generated from the imposition of that fee shall be deposited into the Vehicle Inspection and Repair Fund.

(8) *A motor vehicle that is a collector motor vehicle that is at least 35 model years old.*

(e) The State Air Resources Board, under Part 5 (commencing with Section 43000) of Division 26 of the Health and Safety Code, may exempt designated classifications of motor vehicles from subdivision (a) as it deems necessary, and shall notify the department of that action.

(f) Subdivision (a) does not apply to a motor vehicle when an additional individual is added as a registered owner of the motor vehicle.

~~(g) For purposes of subdivision (a), any collector motor vehicle, as defined in Section 259, is exempt from those portions of the test required by subdivision (f) of Section 44012 of the Health and Safety Code, if the collector motor vehicle meets all of the following criteria:~~

- 1     ~~(1) Submission of proof that the motor vehicle is insured as a~~  
2     ~~collector motor vehicle, as shall be required by regulation of the~~  
3     ~~bureau.~~
- 4     ~~(2) The motor vehicle is at least 35 model-years old.~~
- 5     ~~(3) The motor vehicle complies with the exhaust emissions~~  
6     ~~standards for that motor vehicle's class and model year as~~  
7     ~~prescribed by the department, and the motor vehicle passes a~~  
8     ~~functional inspection of the fuel cap and a visual inspection for~~  
9     ~~liquid fuel leaks.~~

## ATTACHMENT 3A



To: South Coast Air Quality Management District  
From: Cassidy & Associates  
Date: March 25, 2025  
Re: March Report

### *HOUSE/SENATE*

#### *Congress*

The House and Senate are back in session this week. On Tuesday, Speaker Mike Johnson (R-LA-4), Senate Majority Leader John Thune (R-SD), and House and Senate Committee chairs will meet to negotiate over the Senate and House budget resolutions. An agreement must be reached on a budget resolution in order for the budget reconciliation process to advance. The House-passed resolution includes \$1.5 trillion in spending cuts and \$4.5 trillion for tax cuts, whereas the Senate's resolution has \$325 billion in new military and border spending and energy policy changes. Additionally, Speaker Johnson wants the resolution to increase the debt limit, while Senate Republicans are hesitant. House and Senate Republican leaders want to pass a final budget resolution before the Easter Recess – the House is scheduled to recess on April 10 and the Senate on April 11.

On March 14, Congress passed another continuing resolution (CR) to fund the government at Fiscal Year (FY) 2024 levels until September 30, the end of Fiscal Year 2025.

#### *EPA*

On March 12, the Environmental Protection Agency (EPA) announced 31 actions to rollback or reconsider Biden-era regulations. This includes reconsideration of the Endangerment Finding, which determined that certain greenhouse gas emissions threatened human health and

provided a path to regulate them under the Clean Air Act. Other actions include the reconsideration of the Clean Power Plan 2.0, the Greenhouse Gas Reporting Program, the Risk Management Program Rule, greenhouse gas emissions standards for light-duty and medium-duty vehicles, National Emissions Standards for Hazardous Air Pollutants, and the Regional Haze Program. These regulatory changes could have significant impacts on air quality and the quantity of greenhouse gases released into the atmosphere. The Administration stated that these actions will lead to eliminating trillions of dollars in regulatory costs for American families. Read more [here](#).

On March 10, EPA Administrator Lee Zeldin, in collaboration with the Department of Government Efficiency (DOGE), identified and cancelled over 400 grants across nine programs, totaling \$1.7 billion. This is a result of the administration's efforts to closely review government spending. EPA did not release details about the cancelled grants. Read more [here](#).

On March 6, the EPA filed a motion in federal court to remove the safety regulations set in place by the Biden-Harris administration that required hazardous chemical sites to adopt new safety regulations. While Republican Attorneys-General and chemical industry groups argued the rules imposed burdensome regulation on companies, environmental advocacy groups argued the rollbacks would cause potential neighborhood evacuations in the event of a chemical explosion, injuries, and deaths. After EPA has completed its review and consideration of public comments and concerns, they intend to initiate further rulemaking that will reexamine the rule for consistency with the law and Administration policy. In this rulemaking, EPA will consider whether the agency must evaluate all conditions of use of a chemical, whether and how the use of PPE and industrial controls in an occupational work environment should be incorporated into risk evaluations, and reconsider regulatory definitions expanded by the Biden administration. Read more [here](#).

