

AMENDED IN SENATE JUNE 16, 2005

AMENDED IN ASSEMBLY MAY 27, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

## **ASSEMBLY BILL**

**No. 1007**

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**Introduced by Assembly Member Pavley**  
**(Coauthors: Assembly Members Hancock and Nation)**  
(Coauthor: Senator Kehoe)

February 22, 2005

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An act to add Article 6 (commencing with Section 43860) to Chapter 4 of Part 5 of Division 26 of the Health and Safety Code, relating to air pollution.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1007, as amended, Pavley. Air quality: alternative fuels.

Existing law imposes various limitations on emissions of air contaminants for the control of air pollution from vehicular and nonvehicular sources. Existing law generally designates the State Air Resources Board as the state agency with the primary responsibility for the control of vehicular air pollution.

This bill would require, not later than January 1, 2007, the state board, in consultation with specified state agencies, to develop and adopt a state plan to increase the use of alternative fuels, as defined. ~~This bill would also permit the state board to consider as a factor supporting adoption of a regulation, the need for the state to increase fuel diversity to reduce the state's dependency on petroleum fuels, when adopting any regulation to reduce air pollution.~~

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. Article 6 (commencing with Section 43860) is added to Chapter 4 of Part 5 of Division 26 of the Health and Safety Code, to read:

Article 6. Alternative Fuels

43860. The Legislature finds and declares all of the following:

(a) The production, marketing, and use of petroleum fuels in California causes significant degradation of public health and environmental quality due to releases of air and water pollutants.

(b) Clean alternative fuels have the potential to considerably reduce these impacts and are important strategies for the state to attain its air and water quality goals.

(c) Research, development, and commercialization of alternative fuels in California have the potential to strengthen California's economy by providing job growth and helping to reduce the state's vulnerability to petroleum price volatility.

(d) The State Energy Resources Conservation and Development Commission and the State Air Resources Board have previously recommended in their report to the Legislature, "Reducing California's Petroleum Dependency" in August 2003, that the state adopt a goal of 20 percent nonpetroleum fuel use in the year 2020 and 30 percent in the year 2030.

43961. ~~(a)~~ Not later than January 1, 2007, the state board, in consultation with the State Energy Resources Conservation and Development Commission, the State Water Resources Control Board, the Department of Food and Agriculture, and other relevant state agencies, shall develop and adopt a state plan to increase the use of alternative transportation fuels.

~~(1)~~

~~(a)~~ The plan shall include an evaluation of alternative fuels on a full fuel cycle assessment of emissions of criteria air pollutants, air toxics, greenhouse gases, water pollutants, and other substances that are known to damage human health, impacts on petroleum consumption, and other matters the state board deems necessary.

~~(2)~~

1 (b) The plan shall set goals for the years 2012, 2017, and  
2 2022 for increased alternative fuel use in the state that  
3 accomplishes all of the following:

4 ~~(A)–~~

5 (1) Maximizes the environmental and public health benefits  
6 of alternative fuels, including, but not limited to, reductions in  
7 criteria air pollutants, ~~air toxics~~, greenhouse gases, and water  
8 pollutants *consistent with existing or future state board*  
9 *regulations*.

10 ~~(B)–~~

11 (2) Ensures that there is no net increase in air pollution, water  
12 pollution, or any other substances that are known to damage  
13 human health.

14 ~~(C)–~~

15 (3) Minimizes the economic costs to the state, if any.

16 ~~(D)–~~

17 (4) Maximizes the economic benefits of producing alternative  
18 fuels in the state.

19 ~~(3)–~~

20 (c) The plan shall recommend policies to ensure alternative  
21 fuel goals are attained, including, but not limited to:

22 ~~(A)–~~

23 (1) Standards on transportation fuels and vehicles.

24 ~~(B)–~~

25 (2) Requirements, financial incentives, and other policy  
26 mechanisms to ensure that vehicles capable of operating on  
27 alternative fuels use those fuels to the maximum extent feasible.

28 ~~(C)–~~

29 (3) Requirements, financial incentives, and other policy  
30 mechanisms to ensure that alternative fuel fueling stations are  
31 available to drivers of alternative fuel vehicles.

32 ~~(D)–~~

33 (4) Incentives, requirements, programs, or other mechanisms  
34 to encourage the research, development, demonstration,  
35 commercialization, manufacturing, or production of vehicles that  
36 use alternative fuels.

37 ~~(b) When adopting any regulation to reduce air pollution, the~~  
38 ~~state board may consider as a factor supporting adoption of the~~  
39 ~~regulation, the need for the state to increase fuel diversity to~~  
40 ~~reduce the state's dependency on petroleum fuels.~~

1     43962. For the purposes of this article, “alternative fuel”  
2 means a fuel, including electricity, ethanol, biodiesel, hydrogen,  
3 methanol, or natural gas that, when used in vehicles, has  
4 demonstrated, to the satisfaction of the state board, to have the  
5 ability to meet applicable vehicular emission standards.

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