



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

BOARD OF DIRECTORS  
LEGISLATIVE COMMITTEE MEETING

COMMITTEE MEMBERS

BRAD WAGENKNECHT - CHAIRPERSON  
JOHN AVALOS  
SCOTT HAGGERTY

KAREN MITCHOFF - VICE CHAIR  
JOHN GIOIA  
DAVID HUDSON  
SHIRLEE ZANE

MONDAY  
JUNE 27, 2016  
9:30 A.M.

1<sup>ST</sup> FLOOR BOARD ROOM  
375 BEALE STREET  
SAN FRANCISCO, CA 94105

AGENDA

1. **CALL TO ORDER - ROLL CALL – PLEDGE OF ALLEGIANCE**

*The Committee Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members. The Committee Chair shall lead the Pledge of Allegiance.*

2. **PUBLIC COMMENT PERIOD**

*(Public Comment on Non-Agenda Items Pursuant to Government Code § 54954.3) Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at Air District headquarters, 375 Beale Street, San Francisco, California 94105, and on the Air District's website [www.baaqmd.gov](http://www.baaqmd.gov) at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Board's authority. Speakers will be limited to three (3) minutes each.*

*This meeting will be webcast. To see the webcast, please visit <http://www.baaqmd.gov/The-Air-District/Board-of-Directors/Agendas-and-Minutes.aspx> at the time of the meeting.*

Staff/Phone (415) 749-

3. **APPROVAL OF THE MINUTES OF MARCH 30, 2015, OCTOBER 26, 2015 AND MARCH 21, 2016**

Clerk of the Boards/5073

*The Committee will consider approving the attached draft minutes of the Legislative Committee meetings of March 30, 2015, October 26, 2015 and March 21, 2016.*

4. **CONSIDERATION OF NEW BILLS**

J. Roggenkamp/4646  
[jroggenkamp@baaqmd.gov](mailto:jroggenkamp@baaqmd.gov)

*The Committee will discuss and review new bills, and take positions where appropriate.*

5. **LEGISLATIVE UPDATE**

J. Roggenkamp/4646  
[jroggenkamp@baaqmd.gov](mailto:jroggenkamp@baaqmd.gov)

*The Committee will receive an update on key legislative issues.*

6. **COMMITTEE MEMBERS' COMMENTS/OTHER BUSINESS**

*Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may; ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)*

7. **TIME AND PLACE OF NEXT MEETING – AT THE CALL OF THE CHAIR**

8. **ADJOURNMENT**

*The Committee meeting shall be adjourned by the Committee Chair.*

**CONTACT:**

**MANAGER, EXECUTIVE OPERATIONS**  
**375 BEALE STREET, SAN FRANCISCO, CA 94105**  
**mmartinez@baaqmd.gov**

**(415) 749-5016**  
**FAX: (415) 928-8560**  
**BAAQMD homepage:**  
[www.baaqmd.gov](http://www.baaqmd.gov)

- To submit written comments on an agenda item in advance of the meeting. Please note that all correspondence must be addressed to the “Members of the Legislative Committee” and received at least 24 hours prior, excluding weekends and holidays, in order to be presented at that Committee meeting. Any correspondence received after that time will be presented to the Committee at the following meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.

**Accessibility and Non-Discrimination Policy**

The Bay Area Air Quality Management District (Air District) does not discriminate on the basis of race, national origin, ethnic group identification, ancestry, religion, age, sex, sexual orientation, gender identity, gender expression, color, genetic information, medical condition, or mental or physical disability, or any other attribute or belief protected by law.

It is the Air District’s policy to provide fair and equal access to the benefits of a program or activity administered by Air District. The Air District will not tolerate discrimination against any person(s) seeking to participate in, or receive the benefits of, any program or activity offered or conducted by the Air District. Members of the public who believe they or others were unlawfully denied full and equal access to an Air District program or activity may file a discrimination complaint under this policy. This non-discrimination policy also applies to other people or entities affiliated with Air District, including contractors or grantees that the Air District utilizes to provide benefits and services to members of the public.

Auxiliary aids and services including, for example, qualified interpreters and/or listening devices, to individuals who are deaf or hard of hearing, and to other individuals as necessary to ensure effective communication or an equal opportunity to participate fully in the benefits, activities, programs and services will be provided by the Air District in a timely manner and in such a way as to protect the privacy and independence of the individual. Please contact the Non-Discrimination Coordinator identified below at least three days in advance of a meeting so that arrangements can be made accordingly.

If you believe discrimination has occurred with respect to an Air District program or activity, you may contact the Non-Discrimination Coordinator identified below or visit our website at [www.baaqmd.gov/accessibility](http://www.baaqmd.gov/accessibility) to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District’s Non-Discrimination Coordinator, Rex Sanders, at (415) 749-4951 or by email at [rsanders@baaqmd.gov](mailto:rsanders@baaqmd.gov).

Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the District's offices at 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**375 BEALE STREET, SAN FRANCISCO, CALIFORNIA 94105**  
**FOR QUESTIONS PLEASE CALL (415) 749-5016 or (415) 749-4941**

**EXECUTIVE OFFICE:**  
**MONTHLY CALENDAR OF AIR DISTRICT MEETINGS**

**JUNE 2016**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Executive Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i> - CANCELLED	Monday	20	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Stationary Source Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i> - CANCELLED	Monday	20	10:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Budget &amp; Finance Committee</b> <i>(Meets on the 4<sup>th</sup> Wednesday of each Month)</i> - CANCELLED	Wednesday	22	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets on the 4<sup>th</sup> Thursday of each Month)</i> - RESCHEDULED TO JUNE 30, 2016	Thursday	23	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Legislative Committee</b> <i>(Meets at the Call of the Chair)</i>	Monday	27	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Mobile Source Committee</b> <i>(Meets on the 4<sup>th</sup> Thursday of each Month)</i>	Thursday	30	9:30 a.m.	1 <sup>st</sup> Floor Board Room

**JULY 2016**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i> - CANCELLED	Wednesday	6	9:45 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Executive Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i> - CANCELLED	Monday	18	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Advisory Council Meeting</b> <i>(Meets at the Call of the Chair)</i>	Tuesday	19	10:00 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Stationary Source Committee</b> <i>(Meets on the 3<sup>rd</sup> Monday of each Month)</i> - CANCELLED	Monday	18	10:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Regular Meeting</b> <i>(Meets on the 1<sup>st</sup> &amp; 3<sup>rd</sup> Wednesday of each Month)</i>	Wednesday	20	9:45 a.m.	1 <sup>st</sup> Floor Board Room

## JULY 2016

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Climate Protection Committee</b> (Meets on the 3 <sup>rd</sup> Thursday of every other Month) - CANCELLED	Thursday	21	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Budget &amp; Finance Committee</b> (Meets on the 4 <sup>th</sup> Wednesday of each Month) - CANCELLED	Wednesday	27	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Mobile Source Committee</b> (Meets on the 4 <sup>th</sup> Thursday of each Month) - CANCELLED	Thursday	28	9:30 a.m.	1 <sup>st</sup> Floor Board Room

## AUGUST 2016

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
<b>Board of Directors Regular Meeting</b> (Meets on the 1 <sup>st</sup> & 3 <sup>rd</sup> Wednesday of each Month) - CANCELLED	Wednesday	3	9:45 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Executive Committee</b> (Meets on the 3 <sup>rd</sup> Monday of each Month) - CANCELLED	Monday	15	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Stationary Source Committee</b> (Meets on the 3 <sup>rd</sup> Monday of each Month) - CANCELLED	Monday	15	10:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Regular Meeting</b> (Meets on the 1 <sup>st</sup> & 3 <sup>rd</sup> Wednesday of each Month) - CANCELLED	Wednesday	17	9:45 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Budget &amp; Finance Committee</b> (Meets on the 4 <sup>th</sup> Wednesday of each Month) - CANCELLED	Wednesday	24	9:30 a.m.	1 <sup>st</sup> Floor Board Room
<b>Board of Directors Mobile Source Committee</b> (Meets on the 4 <sup>th</sup> Thursday of each Month) - CANCELLED	Thursday	25	9:30 a.m.	1 <sup>st</sup> Floor Board Room

HL – 6/16/16 (12:55 p.m.)

G/Board/Executive Office/Moncal

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Brad Wagenknecht and Members  
of the Legislative Committee

From: Jack P. Broadbent  
Executive Officer/Air Pollution Control Officer

Date: June 15, 2016

Re: Approval of the Minutes of March 30, 2015, October 26, 2015, and March 21, 2016

RECOMMENDED ACTION

Approve the attached draft minutes of the Legislative Committee (Committee) meetings of March 30, 2015, October 26, 2015, and March 21, 2016.

DISCUSSION

Attached for your review and approval are the draft minutes of the Committee meetings of March 30, 2015, October 26, 2015, and March 21, 2016.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Marcy Hiratzka  
Reviewed by: Maricela Martinez

Attachment A: Draft Minutes of the Committee Meeting of March 30, 2015  
Attachment B: Draft Minutes of the Committee Meeting of October 26, 2015  
Attachment C: Draft Minutes of the Committee Meeting of March 21, 2016

## AGENDA 3A – ATTACHMENT

Draft Minutes – Legislative Committee Meeting of March 30, 2015

Bay Area Air Quality Management District  
939 Ellis Street  
San Francisco, California 94109  
(415) 749-5073

### **DRAFT MINUTES**

Summary of Board of Directors  
Legislative Committee Meeting  
Monday, March 30, 2015

#### **1. CALL TO ORDER – ROLL CALL**

Vice-Chairperson Brad Wagenknecht called the meeting to order at 9:38 a.m.

Present: Chairperson Tom Bates; Vice-Chairperson Brad Wagenknecht; and Directors Scott Haggerty, David Hudson and Karen Mitchoff.

Absent: Directors John Avalos and John Gioia.

Also Present: None.

#### **2. PUBLIC COMMENT PERIOD**

Jed Holtzman, 350 Bay Area, addressed the Legislative Committee (Committee) in gratitude for the quickened pace of the Committee meeting schedule.

#### **3. CONSIDERATION OF NEW BILLS AND LEGISLATIVE UPDATE [OUT OF ORDER AGENDA ITEM 4]**

Thomas Addison, Senior Policy Advisor, delivered the staff report *Consideration of New Bills and Legislative Update*, including discussion and review of new bills.

NOTED PRESENT: Chairperson Bates was noted present at 9:41 a.m.

#### Committee Comments:

The Committee and staff discussed the staff review of new bills; whether Assembly Bill (AB) 280 Brown would completely bar attorney involvement in the small claims process; and additional details regarding AB 1059 E. Garcia, including its impact on CalEnviroScreen, the reasoning behind the staff recommendation, and what Air District staff are doing to achieve the sought after amendments.

