

AMENDED IN SENATE JULY 17, 2007

AMENDED IN SENATE JUNE 26, 2007

AMENDED IN ASSEMBLY JUNE 1, 2007

AMENDED IN ASSEMBLY APRIL 17, 2007

AMENDED IN ASSEMBLY MARCH 29, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 118

Introduced by Assembly Member Nunez

January 9, 2007

An act to amend Section 16428.3 of the Government Code, to amend, repeal, and add Section 44060 of, and to add Chapter 8.9 (commencing with Section 44270) to Part 5 of Division 26 of, the Health and Safety Code, to add Section 25620.16 to the Public Resources Code, and to amend, repeal, and add Sections 9250, 9261, 9853, 14900, and 14900.1 of the Vehicle Code, relating to fuels.

LEGISLATIVE COUNSEL'S DIGEST

AB 118, as amended, Nunez. Alternative fuels and vehicle technologies: funding programs.

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. Under existing law, the state board, in conjunction with other state agencies, is required to develop and adopt a state plan to increase the use of alternative fuels, as defined.

This bill would create the Air Quality Improvement Program, to be administered by the state board, to fund air quality improvement projects, upon appropriation by the Legislature, relating to fuel and vehicle technologies. The bill would create the Air Quality Improvement Fund, and would require the state board to expend the moneys in that fund, upon appropriation by the Legislature, for eligible air quality improvement projects and programs.

The bill would also create the Alternative and Renewable Fuel, Vehicle Technology, Carbon Reduction, and Clean Air Program, to be administered by the State Energy Resources Conservation and Development Commission, to provide, upon appropriation by the Legislature, grants and revolving loans to public agencies, California-based businesses and projects, public-private partnerships, vehicle and technology consortia, fleet owners, consumers, and academic institutions to develop innovative technologies that *will* transform California's fuel and vehicle types. The commission and the state board would be required to establish an advisory body to develop investment strategies to help implement this program. The commission, in coordination with the state board and the advisory body, would be required to establish funding criteria and priorities and to review those criteria and priorities annually.

The bill would create the Alternative and Renewable Fuel, Vehicle Technology, Carbon Reduction, and Clean Air Fund (Alternative Fund), and would require the commission to expend the moneys in the Alternative Fund, upon appropriation by the Legislature, for eligible projects under the Alternative and Renewable Fuel, Vehicle Technology, Carbon Reduction, and Clean Air Program. The bill would transfer to the Alternative Fund specified settlement funds in the amount of \$30,000,000, and would also transfer to the Alternative Fund \$6,500,000 from the Motor Vehicle Account in the State Transportation Fund. The bill would require \$5,000,000 to be transferred annually to the Alternative Fund from the Public Interest Research, Development, and Demonstration Fund.

The bill, until January 1, 2016, would increase vehicle registration fees from \$31 to \$33, vessel registration fees from \$10 to \$20 and from \$20 to \$40, as applicable, specified service fees for identification plates from \$15 to \$20, and driver's license fees from \$24 to \$25. The bill would require the additional revenue generated by those fee increases to be deposited in the Alternative Fund for the Alternative and Renewable Fuel, Vehicle Technology, Carbon Reduction, and Clean

Air Program. The bill, until January 1, 2016, would also increase smog abatement fees from \$12 to \$20, and would require half of the additional revenue generated by that fee increase to be deposited in the Air Quality Improvement Fund for the Air Quality Improvement Program and the other half of that additional revenue to be deposited in the Alternative Fund for the Alternative and Renewable Fuel, Vehicle Technology, Carbon Reduction, and Clean Air 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 California Global Warming Solutions Act of 2006
4 (Division 25.5 (commencing with Section 38500) of the Health
5 and Safety Code) requires California to reduce statewide
6 greenhouse gas emissions to 1990 levels by 2020.
- 7 (b) The transportation sector is responsible for approximately
8 40 percent of statewide greenhouse gas emissions.
- 9 (c) The State Energy Resources Conservation and Development
10 Commission (Energy Commission) in its Integrated Energy Policy
11 Report recommends that alternative fuels comprise 20 percent of
12 on-road motor vehicle fuels by 2020.
- 13 (d) The State Air Resources Board is currently developing a
14 “low-carbon” fuel standard for transportation fuels to reduce the
15 carbon intensity of transportation fuels by 10 percent by 2020.
- 16 (e) The Energy Commission will adopt a state alternative fuel
17 implementation plan by June 30, 2007, to increase the use of
18 alternative transportation fuels by recommending policies and
19 financial incentives, and identifying barriers to alternative fuel
20 use.
- 21 (f) Investing in the development of innovative and pioneering
22 technologies will assist California in achieving the 2020 statewide
23 limit on emissions of greenhouse gases.
- 24 (g) Research, development, and commercialization of alternative
25 fuels and vehicle technologies in California have the potential to
26 strengthen California’s economy by providing job growth and
27 helping to reduce the state’s vulnerability to petroleum price
28 volatility.