On March 4, with the input of the Department of Government Efficiency, EPA Administrator Zeldin identified and cancelled another 21 grants amounting to \$116,449,761 total. Zeldin says that the EPA will not stop cutting federal spending until they "ensure that every taxpayer penny spent is to advance clean air, land and water." EPA did not provide a list of the cancelled grants. Read more [here](#).

Cassidy and Associates support in March:

- Worked with SCAQMD staff to strategize on future DC outreach and plan for DC visits.
- Advised SCAQMD on contacts within incoming Trump Administration and executive actions pursued by the Administration.
- Advised SCAQMD on federal funding protection strategies.



- 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.

# **ATTACHEMENT 3B**

## **KADESH & ASSOCIATES**

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

On March 15, President Trump signed a full-year Continuing Resolution (CR) that extends FY24 spending levels to cover the remainder of FY25, with some anomalies. The CR includes a funding increase compared to FY24 levels for the Department of Defense but overall represents a cut to both defense and domestic spending relative to Fiscal Responsibility Act which set the FY25 spending levels.

Because it is a CR, for most accounts just the top line numbers are extended. There is very little policy in this bill and any congressional guidance, previous budget requests, and other direction on how funds should be spent do not apply. As such, the administration will have wide latitude to decide how these funds are spent.

The bill was approved on a near-party-line vote of 217 to 213 in the House, and by a vote of 54-46 in the Senate, after ten Democrats voted with the Republican majority to avoid a filibuster.

Upon passing the CR, Congress adjourned for a weeklong district recess, returning to Washington, D.C. the week of March 24. Republican leadership and committee chairs intend to meet at the White House to attempt to find a compromise and path forward on the budget resolution for reconciliation, to extend 2017 tax cuts and provide increased funding for border/immigration enforcement and defense. Two chambers passed budget resolutions in February that were very different in both size and scope.

One important piece of information we may learn during this congressional work period is CBO's estimate of when Congress must act to raise the debt ceiling. While this "X date" is not expected to fall until late spring or even summer, once the date becomes public and agreed-upon, that will likely become the target for finishing reconciliation.

This is also likely the last stretch of session prior to release of the President's FY26 budget request, which is likely the last week of April or first week of May. It is unclear if the widely-expected FY25 rescissions package (i.e. formalizing agency funding cuts) will also be released at the same time.

### **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.



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

**To:** South Coast AQMD Legislative Committee

**From:** Carmen Group

**Date:** March 25, 2025

**Re:** Federal Update -- Executive Branch

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**Appropriations:** Nine Senate Democrats sided with majority Republicans in both houses to approve a full-year continuing resolution (CR) maintaining FY25 federal spending at current levels through September 30, thus avoiding a government shutdown and clearing the decks for the FY26 process to begin in earnest. A key next step will be the release of the President's budget, now expected in late April or early May.

**Permitting Reform:** The Senate Environment & Public Works Committee has received hundreds of written comments in the aftermath of a February hearing on permitting reform where the hearing record was left open for an extra month to stir additional ideas for what should be included in hoped-for major bipartisan legislation. The committee is playing a lead role in the process and is essentially starting anew this year instead of leaning on permitting legislation driven by the Senate Energy & Natural Resources Committee that failed in the last Congress.