NOTED PRESENT: Director Haggerty was noted present at 10:06 a.m.

Public Comments: No requests received.



Committee Action:

Director Wagenknecht made a motion, seconded by Director Mitchoff, to recommend the Board of Directors (Board) adopt the following positions:

- AB 23 Patterson: Oppose
- AB 280 Brown: Support
- AB 720 Cooley: Oppose
- AB 742 Gallagher: Oppose
- AB 777 Harper: Oppose
- AB 945 Ting: Support if amended
- AB 1059 E. Garcia: Oppose unless amended and direct staff to communicate the same to the author
- AB 1176 Perea: Oppose
- Senate Bill (SB) 1 Gaines: Oppose
- SB 5 Vidak: Oppose
- SB 513 Beall: Support

The motion carried by the following vote of the Committee:

- AYES: Bates, Haggerty, Hudson, Mitchoff and Wagenknecht.
- NOES: None.
- ABSTAIN: None.
- ABSENT: Avalos and Gioia.

Committee Comments (continued):

The Committee and staff discussed the subject matter of AB 450 McCarty and staff's reasoning for not proposing a position; whether it would be worthwhile to consider taking positions on AB 761 Levine, AB 1068 T. Allen and AB 1345 Dahle at the next Committee meeting; the subject matter and implications of the passage of SB 786 Allen; the schedules of the State legislature and the Committee; how staff should handle updates to the Committee when a bill that the District has previously adopted a position on either progresses or changes significantly; tentative future meeting date; and the large number of bills regarding cap-and-trade revenue.

Committee Action (continued):

Director Wagenknecht made a motion, seconded by Director Mitchoff, to recommend the Board approve support of bills equivalent to SB 32 Pavley and SB 350 De Leon, which would respectively extend AB 32 and the Renewable Portfolio Standard beyond 2020, as such bills move forward; and the motion carried by the following vote of the Committee:

- AYES: Bates, Haggerty, Hudson, Mitchoff and Wagenknecht.
- NOES: None.
- ABSTAIN: None.
- ABSENT: Avalos and Gioia.

**4. APPROVAL OF THE MINUTES OF FEBRUARY 26, 2015 [AGENDA ITEM 3]**

Committee Comments: None.

Public Comments: No requests received.

Committee Action:

Director Mitchoff made a motion, seconded by Director Hudson, to approve the minutes of February 26, 2015; and the motion carried by the following vote of the Committee:

AYES: Bates, Haggerty, Hudson, Mitchoff and Wagenknecht.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Avalos and Gioia.

**5. COMMITTEE MEMBERS' COMMENTS / OTHER BUSINESS: None.**

**6. TIME AND PLACE OF NEXT MEETING**

At the call of the Chairperson in May 2015 at 10:00 a.m.

**7. ADJOURNMENT:** The meeting adjourned at 10:21 a.m.

Sean Gallagher  
Clerk of the Boards

## AGENDA 3B – ATTACHMENT

Draft Minutes – Legislative Committee Meeting of October 26, 2015

Bay Area Air Quality Management District  
939 Ellis Street  
San Francisco, California 94109  
(415) 749-5073

### DRAFT MINUTES

Summary of Board of Directors  
Legislative Committee Meeting  
Monday, October 26, 2015

#### 1. CALL TO ORDER – ROLL CALL

Chairperson Tom Bates called the meeting to order at 10:30 a.m.

Present: Chairperson Tom Bates; and Directors David Hudson and Karen Mitchoff.

Absent: Vice-Chairperson Brad Wagenknecht; and Directors John Avalos and John Gioia, and Scott Haggerty.

Also Present: None.

2. **PUBLIC COMMENT PERIOD:** No requests received.

#### 3. APPROVAL OF THE MINUTES OF MARCH 30, 2015

Committee Comments: None.

Public Comments: No requests received.

Committee Action: None; due to lack of quorum.

#### 4. REVIEW OF THE 2015 LEGISLATIVE YEAR

Thomas Addison, Senior Policy Advisor, delivered the staff report *Review of the 2015 Legislative Year* and discussed general trends in both the State Assembly and State Legislature. Specifically, the Air District sponsored Senate Bill (SB) 773 authored by Ben Allen, on the subject matter of unregistered vehicles. Mr. Addison stated the SB 773 did not move beyond the Assembly Transportation Committee. The bill is anticipated in early 2016.

Public Comments: None.

Committee Comments:

The Committee and staff discussed the staff review of 2015 legislative year. The Committee discussed enforcement of vehicle registration. The Committee requested staff prepare a letter

addressed to the Assembly and Legislature urging University of California (UC) for their support on the enforcement of vehicle registration. The Committee inquired about bills for the upcoming 2016 legislative year, which was not agendaized and will be included at the next meeting of the Legislative Committee. The Committee requested staff provide input on upcoming topics for 2016.

Jack Broadbent, Executive Officer/APCO informed the Committee of the intent to include the renewal of the Commuter Benefits program, which expires at the end of 2016. The Commuter Benefits program is currently a pilot program, in which the Air District is required to provide an update to the Legislature. The Committee Chair expressed an interest in coal fired electricity, as a topic of discussion at a future meeting.

Director Hudson inquired about Assembly Bill (AB) 678 O'Donnell, the Energy Efficient Ports Program and why it failed passage. The Committee requested a follow up report on this topic.