1 (h) This act will provide ongoing funding for alternative fuel
2 and vehicle technology research, development, demonstration, and
3 deployment in order to advance the state's leadership in clean
4 technologies, meet the state's clean air and greenhouse gas
5 emission reduction standards, develop public-private partnerships,
6 and ensure an affordable, reliable fuel supply.

7 (i) This act will ensure that research is conducted to evaluate
8 the air quality impacts of alternative fuels and to establish clear
9 criteria to prevent net increases in criteria air pollutants and air
10 toxics.

11 (j) This act will be implemented in a manner to ensure the fair
12 treatment of people of all races, cultures, and income levels,
13 including minority populations and low-income populations of the
14 state.

15 (k) This act will provide funding consistent with the California
16 Global Warming Solutions Act of 2006, the Integrated Energy
17 Policy Report, the plan adopted pursuant to Section 43866 of the
18 Health and Safety Code, and other state goals and requirements.

19 SEC. 2. Section 16428.3 of the Government Code is amended
20 to read:

21 16428.3. (a) Except as provided in subdivision (b) of Section
22 44273 of the Health and Safety Code, any energy settlement
23 agreement entered into by the Attorney General, after reimbursing
24 the Attorney General's litigation and investigation expenses, to
25 the maximum extent possible, shall direct settlement funds to the
26 following purposes in priority order:

27 (1) To reduce ratepayer costs of those utility ratepayers harmed
28 by the actions of the settling parties. To the extent the ratepayers
29 of the investor-owned utilities were harmed, the settlement funds
30 shall be directed to reduce their costs, to the maximum extent
31 possible, through reduction of rates or the reduction of ratepayer
32 debt obligations incurred as a result of the energy crisis.

33 (2) For deposit in the fund.

34 (b) Nothing in this article shall preclude nonmonetary
35 compensation to the state through an energy settlement agreement,
36 provided that the allocation of benefits from any nonmonetary
37 compensation is consistent with paragraph (1) of subdivision (a).

38 SEC. 3. Section 44060 of the Health and Safety Code is
39 amended to read:

1 44060. (a) The department shall prescribe the form of the
2 certificate of compliance or noncompliance, repair cost waivers,
3 and economic hardship extensions.

4 (b) The certificates, repair cost waivers, and economic hardship
5 extensions shall be in the form of an electronic entry filed with the
6 department, the Department of Motor Vehicles, and any other
7 person designated by the department. The department shall ensure
8 that the motor vehicle owner or operator is provided with a written
9 report, signed by the licensed technician who performed the
10 inspection, of any test performed by a smog check station,
11 including a pass or fail indication, and written confirmation of the
12 issuance of the certificate.

13 (c) (1) The department shall charge a fee to a smog check
14 station, including a test-only station, and a station providing referee
15 functions, for a motor vehicle inspected at that station that meets
16 the requirements of this chapter and is issued a certificate of
17 compliance, a certificate of noncompliance, repair cost waiver, or
18 economic hardship extension.

19 (2) The fee charged pursuant to paragraph (1) shall be calculated
20 to recover the costs of the department and any other state agency
21 directly involved in the implementation, administration, or
22 enforcement of the motor vehicle inspection and maintenance
23 program, and shall not exceed the amount reasonably necessary
24 to fund the operation of the program, including all responsibilities,
25 requirements, and obligations imposed upon the department or
26 any of those state agencies by this chapter, that are not otherwise
27 recoverable by fees received pursuant to Section 44034.

28 (3) Except for adjustments to reflect changes in the Consumer
29 Price Index, as published by the United States Bureau of Labor
30 Statistics, the fee for each certificate, waiver, or extension shall
31 not exceed seven dollars (\$7).

32 (4) Fees collected by the department pursuant to this subdivision
33 shall be deposited in the Vehicle Inspection and Repair Fund. It
34 is the intent of the Legislature that a prudent surplus be maintained
35 in the Vehicle Inspection and Repair Fund.

36 (d) (1) Motor vehicles exempted under paragraph (4) of
37 subdivision (a) of Section 44011 shall be subject to an annual smog
38 abatement fee of twenty dollars (\$20). The department may also,
39 by regulation, subject motor vehicles that are exempted under
40 paragraph (5) of subdivision (a) of Section 44011 to the twenty

1 dollar (\$20) annual smog abatement fee. Payment of the annual
 2 smog abatement fee shall be made to the Department of Motor
 3 Vehicles at the time of registration of the motor vehicle.

4 (2) (A) Except as provided in subdivision (a) of Section
 5 44091.1 and subparagraph (B), fees collected pursuant to this
 6 subdivision shall be deposited on a daily basis into the Vehicle
 7 Inspection and Repair Fund.

8 (B) (i) Of the total amount of each fee collected pursuant to
 9 paragraph (1), four dollars (\$4) shall be deposited into the Air
 10 Quality Improvement Fund created by Section 44270.6.

