

AMENDED IN ASSEMBLY MAY 1, 2007

AMENDED IN ASSEMBLY APRIL 19, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 1209

**Introduced by Assembly Member Karnette
(Coauthor: Assembly Member Hancock)**

February 23, 2007

An act to add Section 39611 to the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 1209, as amended, Karnette. State Air Resources Board: ~~bond allocation criteria~~. *emission reduction projects and measures*.

Existing law creates the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 to authorize \$19.925 billion of state general obligation bonds for specified purposes. The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 requires \$3,100,000,000 of these funds to be deposited in the California Ports Infrastructure, Security, and Air Quality Improvement Account within the Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006, and requires \$1,000,000,000 of these funds to be made available, upon appropriation by the Legislature, to the State Air Resources Board for emissions reductions, not otherwise required by law or regulation, from activities related to the movement of freight along California's trade corridors.

~~This bill would require the state board to develop guidelines meeting specified requirements for the allocation of the \$1,000,000,000 in funding.~~ This bill would require the state board to develop guidelines

meeting specified requirements for the allocation of the \$1,000,000,000 in funding. The bill would, upon appropriation by the Legislature, require the state board to allocate funds on a competitive basis to projects and measures that are shown to achieve the greatest emission reductions from activities related to freight movement along California’s trade corridors. *The projects and measures would be required to result in emission reductions not otherwise required by law or regulation in effect as of November 8, 2006. The bill would specify that the funds only be used to implement strategies described in a required emissions reduction plan included in funding applications. The bill would require the state board to report annually to the appropriate fiscal and policy committees of the Legislature in writing and at scheduled legislative informational hearings on the status of the projects and measures being funded. The bill would require the administrative costs of the state board to be paid in an appropriation in the annual Budget Act and limit those costs to \$15,000,000 for the duration of program funding.*

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 that the
 2 Highway Safety, Traffic Reduction, Air Quality, and Port Security
 3 Bond Act of 2006 authorizes nineteen billion nine hundred
 4 twenty-five million dollars (\$19,925,000,000) of state general
 5 obligation bonds for specified purposes, including one billion
 6 dollars (\$1,000,000,000) which is available, upon appropriation
 7 by the Legislature and subject to the conditions and criteria
 8 contained in a statute enacted by the Legislature, to the State Air
 9 Resources Board for emission reductions, not otherwise required
 10 by law or regulation, from activities related to the movement of
 11 freight along California’s trade corridors. The Legislature further
 12 finds and declares that funds made available for this purpose are
 13 intended to supplement existing funds used to finance strategies
 14 and public benefit projects that reduce emissions and improve air
 15 quality in trade corridors commencing at the state’s airports,
 16 seaports, and land ports of entry.

17 SEC. 2. Section 39611 is added to the Health and Safety Code,
 18 to read:

1 39611. (a) The state board shall develop guidelines, consistent
2 with the requirements of this section, for the allocation of funding
3 made available pursuant to paragraph (2) of subdivision (c) of
4 Section 8879.23 of the Government Code.

5 (b) Upon appropriation by the Legislature, the state board shall
6 allocate funds on a competitive basis to projects and measures that
7 are shown to achieve the greatest emission reductions, not
8 otherwise required by law or regulation, from activities related to
9 the movement of freight along California's trade corridors.
10 *Applicants for program funding shall include with their funding*
11 *application a plan to reduce the emissions associated with the*
12 *movement of freight. Funds shall only be used to implement*
13 *strategies described in the plan.*

14 (c) In evaluating projects or measures, the state board shall
15 consider all of the following:

16 (1) Reduction in public health risks achieved by the project or
17 measure.

18 (2) Cost-effectiveness and technological feasibility of the project
19 or measure.

20 (3) Long-term benefits of the project or measure.

21 (4) The availability of matching funds.

22 (d) *The state board shall report annually to the appropriate*
23 *fiscal and policy committees of the Legislature and at scheduled*
24 *joint legislative informational hearings on the status of the projects*
25 *and measures funded by resources made available pursuant to*
26 *subdivision (c) of Section 8879.23 of the Government Code.*

27 (e) *All projects and measures shall result in emission reductions*
28 *not otherwise required by law or regulation in effect as of*
29 *November 8, 2006.*

30 ~~(d) The state board's administrative costs shall be limited to 5~~
31 ~~percent.~~

32 (f) *The costs of the state board in administering this program*
33 *shall be paid in an appropriation in the annual Budget Act and*
34 *not exceed fifteen million dollars (\$15,000,000) for the duration*
35 *of program funding.*