Damian Breen, Deputy Air Pollution Control Officer, stated the first components of the Cap and Trade monies of the Goods Movement Bond funds are currently being appropriated. Mr. Breen informed the Committee that the Air District is looking at the improvements that have been made in Los Angeles to reduce emissions.

The Executive Officer/APCO informed the Committee of its intent for discussion on a list of ideas to electrify the port, as well as explore funding alternatives.

Public Comments: No requests received.

Committee Action: None.

**5. COMMITTEE MEMBERS' COMMENTS / OTHER BUSINESS:** None.

**6. TIME AND PLACE OF NEXT MEETING**

At the call of the Chairperson.

**7. ADJOURNMENT:** The meeting adjourned at 11:10 a.m.

Vanessa Johnson  
Senior Executive Secretary

## AGENDA 3C – ATTACHMENT

Draft Minutes – Legislative Committee Meeting of March 21, 2016

Bay Area Air Quality Management District  
939 Ellis Street  
San Francisco, California 94109  
(415) 749-5073

### **DRAFT MINUTES**

Summary of Board of Directors  
Legislative Committee Meeting  
Monday, March 21, 2016

#### **1. CALL TO ORDER – ROLL CALL**

Legislative Committee (Committee) Chair Wagenknecht called the meeting to order at 9:37 a.m.

Present: Committee Chair Brad Wagenknecht; and Directors John Avalos and David Hudson

Absent: Committee Vice Chair Karen Mitchoff; and Directors John Gioia, Scott Haggerty, and Shirlee Zane.

Also Present: None.

#### **2. PUBLIC COMMENT PERIOD**

No requests received.

#### **3. APPROVAL OF THE MINUTES OF MARCH 30, 2015 AND OCTOBER 26, 2016**

Committee Comments: The Committee members present wished to approve both sets of minutes but District staff stated that a quorum would be necessary for action items.

Public Comments: No requests received.

Committee Action: None; due to a lack of quorum.

#### **4. CONSIDERATION OF NEW BILLS**

Thomas Addison, Senior Policy Advisor, delivered the staff report *Consideration of New Bills*, including discussion and review of ten new bills.

Committee Comments:

The Committee and staff discussed the fact that there are currently few bills attacking climate, air district enforcement, and California Air Resources Board (ARB) regulatory programs; the increase of bills regarding the following topics: Cap and Trade, Aliso Canyon gas leak in

Southern California, clean air equipment at the ports, and disadvantaged communities; District support of SB 535 (De León) (greenhouse gas reduction fund) in order to benefit community air risk evaluation (CARE) communities; related efforts of the Bay Area Caucus; importance of SB 1383 (Lara) (capping emissions of short-lived climate pollutants); clarification of why it is recommended that the District opposes SB 1239 (Gaines) (smog check exemptions); origin and development of SB XXX (bill not yet in print) (De León) (increases SCAQMD Board from 13 to 16 members with specific appointees) and whether or not the BAAQMD is affected; and the District’s sponsorship of SB 1128 (Glazer) (commute benefit policies) and SB 773 (Allen) (vehicle registration fraud.)

Director Hudson Hudson requested that the following bills be considered by the Board before the next Committee meeting:

1. **AB 2170 (Frazier)** – Directs federal freight funds to 1B’s Trade Corridors Improvement Fund
2. **AB 2673 (Harper)** – Exempts hydrogen refueling station equipment from sales tax
3. **AB 1592 (Bonilla)** – Autonomous vehicles pilot project
4. **AB 2829 (Baker)** – Spot bill on Carl Moyer program

Public Comments: No requests received.

Committee Action:

At the recommendation of Committee Chair Wagenknecht, and at the consensus of Directors Avalos and Hudson, the Committee recommends that the Board adopt the following positions as recommended by Air District Staff:

AB 1685 (Gomez): Support  
AB 2292 (Gordon): Support in concept  
ACR 112 (Hadley): Support  
SB 1239 (Gaines): Oppose  
SB 1383 (Lara): Support if amended  
SB 1441 (Leno): Support  
AB 1657 (O’Donnell): Support in concept  
AB 2055 (Gibson): Support in concept  
AB 2841 (Allen): Support in concept  
SB 1338 (Lara): Support in concept

**5. COMMITTEE MEMBERS’ COMMENTS / OTHER BUSINESS**

Director Hudson announced that Contra Costa County may potentially have a new half-cent sales tax bond measure on the ballot in November 2016, with a possible focus on transportation programs.

**6. TIME AND PLACE OF NEXT MEETING**

At the call of the Chairperson.

**7. ADJOURNMENT:** The meeting adjourned at 10:20 a.m.

Tom Flannigan  
Clerk of the Boards

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Brad Wagenknecht and Members  
of the Legislative Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: June 15, 2016

Re: Consideration of New Bills

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RECOMMENDED ACTION

The Committee will discuss new bills, and recommend positions to the Board of Directors where appropriate.

DISCUSSION

Staff recommend a “**Support**” position on **AB 1965**, authored by Assemblymember Jim Cooper (D-Elk Grove). This bill was amended on May 31, 2016 to allow the Air District to participate in the vehicle replacement component of the Enhanced Fleet Modernization Program, known as EFMP Plus-Up. Essentially, the EFMP Plus-Up program provides financial incentives for owners of older, dirtier cars to replace them with newer, clean technology vehicles, including plug-in hybrids or battery electric vehicles. Currently, only the San Joaquin Valley and South Coast air districts are eligible to participate in this program. The Air District has formally petitioned ARB to allow our participation as well.