11 (ii) Of the total amount of each fee collected pursuant to
 12 paragraph (1), four dollars (\$4) shall be deposited into the
 13 Alternative and Renewable Fuel, Vehicle Technology, Carbon
 14 Reduction, and Clean Air Fund created by Section 44273.

15 (e) The sale or transfer of the certificate, waiver, or extension
 16 by a licensed smog check station or test-only station to any other
 17 licensed smog check station or to any other person, and the
 18 purchase or acquisition of the certificate, waiver, or extension, by
 19 any person, other than from the department, the department's
 20 designee, or pursuant to a vehicle's inspection or repair conducted
 21 pursuant to this chapter, is prohibited.

22 (f) Following implementation of the electronic entry certificate
 23 under subdivision (b), the department may require the modification
 24 of the analyzers and other equipment required at smog check
 25 stations to prevent the entry of a certificate that has not been issued
 26 or validated through prepayment of the fee authorized by
 27 subdivision (c).

28 (g) The fee charged by licensed smog check stations to
 29 consumers for a certificate, waiver, or extension shall be the same
 30 amount that is charged by the department.

31 (h) This section shall remain in effect only until January 1, 2016,
 32 and as of that date is repealed, unless a later enacted statute, that
 33 is enacted before January 1, 2016, deletes or extends that date.

34 SEC. 4. Section 44060 is added to the Health and Safety Code,
 35 to read:

36 44060. (a) The department shall prescribe the form of the
 37 certificate of compliance or noncompliance, repair cost waivers,
 38 and economic hardship extensions.

39 (b) The certificates, repair cost waivers, and economic hardship
 40 extensions shall be in the form of an electronic entry filed with the

1 department, the Department of Motor Vehicles, and any other
2 person designated by the department. The department shall ensure
3 that the motor vehicle owner or operator is provided with a written
4 report, signed by the licensed technician who performed the
5 inspection, of any test performed by a smog check station,
6 including a pass or fail indication, and written confirmation of the
7 issuance of the certificate.

8 (c) (1) The department shall charge a fee to a smog check
9 station, including a test-only station, and a station providing referee
10 functions, for a motor vehicle inspected at that station that meets
11 the requirements of this chapter and is issued a certificate of
12 compliance, a certificate of noncompliance, repair cost waiver, or
13 economic hardship extension.

14 (2) The fee charged pursuant to paragraph (1) shall be calculated
15 to recover the costs of the department and any other state agency
16 directly involved in the implementation, administration, or
17 enforcement of the motor vehicle inspection and maintenance
18 program, and shall not exceed the amount reasonably necessary
19 to fund the operation of the program, including all responsibilities,
20 requirements, and obligations imposed upon the department or
21 any of those state agencies by this chapter, that are not otherwise
22 recoverable by fees received pursuant to Section 44034.

23 (3) Except for adjustments to reflect changes in the Consumer
24 Price Index, as published by the United States Bureau of Labor
25 Statistics, the fee for each certificate, waiver, or extension shall
26 not exceed seven dollars (\$7).

27 (4) Fees collected by the department pursuant to this subdivision
28 shall be deposited in the Vehicle Inspection and Repair Fund. It
29 is the intent of the Legislature that a prudent surplus be maintained
30 in the Vehicle Inspection and Repair Fund.

31 (d) (1) Motor vehicles exempted under paragraph (4) of
32 subdivision (a) of Section 44011 shall be subject to an annual smog
33 abatement fee of twelve dollars (\$12). The department may also,
34 by regulation, subject motor vehicles that are exempted under
35 paragraph (5) of subdivision (a) of Section 44011 to the twelve
36 dollar (\$12) annual smog abatement fee. Payment of the annual
37 smog abatement fee shall be made to the Department of Motor
38 Vehicles at the time of registration of the motor vehicle.

1 (2) Except as provided in subdivision (a) of Section 44091.1,
2 fees collected pursuant to this subdivision shall be deposited on a
3 daily basis into the Vehicle Inspection and Repair Fund.

4 (e) The sale or transfer of the certificate, waiver, or extension
5 by a licensed smog check station or test-only station to any other
6 licensed smog check station or to any other person, and the
7 purchase or acquisition of the certificate, waiver, or extension, by
8 any person, other than from the department, the department's
9 designee, or pursuant to a vehicle's inspection or repair conducted
10 pursuant to this chapter, is prohibited.

11 (f) Following implementation of the electronic entry certificate
12 under subdivision (b), the department may require the modification
13 of the analyzers and other equipment required at smog check
14 stations to prevent the entry of a certificate that has not been issued
15 or validated through prepayment of the fee authorized by
16 subdivision (c).

17 (g) The fee charged by licensed smog check stations to
18 consumers for a certificate, waiver, or extension shall be the same
19 amount that is charged by the department.

20 (h) This section shall become operative on January 1, 2016.