## **Environmental Protection Agency**

**EPA Announces Multiple Deregulatory Actions:** On March 12, EPA Administrator Lee Zeldin announced a lengthy series of deregulatory actions, issuing over 20 press releases describing how the Trump Administration is endeavoring to reverse Biden Administration EPA rules and policies. In most cases, these actions assert that the rules in question are going to be "reconsidered" by the new administration, meaning they are being targeted to be revised, replaced, or eliminated under official rulemaking procedures that will take many weeks and months to fully implement. These include the following:

- Power Plant Regulations (Clean Power Plan 2.0)
- Oil and Gas Industry Regulations
- Mercury and Air Toxics Standards (MATS)
- Greenhouse Gas Reporting Program
- 2024 Risk Management Plan
- Light- and Medium-Duty Vehicle Regulations
- GHG Standards for Heavy-Duty Vehicles
- Clean Trucks Plan (2022 Heavy-Duty Low-NOx Rule)
- 2009 Endangerment Finding
- PM 2.5 National Ambient Air Quality Standards (NAAQS)
- National Emission Standards for Hazardous Air Pollutants (NESHAPs)

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- Clean Air Act Regional Haze Program
- “Social Cost of Carbon” Permitting Guidelines
- National Enforcement and Compliance Initiatives
- Exceptional Events (Wildfire) Rule
- Environmental Justice and Diversity, Equity and Inclusion Offices

**Notable EPA Appointments:**

**Josh F.W. Cook**, *Region 9 Administrator* (CA Tribal Advisor, St. Leg. Staff, USC Prof.)  
**David Fotouhi**, *Deputy Admin.* / **Aaron Szabo**, *Air Admin.* approved in 10-9 Cmte. vote

## **Department of Energy**

**DOE Advances Key LNG Projects:** In February and March, the Department of Energy (DOE) advanced key liquefied natural gas (LNG) projects and initiatives, including a Louisiana LNG export project and a Florida project to dispense LNG as a marine fuel to power vessels, reversing decisions that had paused both projects under the previous administration. In addition, the *Wall Street Journal* reported in March that the previous administration had ordered the pause in these and other LNG projects until a comprehensive study of LNG was to be completed this spring, while at the same time a draft study showing negligible LNG effects (just uncovered) was being suppressed.

**Notable DOE Appointments:**

**Jonathon Brightbill**, *General Counsel*, (Winston & Strawn Law, Trump I DOJ)  
**Timothy Walsh**, *Asst. Sec. for Environmental Mgmt.* (Pillsbury Law—Nuclear Issues)  
**Katie Jereza**, *Asst. Sec. for Electricity* (Electric Power Research Institute, Trump I DOE)

## **Department of Transportation**

**Duffy Rescinds Biden DOT Policy Memos on Infrastructure Law:** In March, Transportation Secretary Sean Duffy rescinded two policy memos issued by the Biden Administration that injected a social justice and environment into decisions surrounding the building of critical projects under the Bipartisan Infrastructure Law passed in 2021.

**Notable DOT Appointments:**

**Seval Oz**, *Assistant Secretary* (Waymo, Aurina, Other Autonomous Vehicle Tech)  
**Sean McMaster**, *FHWA Administrator* (HTNB, Trump I DOT, House T&I Staff)  
**Brent Sadler**, *Maritime Administrator* (Heritage Foundation, Former Naval Officer)

**Notable OMB Appointment**

**Eric Ueland**, *OMB Deputy Director for Management*, (Trump I WH, US Senate Staff)

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**Outreach:** During March, Carmen Group was in touch with Senate committee staff, and reached out to EPA and DOT staff on federal budget, policy and reconciliation matters.

###

# **ATTACHMENT 4A**

South Coast AQMD, Legislative Committee Report

Buckley Government Affairs LLC

April 11, 2025

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## **Legislative Session Update**

The legislative year is well underway with a flurry of budget and policy hearings occurring throughout the month of March. Hundreds of bills were amended with substantive language signaling the beginning of a chaotic April and early May as legislators work to meet upcoming deadlines.

Compounding the urgency, the Legislature will take its Spring Recess beginning April 10 and will reconvene on April 24. This weeklong break will shorten the available working days, further putting stress on the legislative calendar upon their return. As a result, we anticipate an increase in the number and duration of committee hearings as lawmakers attempt to advance bills through the legislative process.