Initial versions of the bill focused on expanding EFMP Plus-Up to areas at risk of being designated extreme non-attainment, and on disadvantaged communities as defined by CalEnviroscreen. Thus, the Air District would have been excluded. After work with the author and committee consultants, however, the bill was amended to expand the program to districts with over a million residents, which would allow the Bay Area, Sacramento, and San Diego to all participate. Both the Bay Area and Sacramento have expressed interest in this opportunity. Given the bill’s amendments, which align with the Air District’s goals and specific formal requests to ARB for inclusion in the program, staff are recommending a “**Support**” position.

Staff may bring other bills to the committee for it to consider adopting positions on in addition to AB 1965.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.



Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Thomas Addison

Attachment: Assembly Bill 1965

AMENDED IN ASSEMBLY MAY 31, 2016

AMENDED IN ASSEMBLY MARCH 16, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1965**

**Introduced by Assembly Member Cooper  
(Coauthors: Assembly Members Alejo, Cooley, Dodd, and McCarty)**

February 12, 2016

An act to add Section 44127 to the Health and Safety Code, relating to vehicular air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 1965, as amended, Cooper. Vehicle retirement and replacement.

Existing law creates an enhanced fleet modernization program for the retirement of high polluting vehicles to be administered by the Bureau of Automotive Repair pursuant to guidelines adopted by the State Air Resources Board.

This bill, beginning in the ~~2016–17~~ 2017–18 fiscal year, and every year thereafter, would require the state board, in consultation with the bureau, to set specific, measurable goals for the retirement and replacement of passenger vehicles and light-duty and medium-duty trucks that are high polluters and to ensure those goals are met by updating the program's guidelines no later than July 1, ~~2017~~, 2018, as specified. The bill would require the state board, no later than July 1, 2018, and every other year thereafter, to collect and post on the program's Internet Web site specified information on the program. The bill would authorize the state board to allocate moneys, upon appropriation, from specified funds to expand the vehicle replacement component of the program.

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. The Legislature finds and declares all of the  
2 following:
- 3 (a) The State Air Resources Board estimates that the state is  
4 home to five times more cars over 20 years old than the national  
5 average.
- 6 (b) At present, at least 2,000,000 cars in the state, about nine  
7 percent of the state's 23,000,000 light- and medium-duty vehicles,  
8 are over 20 years old.
- 9 (c) In 2011, the nine percent of the fleet that was model year  
10 1992 or older produced a full 40 percent of the smog-forming  
11 emissions from passenger vehicles.
- 12 (d) Furthermore, according to state and local agency estimates,  
13 a mere 10 percent to 15 percent of the state's motor vehicles, the  
14 subset known as gross polluters, are responsible for more than half  
15 of the light-duty vehicle smog in the state.
- 16 (e) An upgrade in fuel efficiency from 15 miles per gallon to  
17 30 miles per gallon would save a typical household over \$1,200  
18 per year in gasoline expenditures.
- 19 (f) The enhanced fleet modernization program (Article 11  
20 (commencing with Section 44125) of Chapter 5 of Part 5 of  
21 Division 26 of the Health and Safety Code) provides a significant  
22 opportunity to improve air quality, reduce fuel costs for the state's  
23 low-income residents, and contribute to the state's greenhouse gas  
24 emissions reduction goals.
- 25 (g) It is the intent of the Legislature that the enhanced fleet  
26 modernization program (Article 11 (commencing with Section  
27 44125) of Chapter 5 of Part 5 of Division 26 of the Health and  
28 Safety Code) be expanded to assist in meeting the state's  
29 environmental goals and maximize benefits for disadvantaged  
30 communities, as identified pursuant to Section 39711 of the Health  
31 and Safety Code.
- 32 SEC. 2. Section 44127 is added to the Health and Safety Code,  
33 to read:
- 34 44127. (a) For purposes of this section, the following terms  
35 have the following meanings:

1 (1) “Disadvantaged community” means a community identified  
2 pursuant to Section 39711.

3 (2) “Program” means the program established pursuant to  
4 Section 44125.

5 (b) Beginning in the ~~2016–17~~ 2017–18 fiscal year, and every  
6 fiscal year thereafter, the state board, in consultation with the  
7 bureau, shall set specific, measurable goals for the retirement and  
8 replacement of passenger vehicles and light-duty and medium-duty  
9 trucks that are high polluters.

10 (c) The state board, in consultation with the bureau, shall meet  
11 the goals set pursuant to subdivision (b) by updating the guidelines  
12 of the program no later than July 1, ~~2017~~. 2018. The updated  
13 guidelines shall ensure all of the following:

14 ~~(1) Specific steps are taken to ensure the vehicle replacement~~  
15 ~~component of the program is available in areas at risk of being~~  
16 ~~designated as federal extreme nonattainment.~~

17 ~~(2)~~

18 (1) Specific steps are taken to ensure the vehicle replacement  
19 component of the program is available ~~in~~ to all districts ~~containing~~  
20 ~~disadvantaged communities. that have more than one million~~  
21 ~~residents.~~

22 ~~(3)~~

23 (2) Funding for targeted outreach in low-income ~~and or~~  
24 disadvantaged communities for the program ~~is increased from the~~  
25 ~~amounts allocated in the 2015–16 fiscal year. is evaluated and, if~~  
26 ~~necessary, enhanced to obtain the goals set pursuant to subdivision~~  
27 ~~(b).~~

28 ~~(4)~~

29 (3) There ~~is~~ *is, where applicable,* improved coordination,  
30 integration, and partnerships with other programs that target  
31 disadvantaged communities and receive moneys from the  
32 Greenhouse Gas Reduction Fund, created pursuant to Section  
33 16428.8 of the Government Code.