21 SEC. 5. Chapter 8.9 (commencing with Section 44270) is
22 added to Part 5 of Division 26 of the Health and Safety Code, to
23 read:

24

25 CHAPTER 8.9. ALTERNATIVE FUEL, CLEAN AIR, AND CARBON
26 REDUCTION PROGRAMS

27

28 44270. This chapter shall be known, and may be cited, as the
29 California Alternative and Renewable Fuel, Vehicle Technology,
30 Clean Air, and Carbon Reduction Act of 2007.

31 44270.5. (a) The Air Quality Improvement Program is hereby
32 created to fund, upon appropriation by the Legislature, air quality
33 improvement projects relating to fuel and vehicle technologies.
34 The program shall be administered by the state board in
35 coordination with the commission, and other state agencies that
36 the state board deems appropriate.

37 (b) Projects to be funded by the Air Quality Improvement
38 Program shall include, but not be limited to, all of the following:

39 (1) Off-road equipment projects that contemplate action not
40 required by control measures adopted by the state board or any

1 other laws to mitigate for criteria air pollutant and toxic air
2 contaminant emissions.

3 (2) Projects that provide mitigation for off-road gasoline exhaust
4 and evaporative emissions not currently regulated by the state
5 board.

6 (3) Projects that provide research to determine the air quality
7 impacts of alternative fuels and projects that study the life-cycle
8 impacts of alternative fuels and conventional fuels, the emissions
9 of biofuel and advanced reformulated gasoline mixes, and air
10 pollution improvements and control technologies for use with
11 alternative fuels and vehicles.

12 (4) Projects that augment the University of California's
13 Agricultural Extension Program for research to increase sustainable
14 biofuels production and improve the collection of biomass
15 feedstock.

16 (5) Incentives for small off-road equipment replacement to
17 encourage consumers to replace internal combustion engine lawn
18 and garden equipment.

19 (6) Incentives for heavy-duty vehicles and equipment mitigation,
20 including all of the following:

21 (A) Lower emission schoolbus programs.

22 (B) Heavy-duty electric off-road equipment.

23 (C) Regional air quality improvement and attainment programs
24 to assess the most impacted regions of the state.

25 (c) The Air Quality Improvement Program may be used to
26 augment the program created by Article 10 (commencing with
27 Section 44100) of Chapter 5.

28 44270.6. (a) The Air Quality Improvement Fund is hereby
29 created in the State Treasury, to be administered by the state board.
30 The moneys in the Air Quality Improvement Fund, upon
31 appropriation by the Legislature, shall be expended by the state
32 board in accordance with Section 44270.5.

33 (b) Projects proposed for funding pursuant to subdivision (a)
34 shall be evaluated based on their proposed or potential reduction
35 of criteria air pollutants, cost-effectiveness, contribution to regional
36 air quality improvement, and their ability to promote the use of
37 clean alternative fuels as determined by the state board in
38 coordination with the commission.

39 44271. (a) There is hereby created the Alternative and
40 Renewable Fuel, Vehicle Technology, Carbon Reduction, and

1 Clean Air Program. The program shall be administered, in
 2 accordance with this chapter, by the commission in partnership
 3 with the state board and in partnership with other state agencies
 4 deemed appropriate by the commission.

5 (b) The state board shall adopt and submit to the commission
 6 criteria to ensure that the activities undertaken pursuant to the
 7 program complement, and do not interfere with, efforts to achieve
 8 and maintain federal and state ambient air quality standards and
 9 to reduce toxic air contaminant emissions.

10 (c) (1) The program shall provide, upon appropriation by the
 11 Legislature, grants and revolving loans to public agencies,
 12 California-based businesses and projects, public-private
 13 partnerships, vehicle and technology consortia, fleet owners,
 14 consumers, and academic institutions to develop innovative
 15 technologies that *will* transform California’s fuel and vehicle types
 16 to help attain the state’s climate change policies, without adopting
 17 any one preferred fuel or technology.

18 (2) The program shall provide funding complementary to
 19 existing public and private investments, including existing state
 20 programs that further the goals of this chapter.

21 (d) The commission and the state board shall establish an
 22 advisory body to develop investment strategies to help implement
 23 the Alternative and Renewable Fuel, Vehicle Technology, Carbon
 24 Reduction, and Clean Air Program. The advisory body shall have
 25 representatives from the Resources Agency, the Business,
 26 Transportation and Housing Agency, the California Environmental
 27 Protection Agency, fuel and vehicle technology consortia,
 28 environmental justice and public health organizations, consumer
 29 advocates, academic institutions, and private industry.

30 (e) (1) The commission, in coordination with the state board
 31 and the advisory body created pursuant to subdivision (d), shall
 32 establish criteria and priorities for the purpose of allocating funds
 33 under the Alternative and Renewable Fuel, Vehicle Technology,
 34 Carbon Reduction, and Clean Air Program.

35 (2) The commission shall annually review these criteria and
 36 priorities, in coordination with the state board and the advisory
 37 body.