April will be a critical month for legislative activity, especially with significant policy and fiscal deadlines looming in May. With the legislative proposals now taking shape, advocacy efforts are shifting into high gear as stakeholders react to new bill language. The volume and pace of activity underscores the importance of engagement in the legislative process.

## **Budget Update**

The Department of Finance has posted their March update for revenues. In encouraging news, the preliminary General Fund agency cash receipts were \$2.3 billion, or 24.9 percent, above the Governor's Budget forecast in February, and \$4.6 billion, or 3.8 percent, above the fiscal year-to-date forecast. The fiscal year-to date overage was the result of higher receipts from personal income tax (up \$3.1 billion due to a \$3.2 billion overage in withholding), other revenues (up

\$1.5 billion), and corporation tax (up \$111 million), partially offset by lower-than-expected sales tax receipts (down \$263 million).

While recent news about state revenues is positive, discussions around spending priorities continue to dominate conversations. In coordination with South Coast AQMD staff, we have been actively advocating for critical programs, including continued funding for AB 617. As part of these efforts, we successfully secured a budget letter in support of the program.

However, the broader budget landscape remains complex. Governor Gavin Newsom is reportedly seeking a \$3.4 billion loan from the General Fund to address a shortfall in the state's Medi-Cal program, a move that could significantly impact overall budget allocations and priorities.

### **Appointments**

On March 18<sup>th</sup>, U.S. EPA announced that the President had appointed Josh F.W. Cook as Pacific Southwest (Region 9) Regional Administrator. Before his most recent post, Mr. Cook worked in the California State Legislature for many years. He was previously Chief of Staff to Senator Brian Dahle.

# ATTACHMENT 4B



## **Joe A. Gonsalves & Son**

**Anthony D. Gonsalves**

**Jason A. Gonsalves**

**Paul A. Gonsalves**

PROFESSIONAL LEGISLATIVE REPRESENTATION

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Email: gonsalves@gonsalvi.com

TO: South Coast Air Quality Management District

FROM: Anthony, Jason & Paul Gonsalves

SUBJECT: Legislative Update – March 2025

DATE: Tuesday, March 25, 2025

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The month of March is typically when things start to pick up in Sacramento. Policy Committees are starting to hear the almost 2,500 new bills introduced this year and budget negotiations are continuing between the Assembly, Senate and the Administration. There are two outstanding impacts to the State budget that are making it difficult to understand the State's fiscal stability. The devastating Los Angeles wildfires and actions by the Federal government have the potential to wipe out the State's budget.

The following will provide you with updates of interest to the District:

### **AMERICA IS ALL IN**

On March 21, 2025, Governor Newsom announced his new role as Co-Chair of America Is All In, a nationwide coalition committed to cutting emissions in half by 2030 and achieving net-zero emissions by 2050. The coalition, which spans all 50 states and multiple sectors, focuses on building climate resilience and advancing ambitious environmental policies.

As Co-Chair, Newsom joins Managing Co-Chair Gina McCarthy, along with Illinois Governor JB Pritzker and Cleveland Mayor Justin Bibb. The coalition works to mobilize and support cities, states, tribal nations, businesses, and institutions in implementing climate strategies, ensuring accountability, and accelerating climate action beyond the federal level.

America Is All In also aims to elevate subnational climate leadership on the global stage, promoting policies that secure a sustainable, equitable, and prosperous future for all. Through direct action and advocacy, the coalition seeks to address the urgency of the climate crisis while strengthening national and international collaboration.

In his first action as Co-Chair, Governor Newsom announced a new initiative to reduce methane pollution using advanced satellite technology. This effort comes as the Trump Administration's EPA moves to weaken long-standing environmental protections, including reconsidering the "endangerment finding" that supports federal regulations on greenhouse gas emissions.

The program utilizes satellite-mounted sensors to detect and monitor large methane emissions from sources such as landfills, oil and gas operations, and livestock facilities. Since methane is 80 times more potent than carbon dioxide in the near term and accounts for a quarter of global carbon pollution, identifying and mitigating leaks is crucial for environmental protection. The data collected will enable state and local agencies to collaborate with industries to address emissions more effectively and protect public health.