34 (d) No later than July 1, 2018, and every other year thereafter,  
35 the state board shall collect and post on the program’s Internet  
36 Web site all of the following:

37 (1) Program performance relative to the goals adopted pursuant  
38 to subdivision (b).

- 1 (2) An accounting that includes, but need not be limited to,  
2 funding allocated to the program, funding sources, and program  
3 expenditures by region.
- 4 ~~(3) A comment on the overall success of the program, or lack~~  
5 ~~thereof, including, but not limited to, recommendations to improve~~  
6 ~~the overall performance of the program if the state board~~  
7 ~~determines the program needs improvement.~~
- 8 *(3) An analysis broken down by district of the program's*  
9 *performance to identify areas to be emphasized when setting future*  
10 *goals or updating the program guidelines.*
- 11 (e) Upon appropriation by the Legislature, the state board may  
12 allocate moneys for the expansion of the vehicle replacement  
13 component of the program from any of the following:
- 14 (1) The Enhanced Fleet Modernization Subaccount, created  
15 pursuant to Section 44126.
- 16 (2) The High Polluter Repair or Removal Account, created  
17 pursuant to Section 44091.
- 18 (3) The Vehicle Inspection and Repair Fund, created pursuant  
19 to Section 9886 of the Business and Professions Code.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

Memorandum

To: Chairperson Brad Wagenknecht and Members  
of the Legislative Committee

From: Jack P. Broadbent  
Executive Officer/APCO

Date: June 15, 2016

Re: Legislative Update

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RECOMMENDED ACTION

None; receive and file.

BACKGROUND

At the time of this writing, in Sacramento the Legislature is attempting to pass a budget in advance of its June 15, 2016 constitutional deadline. The dramatic decline in revenues from the May Cap-and-Trade auction has major implications for the programs funded with those revenues. Given the new uncertainty over the stability and size of this funding stream, staff anticipate that the Legislature will put aside decisions on programs funded with cap-and-trade revenues until after the next auction, scheduled for August 16, 2016.

The deadline for bills to clear their house of origin has come and gone on June 3, 2016, and measures that are still alive are having their policy committee hearings in the second house in the month of June. The Legislature will recess for its summer break during the month of July, and return to conclude its business in August.

Staff will give an oral update on the status of bills that the District has adopted positions on, as well as other bills of note. A list of bills of air quality significance is attached.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent  
Executive Officer/APCO

Prepared by: Thomas Addison

Attachment: Bill List Discussion

## BAAQMD BILL DISCUSSION LIST

June 17, 2016

BILL NO.	AUTHOR	SUBJECT	Status	POSITION (Positions in italics are staff recommendations)
AB 197	E. Garcia	Adds 2 legislators as non-voting members to ARB, and creates legislative committee on oversight of ARB's GHG reduction efforts	Sen. Env. Quality 6/29 hearing	
AB 1550	Gomez	Changes current cap-and-trade allocation from 10% within disadvantaged communities and 25% to benefit disadvantaged communities, to 25% within disadvantaged communities and 25% to benefit low-income communities	Sen. Env. Quality 6/29 hearing	
AB 1555	Gomez	Intent to distribute \$1.7B of cap-and-trade funds	Asm. Nat. Resources	
AB 1591	Frazier	Transportation funding proposal, with increased fees, including funding from cap-and-trade funds	Asm. Transportation	
AB 1657	O'Donnell	Zero- and Near-Zero Emission Intermodal Terminals Program; cap-and-trade funds to clean ports	Held in Asm. Approps.	
AB 1685	Gomez	Intent to increase civil penalties for vehicle manufacturers violating standards	Sen. Trans. 6/21 hearing	<i>Support</i>
AB 1691	Gibson	Changes Enhanced Fleet Modernization Program; 10,000 vehicles annually to be retired in disadvantaged communities	Sen. Trans. 6/21 hearing	
AB 1698	Hadley	Ends utility surcharge for renewable energy (EPIC) program; creates replacement using cap-and-trade funds	Asm. Nat. Resources	
AB 1710	Calderon	ARB to develop a plan to drastically increase the use of advanced technology light-duty vehicles, with an emphasis on disadvantaged communities	Held in Asm. Approps.	
AB 1717	Hadley	Spot bill on Air Quality Improvement Program and ARFVT program	Asm. Transportation	
AB 1759	Bonta	Effectively prohibits use of hydrofluoric acid at oil refineries	Asm. Natural Resources	
AB 1780	Medina	Directs 25% of cap-and-trade funds to Sustainable Trade Corridors Program	Held in Asm. Approps.	
AB 1815	Alejo	Requires ARB to provide technical assistance funding to disadvantaged communities and communities at or below 80% of the median income	Held in Asm. Approps.	
AB 1832	Dahle	Renewable portfolio standard spot bill	Not referred	