38 (3) Funding criteria and priorities shall reflect a consideration
 39 of ~~both~~ *all* of the following:

1 (A) The extent to which the project significantly increases the
2 state’s ability to meet existing and future state climate change
3 policy and low-carbon fuel standards, reduces petroleum-based
4 fuel consumption, and reduces criteria air pollutants and air toxics.

5 (B) The extent to which the project attempts to decrease, on a
6 life-cycle basis, the emissions of water pollutants or any other
7 substances known to damage human health or the environment,
8 in comparison to the production and use of California Phase 2
9 Reformulated Gasoline or diesel fuel produced and sold pursuant
10 to California diesel fuel regulations set forth in Article 2
11 (commencing with Section 2280) of Chapter 5 of Division 3 of
12 Title 13 of the California Code of Regulations.

13 (C) The project is not otherwise required to be undertaken
14 pursuant to state or federal law.

15 (4) The commission, in partnership with the state board, shall
16 develop sustainability criteria to ensure that any fuel or technology
17 deployment project meets all of the following requirements:

18 (A) The project does not adversely impact the state’s natural
19 resources.

20 (B) The project complies with all applicable laws and
21 regulations.

22 (C) A full fuel cycle analysis has been undertaken with regard
23 to the project.

24 (5) Eligible biomass projects shall not be derived from
25 environmentally sensitive lands protected by state or federal law.

26 (6) Funding criteria shall be established to prioritize a research
27 development and deployment project that includes, at a minimum,
28 any of the following features:

29 (A) The project provides private matching funds.

30 (B) The project demonstrates an ability to provide transformative
31 technology advancements.

32 (C) The project demonstrates the ability to develop innovative
33 new technology.

34 (D) The project promotes California-based technology firms.

35 44272. Projects to be funded by the Alternative and Renewable
36 Fuel, Vehicle Technology, Carbon Reduction, and Clean Air
37 Program shall include, but not be limited to, all of the following:

38 (a) Alternative and renewable fuel research and development
39 projects to improve and develop alternative and low-carbon fuels,
40 including ethanol, dimethyl ether, renewable diesel, natural gas,

1 and biomethane, among others, and their feedstocks that have high
2 potential for long-term or short-term commercialization.

3 (b) Alternative and renewable fuel deployment projects that
4 optimize fuels for existing and developing engine technologies,
5 production of alternative and low-carbon fuels in California, and
6 development of less carbon intensive processes for current fuels.

7 (c) Technology deployment projects to decrease the overall
8 impact of a fuel's life-cycle carbon footprint and sustainability.

9 (d) Alternative and renewable fuel infrastructure, fueling
10 stations, and equipment incentive projects, including revolving
11 loans and grants to small- and medium-sized businesses for these
12 purposes.

13 (e) Alternative and renewable fuel and efficient vehicle
14 technology research development projects for the improvement
15 and development of light-, medium- and heavy-duty vehicle
16 technologies that provide for better fuel efficiency, alternative fuel
17 usage and storage, or emission reductions, including propulsion
18 systems, light weight materials, energy storage, engine optimization
19 with a target particularly for renewable and low carbon fuels,
20 electronic and electrified components, hybrid technology, plug-in
21 hybrid technology, and fuel cell technology.

22 (f) Alternative and renewable fuel and efficient vehicle
23 technology deployment programs and projects for the
24 demonstration and deployment of vehicle technologies in California
25 that accelerate the commercialization of vehicle technology,
26 including buy-down programs for near-market and market-path
27 deployments.

28 (g) Revolving loans to small and medium size businesses for
29 medium- and heavy-duty vehicle fleets to retrofit existing fleets
30 with technologies that create higher fuel efficiencies, including
31 idle management technology and aerodynamic retrofits that
32 decrease fuel consumption.

33 (h) Alternative fuel and electric infrastructure projects that
34 promote infrastructure development connected with existing fleets,
35 public transit, and existing transportation corridors.

36 44273. (a) The Alternative and Renewable Fuel, Vehicle
37 Technology, Carbon Reduction, and Clean Air Fund is hereby
38 created in the State Treasury, to be administered by the
39 commission. The moneys in the Alternative and Renewable Fuel,
40 Vehicle Technology, Carbon Reduction, and Clean Air Fund, upon

1 appropriation by the Legislature, shall be expended by the
2 commission in accordance with Sections 44271 and 44272.

3 (b) (1) For the purposes of this subdivision, “Williams
4 settlement funds” means any moneys obtained, and any interest
5 generated on the moneys, through the settlement of litigation with
6 The Williams Companies, Inc. and Williams Energy Marketing
7 & Trading Company, made and entered into as of November 11,
8 2002.

9 (2) Notwithstanding Section 16428.3 of the Government Code
10 and any other provision of law, of the Williams settlement funds
11 deposited in the Ratepayer Relief Fund, the sum of thirty million
12 dollars (\$30,000,000) is hereby transferred to the Alternative and
13 Renewable Fuel, Vehicle Technology, Carbon Reduction, and
14 Clean Air Fund.