Funded by a \$100 million investment from California's Cap-and-Trade program, the satellite project has already launched one satellite, with up to seven more planned. The state will maintain a database and web portal to coordinate mitigation efforts and provide public access to the data. Although California does not own the satellites, state agencies can request specific areas for monitoring, ensuring greater transparency and accountability in methane reduction efforts.

### **LA WILDFIRE CLEAN UP**

The cleanup of the Los Angeles fires is progressing at an unprecedented pace, with 475 crews working around the clock to clear debris from the Eaton and Palisades fires. So far, 1,300 parcels have been cleared, and 507 have been returned to the county by the U.S. Army Corps of Engineers. Survivors are urged to apply for federal assistance and complete a Right-of-Entry form for no-cost debris removal before the March 31 deadline.

The Governor's Office of Emergency Services (Cal OES) is working with federal and local agencies to secure financial aid for survivors. So far, billions of dollars in assistance have been allocated, including \$24.2 million for displacement assistance, \$21 million for housing assistance, and \$73.4 million for other needs assistance, covering uninsured losses, medical expenses, and disaster-related costs.

Additionally, the Small Business Administration has provided \$1.88 billion in low-interest loans to help homeowners, renters, businesses, and nonprofits recover. These efforts underscore the state's commitment to rapidly rebuilding affected communities and ensuring survivors receive the support they need to recover from the devastating fires.

### **EV CHARGERS**

On March 20, 2025, the California Energy Commission (CEC) announced that California has reached a milestone of 178,549 public and shared private electric vehicle (EV) chargers statewide, surpassing the estimated 120,000 gasoline nozzles by 48%. Of these, 162,178 are Level 2 chargers, and 16,971 are fast chargers, with an additional 700,000 Level 2 chargers installed in single-family homes. The state remains a leader in zero-emission vehicle (ZEV) infrastructure, investing billions to support clean transportation and improve the EV driver experience, especially in underserved areas.

To further expand EV infrastructure, California has approved a \$1.4 billion investment plan, including initiatives like the Fast Charge California Project under the California Electric Vehicle Infrastructure Project (CALeVIP). This project will allocate \$55 million for fast-charging stations at businesses and publicly accessible locations. The state is also offering grants and rebates to help low-income residents transition to EVs. Improved data collection has contributed to the updated charger count, with 37,983 new chargers installed in 2024 and 35,554 previously existing chargers identified through new sources.



State agencies are streamlining charger deployment, reducing bureaucratic delays, planning for increased grid demand, and ensuring charger reliability. California continues to collaborate with private sector partners to expand charging networks, as EV adoption grows. Currently, 1 in 4 new car buyers in California chooses a ZEV, and the state accounts for 30% of all new ZEV sales in the U.S.

## **2025 LEGISLATIVE DEADLINES**

Feb. 21: Last day for bills to be introduced

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

May 9: 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

May 23: 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

June 2-6: 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

Sept. 2-12: 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

## South Coast Air Quality Management District Legislative and Regulatory Update -March 2025

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### ❖ Important Upcoming Dates

April 10, 2025 – Spring Recess Begins Upon Adjournment

### ❖ 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 recent advocacy include:

- Provided ongoing updates as the new legislative session began.
- 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 907, sponsored legislation for South Coast AQMD dealing with the inequity of pay for AQMD board members appointed to serve on the CA Air Resources Board.

AB 907 has been set for its first hearing in Assembly Natural Resources Committee on April 7<sup>th</sup>. Resolute and South Coast AQMD have met with all relevant offices to ensure support.

### ❖ AB 1106 (Rodriguez). Assemblymember Michelle Rodriguez has introduced AB 1106, sponsored legislation for South Coast AQMD, which would 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 was amended with the substantive language on March 24<sup>th</sup>. The bill has now been referred to Assembly Natural Resources Committee but has not yet been set for a hearing.