AB 1851	Gray	Removes cap on green-stickered vehicles in HOV lanes; increases incentives for clean vehicles, especially in disadvantaged communities	Held in Asm. Approps.	
AB 1886	McCarty	Loosens requirements for transit priority projects to receive CEQA exemption	Sen. Env. Quality 6/29 hearing	
AB 1902	Wilk	Increases time for civil actions against Aliso Canyon natural gas leak	Asm. Judiciary	
AB 1903	Wilk	Requires state report on long-term health impacts of Aliso Canyon leak	Sen. Env. Quality	
AB 1905	Wilk	Requires independent study of natural gas storage and injection practices	Held in Asm. Approps.	
AB 1937	Gomez	CEC not to certify 50 megawatt or greater fossil powerplants if non-fossil alternatives are possible	Sen. Energy 6/21 hearing	
AB 1964	Bloom	Extends sunset for HOV lane access for plug-in hybrid vehicles	Sen. Trans.	
AB 1965	Cooper	Expands Enhanced Fleet Modernization Program, focusing on disadvantaged communities	Sen. Trans. 6/21 hearing	
AB 1973	Campos	States intent to spend cap-and-trade funds for local educational agencies to do energy efficiency projects	Asm. Education	
AB 2055	Gibson	Reserves 25% of GO-Biz tax credits for companies investing in zero or near-zero emissions infrastructure at marine terminals	Held in Asm. Approps.	<i>Support in Concept</i>
AB 2066	Lackey	Requires service stations to display cost-per-gallon to comply with cap-and-trade requirements, as calculated by the CEC	Held in Asm. Approps.	
AB 2090	Alejo	Allows cap-and-trade funds currently allocated to Low Carbon Transit Operations Program to fund existing transit where a fiscal emergency exists	Sen. Trans. 6/21 hearing	
AB 2109	Dahle	Spot bill on AB 32 requirements for state agencies	Not referred	
AB 2145	Linder	Reduces vehicle license fee paid by low- and moderate-income recipients of incentives under the Enhanced Fleet Modernization Program	Asm. Transportation	
AB 2146	Patterson	Directs \$200M of cap-and-trade funds to reduce forestfire emissions	Held in Asm. Approps.	
AB 2170	Frazier	Directs federal freight funds to 1B's Trade Corridors Improvement Fund	Sen. Trans. 6/21 hearing	
AB 2181	Brown	Requires accounting in the bidding process for GHG emissions from energy-intensive products used in state-funded infrastructure	Held in Asm. Approps.	
AB 2206	Williams	Authorizes California Council on Science and Technology to conduct a study of biomethane and issues with using it with existing gas supply pipelines	Sen. Energy 6/21 hearing	
AB 2222	Holden	Puts \$50M annually of cap-and-trade funds into Transit Pass Program for public school students, with 50% in disadvantaged communities	Sen. Trans. 6/21 hearing	
AB 2223	Gray	Puts \$10M of cap-and-trade funds to loans for manure digesters	Sen. Budget	



AB 2276	Brown	Spot bill on Affordable Housing and Sustainable Communities Program	Not referred	
AB 2292	Gordon	Requires OEHHA to add population density to CalEnviroscreen	Held in Asm. Approps.	<i>Support in Concept</i>
AB 2293	C. Garcia	Requires ARB to develop a technical assistance program to assist small disadvantaged communities to apply for and receive cap-and-trade funds	Held in Asm. Approps.	
AB 2332	E. Garcia	Requires recipients of state transportation funds to prioritize projects providing mobility and safety benefits to disadvantaged communities	Asm. Trans.	
AB 2343	C. Garcia	Changes current law from spending 10% of cap-and-trade funds in disadvantaged communities to 10% in small cities in these communities	Held in Asm. Approps.	
AB 2415	E. Garcia	Requires cap-and-trade funded Clean Truck, Bus, and Offroad Vehicle program to allocate \$100M annually to technology meeting certain standards, and requires increasing amount of renewable fuel use for funded projects	Held in Asm. Approps.	
AB 2426	Low	Workplace Charging Station Grant program	Asm. Trans.	
AB 2432	Brown	Requires CalTrans to plan to address inefficiencies in truck freight network	Asm. Trans.	
AB 2564	Cooper	Lowers income eligibility requirements for Clean Vehicle Rebate Project, and increases rebates to low-income households	Sen. Env. Quality 6/29 hearing	
AB 2576	Gray	Pays \$20M annually of cap-and-trade funds to recycled glass makers	Held in Asm. Approps.	
AB 2585	Williams	Review of certain cap-and-trade regulations	Held in Asm. Approps.	
AB 2653	E. Garcia	Requires major new reporting on cap-and-trade spending, including actions to connect disadvantaged community members with economic benefits	Sen. Env. Quality 6/29 hearing	
AB 2673	Harper	Exempts hydrogen refueling station equipment from sales tax	Asm. Rev. and Tax	
AB 2702	Atkins	Study of GHG best practices	Held in Asm. Approps.	
AB 2715	E. Garcia	Creates Agricultural Working Poor Energy Efficient Housing Program, and urges at least \$25M of cap-and-trade funds be spent annually on the program	Sen. Energy	
AB 2722	Burke	Creates Transformative Climate Communities Program for disadvantaged communities, using \$250M of cap-and-trade funds	Sen. Env. Quality 6/29 hearing	
AB 2769	Patterson	Spot bill on renewable portfolio standard	Not referred	
AB 2781	E. Garcia	Requires 10% of CalEPA agency enforcement actions to go to Supplemental Environmental Projects in disadvantaged communities	Sen. Env. Quality 6/29 hearing	
AB 2783	E. Garcia	Reduces barriers for rural areas to cap-and-trade funded Affordable Housing and Sustainable Communities Program	Sen. Trans. 6/29 hearing	
AB 2829	Baker	Spot bill on Carl Moyer program	Not referred	