15 (c) The sum of six million five hundred thousand dollars
16 (\$6,500,000) is hereby transferred from the Motor Vehicle Account
17 in the State Transportation Fund to the Alternative and Renewable
18 Fuel, Vehicle Technology, Carbon Reduction, and Clean Air Fund.

19 (d) Notwithstanding any other provision of law, the sum of five
20 million dollars (\$5,000,000) shall be transferred annually from the
21 Public Interest Research, Development, and Demonstration Fund
22 created by Section 384 of the Public Utilities Code to the
23 Alternative and Renewable Fuel, Vehicle Technology, Carbon
24 Reduction, and Clean Air Fund.

25 SEC. 6. Section 25620.16 is added to the Public Resources
26 Code, to read:

27 25620.16. Notwithstanding any other provision of law, the sum
28 of five million dollars (\$5,000,000) shall be transferred annually
29 from the Public Interest Research, Development, and
30 Demonstration Fund to the Alternative and Renewable Fuel,
31 Vehicle Technology, Carbon Reduction, and Clean Air Fund
32 created by Section 44273 of the Health and Safety Code.

33 SEC. 7. Section 9250 of the Vehicle Code is amended to read:

34 9250. (a) A registration fee of thirty-three dollars (\$33) shall
35 be paid to the department for the registration of every vehicle or
36 trailer coach of a type subject to registration under this code, except
37 those vehicles that are expressly exempted under this code from
38 the payment of registration fees.

1 (b) The registration fee imposed under this section applies to
2 all vehicles described in Section 5004, whether or not special
3 identification plates are issued to that vehicle.

4 (c) Trailer coaches are subject to the fee provided in subdivision
5 (a) for each unit of the trailer coach.

6 (d) This section applies to all of the following:

7 (1) The initial or original registration, on or after January 1,
8 2004, of any vehicle not previously registered in this state.

9 (2) The renewal of registration of any vehicle for which the
10 registration period expires on or after January 1, 2004, regardless
11 of whether a renewal application was mailed to the registered
12 owner prior to January 1, 2004.

13 (3) Any renewal of a registration that expired on or before
14 December 31, 2003, but for which the fees are not paid until on
15 or after January 1, 2004.

16 (e) Notwithstanding any other provision of law, of the total
17 amount of each fee collected pursuant to subdivision (a), two
18 dollars (\$2) shall be deposited into the Alternative and Renewable
19 Fuel, Vehicle Technology, Carbon Reduction, and Clean Air Fund
20 created by Section 44273 of the Health and Safety Code.

21 (f) This section shall remain in effect only until January 1, 2016,
22 and as of that date is repealed, unless a later enacted statute, that
23 is enacted before January 1, 2016, deletes or extends that date.

24 SEC. 8. Section 9250 is added to the Vehicle Code, to read:

25 9250. (a) A registration fee of thirty-one dollars (\$31) shall
26 be paid to the department for the registration of every vehicle or
27 trailer coach of a type subject to registration under this code, except
28 those vehicles that are expressly exempted under this code from
29 the payment of registration fees.

30 (b) The registration fee imposed under this section applies to
31 all vehicles described in Section 5004, whether or not special
32 identification plates are issued to that vehicle.

33 (c) Trailer coaches are subject to the fee provided in subdivision
34 (a) for each unit of the trailer coach.

35 (d) This section applies to all of the following:

36 (1) The initial or original registration, on or after January 1,
37 2004, of any vehicle not previously registered in this state.

38 (2) The renewal of registration of any vehicle for which the
39 registration period expires on or after January 1, 2004, regardless

1 of whether a renewal application was mailed to the registered
2 owner prior to January 1, 2004.

3 (3) Any renewal of a registration that expired on or before
4 December 31, 2003, but for which the fees are not paid until on
5 or after January 1, 2004.

6 (e) This section shall become operative on January 1, 2016.

7 SEC. 9. Section 9261 of the Vehicle Code is amended to read:

8 9261. (a) A service fee of twenty dollars (\$20) shall be paid
9 for an identification plate issued pursuant to Section 5014. Publicly
10 owned special construction equipment, cemetery equipment, special
11 mobile equipment, logging vehicles, and implements of husbandry
12 are exempt from the service charge.

13 (b) A service fee of twenty dollars (\$20) shall be paid for an
14 identification plate issued pursuant to Section 5016.5.

15 (c) Upon application for the transfer of interest of an owner in
16 a piece of equipment, vehicle, or implement of husbandry identified
17 pursuant to Section 5014, the transferee shall pay a fee of twenty
18 dollars (\$20).

19 (d) A fee of twenty dollars (\$20) shall be paid upon the renewal
20 of an identification plate issued pursuant to Section 5014 or 5016.5.

21 (e) Notwithstanding any other provision of law, of the total
22 amount of each fee collected pursuant to this section, five dollars
23 (\$5) shall be deposited into the Alternative and Renewable Fuel,
24 Vehicle Technology, Carbon Reduction, and Clean Air Fund
25 created by Section 44273 of the Health and Safety Code.

