

**ASSEMBLY BILL**

**No. 988**

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**Introduced by Assembly Member Maldonado**

February 23, 2001

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An act to amend Section 40709 of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 988, as introduced, Maldonado. Air pollution: emission offset banking.

Existing law requires every air pollution control district and air quality management district to establish, by regulation, a system by which all reductions in the emission of air contaminants that are to be used to offset certain future increases in the emission of air contaminants are banked prior to use to offset future increases in emission.

This bill would make technical nonsubstantive changes.

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

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

1 SECTION 1. Section 40709 of the Health and Safety Code is  
2 amended to read:  
3 40709. (a) Every district board shall establish by regulation  
4 a system by which all reductions in the emission of air  
5 contaminants that are to be used to offset certain future increases  
6 in the emission of air contaminants shall be banked prior to use to  
7 offset future increases in emissions. The system shall provide that

1 only those reductions in the emission of air contaminants that are  
2 not otherwise required by any federal, state, or district law,  
3 *regulations*, rule, order, *or* permit, ~~or regulation~~ shall be  
4 registered, certified, or otherwise approved by the district air  
5 pollution control officer before they may be banked and used to  
6 offset future increases in the emission of air contaminants. The  
7 system shall be subject to disapproval by the state board pursuant  
8 to Chapter 1 (commencing with Section 41500) of Part 4 within  
9 60 days after adoption by the district.

10 (b) The system is not intended to recognize any preexisting  
11 right to emit air contaminants, but to provide a mechanism for  
12 districts to recognize the existence of reductions of air  
13 contaminants that can be used as offsets, and to provide greater  
14 certainty that the offsets shall be available for emitting industries.

15 (c) Notwithstanding subdivision (a), emissions reductions  
16 proposed to offset simultaneous emissions increases within the  
17 same stationary source need not be banked prior to use as offsets,  
18 if those reductions satisfy all criteria established by regulation  
19 pursuant to subdivision (a).

20 (d) This section does not apply to any district that is not  
21 required to prepare and submit a plan for attainment of state  
22 ambient air quality standards pursuant to Section 40911 if both of  
23 the following apply to the district:

24 (1) The district is not in a federal nonattainment area for any  
25 national ambient air quality standard unless the sole reason for the  
26 nonattainment is due to air pollutant transport.

27 (2) An owner or operator of a source or proposed source has not  
28 petitioned the district to establish a banking system.