AB 2841	Allen	Allows public financing (using Infrastructure Bank) of port infrastructure projects, including zero- and near-zero equipment and related infrastructure	Held in Asm. Approps.	<i>Support in Concept</i>
ACR 112	Hadley	Thanks ARB for working to uncover VW emissions cheating, and declares support for increased ARB penalty authority	Sen. Env. Quality 6/29 hearing	<i>Support</i>
SB 32	Pavley	Requires GHG emissions to be 40% of 1990 levels by 2030	Asm. Nat. Resources	Support
SB 773	Allen	UC to study vehicle registration fraud	Asm. Approps.	Sponsor
SB 824	Beall	Increases flexibility for transit agency recipients of cap-and-trade funds through the Low Carbon Transit Operations Program	Asm. Trans. 6/27 hearing	
SB 887	Pavley	Increases regulation of natural gas storage wells, including increases monitoring to be developed by ARB in consultation with air districts	Asm. Nat. Resources 6/27 hearing	
SB 888	Allen	Requires that penalties for natural gas leaks be used for GHG reductions, and not be recoverable from ratepayers by the natural gas corporation	Asm. Gov. Org. 6/22 hearing	
SB 925	Gaines	Spot bill on ARB	Not referred	
SB 970	Leyva	Requires CalRecycle to consider GHG reductions and disadvantaged community benefits when awarding grants for composting	Asm. Nat. Resources 6/27 hearing	
SB 1000	Leyva	Adds mandatory environmental justice element to City& County general plans	Asm. Loc. Govt. 6/29 hearing	
SB 1030	McGuire	Eliminates sunset of Sonoma Regional Climate Protection Authority	Asm. Approps.	
SB 1043	Allen	Requires ARB to adopt policies to significantly increase the production and use of biogas and biomethane	Held in Sen. Approps.	
SB 1128	Glazer	Eliminates sunset on Bay Area Commuter Benefit Program	Asm. Trans. 6/27 hearing	Co-sponsor
SB 1153	Cannella	California Renewable Natural Gas Act (biomethane feed-in tariff at PUC)	Held in Sen. Approps.	
SB 1213	Wieckowski	Allocates \$20M annually for Biosolids to Clean Energy grant program; also one-time \$12M allocation for Bay Area biosolids to clean energy project	Held in Sen. Approps.	
SB 1239	Gaines	Exempts 1976 through 1980 model year vehicles from smog check	Failed Sen. Floor vote	<i>Oppose</i>
SB 1277	Hancock	Requires every public agency with discretionary approval of anything related to coal shipment through the Port of Oakland to prepare an EIR	Asm. Nat. Resources	
SB 1278	Hancock	Requires every public agency with discretionary approval of anything related to coal shipment through the Port of Oakland to prepare an EIR	Sen. Trans.	
SB 1279	Hancock	Prohibits ports next to disadvantaged communities from receiving state funds from CTC if the port exports coal	Asm. Trans. 6/27 hearing	

SB 1280	Hancock	Effectively requires CEQA lead agency to prohibit port coal shipment, or fully mitigate the GHG emissions from the burning the shipped coal	Sen. Trans.	
SB 1301	Hertzberg	Requires 25% of revenues from auction of GHG allowances by a gas corporation to go towards clean energy and energy efficiency projects	Held in Sen. Approps.	
SB 1338	Lara	Eliminates state sales tax on purchase of zero- and near-zero-emissions technology at seaports, from 2017 through 2030	Asm. Rev. and Tax	<i>Support in Concept</i>
SB 1350	Wolk	\$20M of cap-and-trade funds for Healthy Soils Program, for on-farm reductions of GHG emissions	Held in Sen. Approps.	
SB 1383	Lara	Requires ARB plan to cut short-lived climate pollutants specified amounts below 2013 levels by 2030; focus on areas disproportionately affected by poor air quality, and consideration for disadvantaged communities	Asm. Nat. Resources	<i>Support if Amended</i>
SB 1386	Wolk	Declares protection and management of natural and working lands key part of GHG emission reduction goals	Asm. Nat. Resources 6/27 hearing	
SB 1387	De Leon	Increases SCAQMD Board from 13 to 16, with new public health Governor's appointee, and new environmental justice Speaker and Pro Tem appointees, and potentially grants oversight of RECLAIM to ARB	Asm. Nat. Resources 6/27 hearing	
SB 1402	Pavley	Allows cap-and-trade funds to encourage production of low-carbon alternative fuels, with preference to disadvantaged communities	Held in Sen. Approps.	
SB 1405	Pavley	Expands ZEV credits to transportation systems	Held in Sen. Approps.	
SB 1425	Pavley	Requires ARB to develop water-energy nexus registry	Asm. Nat. Resources	
SB 1430	Pavley	Legislative intent for ARB to reassert state standards if federal tailpipe standards are weakened in midterm review	Not Referred	
SB 1441	Leno	PUC to disallow vented and fugitive natural gas emissions in setting rates, and ARB to count such emissions against compliance obligation of gas corps.	Asm. Utilities 6/29	<i>Support</i>
SB 1464	De Leon	Requires investment plan for cap-and-trade funds to be assessed against different metrics	Asm. Nat. Resources 6/27 hearing	