26 (f) This section shall remain in effect only until January 1, 2016,
27 and as of that date is repealed, unless a later enacted statute, that
28 is enacted before January 1, 2016, deletes or extends that date.

29 SEC. 10. Section 9261 is added to the Vehicle Code, to read:

30 9261. (a) A service fee of fifteen dollars (\$15) shall be paid
31 for an identification plate issued pursuant to Section 5014. Publicly
32 owned special construction equipment, cemetery equipment, special
33 mobile equipment, logging vehicles, and implements of husbandry
34 are exempt from the service charge.

35 (b) A service fee of fifteen dollars (\$15) shall be paid for an
36 identification plate issued pursuant to Section 5016.5.

37 (c) Upon application for the transfer of interest of an owner in
38 a piece of equipment, vehicle, or implement of husbandry identified
39 pursuant to Section 5014, the transferee shall pay a fee of fifteen
40 dollars (\$15).

1 (d) A fee of fifteen dollars (\$15) shall be paid upon the renewal
2 of an identification plate issued pursuant to Section 5014 or 5016.5.

3 (e) This section shall become operative on January 1, 2016.

4 SEC. 11. Section 9853 of the Vehicle Code is amended to read:

5 9853. (a) The owner of each vessel requiring numbering by
6 this state shall file an initial application for a number with the
7 department or with an agent authorized by the department on forms
8 approved by the department. The forms shall be prepared in
9 cooperation with the Department of Boating and Waterways. The
10 application shall contain the true name and address of the owner
11 and of the legal owner, if any, and the hull identification number
12 of the vessel as may be required by the department. The application
13 shall be signed by the owner of the vessel and shall be accompanied
14 by a fee of nine dollars (\$9), in addition to the fees required under
15 subdivision (b), except that an owner of a vessel registered outside
16 this state who is submitting an application for registration in this
17 state shall pay a fee of thirty-seven dollars (\$37), in addition to
18 the fees required under subdivision (b).

19 (b) (1) Whenever the fee for original registration of a vessel
20 becomes due between January 1 and December 31 of any
21 even-numbered year, the application shall be accompanied by a
22 fee of twenty dollars (\$20), in addition to any other fees that are
23 then due and payable.

24 (2) Whenever the fee for original registration of a vessel
25 becomes due, or is filed with the department, between January 1
26 and December 31 of any odd-numbered year, the application shall
27 be accompanied by a fee of forty dollars (\$40) in addition to any
28 other fees that are then due and payable.

29 (c) Notwithstanding any other provision of law, of the total
30 amount of each fee collected pursuant to *paragraph (1) of*
31 *subdivision (b)*, ten dollars (\$10) shall be deposited into the
32 Alternative and Renewable Fuel, Vehicle Technology, Carbon
33 Reduction, and Clean Air Fund created by Section 44273 of the
34 Health and Safety Code. *Notwithstanding any other provision of*
35 *law, of the total amount of each fee collected pursuant to*
36 *paragraph (2) of subdivision (b)*, twenty dollars (\$20) shall be
37 *deposited into the Alternative and Renewable Fuel, Vehicle*
38 *Technology, Carbon Reduction, and Clean Air Fund created by*
39 *Section 44273 of the Health and Safety Code.*

1 (d) This section shall remain in effect only until January 1, 2016,
2 and as of that date is repealed, unless a later enacted statute, that
3 is enacted before January 1, 2016, deletes or extends that date.

4 SEC. 12. Section 9853 is added to the Vehicle Code, to read:

5 9853. (a) The owner of each vessel requiring numbering by
6 this state shall file an initial application for a number with the
7 department or with an agent authorized by the department on forms
8 approved by the department. The forms shall be prepared in
9 cooperation with the Department of Boating and Waterways. The
10 application shall contain the true name and address of the owner
11 and of the legal owner, if any, and the hull identification number
12 of the vessel as may be required by the department. The application
13 shall be signed by the owner of the vessel and shall be accompanied
14 by a fee of nine dollars (\$9), in addition to the fees required under
15 subdivision (b), except that an owner of a vessel registered outside
16 this state who is submitting an application for registration in this
17 state shall pay a fee of thirty-seven dollars (\$37), in addition to
18 the fees required under subdivision (b).

19 (b) (1) Whenever the fee for original registration of a vessel
20 becomes due between January 1 and December 31 of any
21 even-numbered year, the application shall be accompanied by a
22 fee of ten dollars (\$10), in addition to any other fees that are then
23 due and payable.

24 (2) Whenever the fee for original registration of a vessel
25 becomes due, or is filed with the department, between January 1
26 and December 31 of any odd-numbered year, the application shall
27 be accompanied by a fee of twenty dollars (\$20) in addition to any
28 other fees that are then due and payable.

29 (c) This section shall become operative on January 1, 2016.

30 SEC. 13. Section 14900 of the Vehicle Code is amended to
31 read:

32 14900. (a) Upon application for an original class C or M
33 driver's license, there shall be paid to the department a fee of
34 twenty-five dollars (\$25) for a license that will expire on the fifth
35 birthday of the applicant following the date of the application. The
36 payment of the fee entitles the person paying the fee to apply for
37 a driver's license and to take three examinations within a period
38 of 12 months from the date of the application or during the period
39 that an instruction permit is valid, as provided in Section 12509.

1 (b) In addition to the application fee specified in subdivision
2 (a), a person who fails to successfully complete the driving skill
3 test on the first attempt shall be required to pay an additional fee
4 of five dollars (\$5) for each additional driving skill test
5 administered under that application.

6 (c) The fee specified in subdivision (b) shall be collected in
7 conjunction with any application submitted on or after July 1,
8 2003.

9 (d) Notwithstanding any other provision of law, of the total
10 amount of each fee collected pursuant to subdivision (a), one dollar
11 (\$1) shall be deposited into the Alternative and Renewable Fuel,
12 Vehicle Technology, Carbon Reduction, and Clean Air Fund
13 created by Section 44273 of the Health and Safety Code.

14 (e) This section shall remain in effect only until January 1, 2016,
15 and as of that date is repealed, unless a later enacted statute, that
16 is enacted before January 1, 2016, deletes or extends that date.

17 SEC. 14. Section 14900 is added to the Vehicle Code, to read:

18 14900. (a) Upon application for an original class C or M
19 driver’s license, there shall be paid to the department a fee of
20 twenty-four dollars (\$24) for a license that will expire on the fifth
21 birthday of the applicant following the date of the application. The
22 payment of the fee entitles the person paying the fee to apply for
23 a driver’s license and to take three examinations within a period
24 of 12 months from the date of the application or during the period
25 that an instruction permit is valid, as provided in Section 12509.

26 (b) In addition to the application fee specified in subdivision
27 (a), a person who fails to successfully complete the driving skill
28 test on the first attempt shall be required to pay an additional fee
29 of five dollars (\$5) for each additional driving skill test
30 administered under that application.

31 (c) The fee specified in subdivision (b) shall be collected in
32 conjunction with any application submitted on or after July 1,
33 2003.

34 (d) This section shall become operative on January 1, 2016.

35 SEC. 15. Section 14900.1 of the Vehicle Code is amended to
36 read:

37 14900.1. (a) Except as provided in Sections 15250.6 and
38 15255.1, upon application for the renewal of a driver’s license or
39 for a license to operate a different class of vehicle, there shall be
40 paid to the department a fee of twenty-five dollars (\$25) for a

1 license that will expire on the fifth birthday of the applicant
2 following the date of the application. The payment of the fee
3 entitles the person paying the fee to apply for a driver's license
4 and to take three examinations within a period of 12 months from
5 the date of the application or during the period that an instruction
6 permit is valid, as provided in Section 12509.

7 (b) In addition to the application fee specified in subdivision
8 (a), a person who fails to successfully complete the driving skill
9 test on the first attempt shall be required to pay an additional fee
10 of five dollars (\$5) for each additional driving skill test
11 administered under that application.

12 (c) The fee specified in subdivision (b) shall be collected in
13 conjunction with any application submitted on or after July 1,
14 2003.

15 (d) Notwithstanding any other provision of law, of the total
16 amount of each fee collected pursuant to subdivision (a), one dollar
17 (\$1) shall be deposited into the Alternative and Renewable Fuel,
18 Vehicle Technology, Carbon Reduction, and Clean Air Fund
19 created by Section 44273 of the Health and Safety Code.

20 (e) This section shall remain in effect only until January 1, 2016,
21 and as of that date is repealed, unless a later enacted statute, that
22 is enacted before January 1, 2016, deletes or extends that date.

23 SEC. 16. Section 14900.1 is added to the Vehicle Code, to
24 read:

25 14900.1. (a) Except as provided in Sections 15250.6 and
26 15255.1, upon application for the renewal of a driver's license or
27 for a license to operate a different class of vehicle, there shall be
28 paid to the department a fee of twenty-four dollars (\$24) for a
29 license that will expire on the fifth birthday of the applicant
30 following the date of the application. The payment of the fee
31 entitles the person paying the fee to apply for a driver's license
32 and to take three examinations within a period of 12 months from
33 the date of the application or during the period that an instruction
34 permit is valid, as provided in Section 12509.

35 (b) In addition to the application fee specified in subdivision
36 (a), a person who fails to successfully complete the driving skill
37 test on the first attempt shall be required to pay an additional fee
38 of five dollars (\$5) for each additional driving skill test
39 administered under that application.

- 1 (c) The fee specified in subdivision (b) shall be collected in
- 2 conjunction with any application submitted on or after July 1,
- 3 2003.
- 4 (d) This section shall become operative on January 1, 2016.

O