

AMENDED IN ASSEMBLY MARCH 21, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 470

Introduced by Assembly Member Halderman

February 15, 2011

An act to amend ~~Section 40322.5~~ *Sections 41081 and 44229* of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 470, as amended, Halderman. ~~Regional air~~ *Air pollution control districts: governing board membership. districts: fees: schoolbus retrofits.*

Existing law authorizes specified air pollution control and air quality management districts to adopt a fee applicable to motor vehicles registered in counties within that district, and requires the fee to be collected by the Department of Motor Vehicles. Existing law, until January 1, 2015, authorizes the amount of the fee to be up to \$6. Existing law requires the revenues from the first \$4 of the fee to be used for specified purposes. Existing law requires that the revenues from the last \$2 of the fee to be used for specified programs that the district determines remediate air pollution harms created by motor vehicles, including purchases of new schoolbuses pursuant to the State Air Resources Board's Lower-Emission School Bus Program.

This bill would additionally authorize a district based on that determination to use the last \$2 of the fee to retrofit existing schoolbuses pursuant to the State Air Resources Board's Lower-Emission School Bus Program.

~~Existing law requires the governing board of each regional air pollution control district, as defined, to include both county supervisors and mayors or city council members, as specified.~~

~~This bill would make technical, nonsubstantive changes to this requirement.~~

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 41081 of the Health and Safety Code, as
2 amended by Section 2 of Chapter 707 of the Statutes of 2004, is
3 amended to read:
4 41081. (a) Subject to Article 3.7 (commencing with Section
5 53720) of Chapter 4 of Part 1 of Division 2 of Title 5 of the
6 Government Code, or with the approval of the board of supervisors
7 of each county included, in whole or in part, within the Sacramento
8 district, the Sacramento district board may adopt a surcharge on
9 the motor vehicle registration fees applicable to all motor vehicles
10 registered in those counties within the Sacramento district whose
11 boards of supervisors have adopted a resolution approving the
12 surcharge. The surcharge shall be collected by the Department of
13 Motor Vehicles and, after deducting the department's
14 administrative costs, the remaining funds shall be transferred to
15 the Sacramento district. Prior to the adoption of any surcharge
16 pursuant to this subdivision, the district board shall make a finding
17 that any funds allocated to the district as a result of the adoption
18 of a county transportation sales and use tax are insufficient to carry
19 out the purposes of this chapter.
20 (b) The surcharge shall not exceed six dollars (\$6).
21 (c) After consulting with the Department of Motor Vehicles on
22 the feasibility thereof, the Sacramento district board may provide,
23 in the surcharge adopted pursuant to subdivision (a), to exempt
24 from all or part of the surcharge any category of low-emission
25 motor vehicle.
26 (d) Funds received by the Sacramento district pursuant to this
27 section shall be used by that district as follows:
28 (1) The revenues resulting from the first four dollars (\$4) of
29 each surcharge shall be used to implement reductions in emissions

1 from vehicular sources, including, but not limited to, a clean fuels
2 program and motor vehicle use reduction measures.

3 (2) The revenues resulting from the next two dollars (\$2) of
4 each surcharge shall be used to implement the following programs
5 that achieve emission reductions from vehicular sources and
6 off-road engines, to the extent that the district determines the
7 program remediates air pollution harms created by motor vehicles
8 on which the surcharge is imposed:

9 (i) Projects eligible for grants under the Carl Moyer Memorial
10 Air Quality Standards Attainment Program (Chapter 9
11 (commencing with Section 44275) of Part 5).

12 (ii) The new purchase, retrofit, repower, or add-on of equipment
13 for previously unregulated agricultural sources of air pollution, as
14 defined in Section 39011.5, within the Sacramento district, for a
15 minimum of three years from the date of adoption of an applicable
16 rule or standard, or until the compliance date of that rule or
17 standard, whichever is later, if the state board has determined that
18 the rule or standard complies with Sections 40913, 40914, and
19 41503.1, after which period of time, a new purchase, retrofit,
20 repower, or add-on of equipment shall not be funded pursuant to
21 this chapter. The district shall follow any guidelines developed
22 under subdivision (a) of Section 44287 for awarding grants under
23 this program.

24 (iii) The ~~new~~ purchase of *new, or retrofit of existing*, schoolbuses
25 pursuant to the Lower-Emission School Bus Program adopted by
26 the state board.

27 (iv) An accelerated vehicle retirement or repair program that is
28 adopted by the state board pursuant to authority granted hereafter
29 by the Legislature by statute.

30 (e) Not more than 5 percent of the funds collected pursuant to
31 this section shall be used by the district for administrative expenses.

32 (f) ~~No~~ A project funded by the program shall *not* be used for
33 credit under any state or federal emissions averaging, banking, or
34 trading program. ~~No~~ An emission reduction generated by the
35 program shall *not* be used as marketable emission reduction credits
36 or to offset any emission reduction obligation of any person or
37 entity. Projects involving new engines that would otherwise
38 generate marketable credits under state or federal averaging,
39 banking, and trading programs shall include transfer of credits to
40 the engine end user and retirement of those credits toward reducing

1 air emissions in order to qualify for funding under the program.
2 A purchase of a low-emission vehicle or of equipment pursuant
3 to a corporate or a controlling board's policy, but not otherwise
4 required by law, shall generate surplus emissions reductions and
5 may be funded by the program.

6 (g) This section shall remain in effect only until January 1, 2015,
7 and as of that date is repealed, unless a later enacted statute, that
8 is enacted before January 1, 2015, deletes or extends that date.

9 *SEC. 2. Section 44229 of the Health and Safety Code, as*
10 *amended by Section 4 of Chapter 707 of the Statutes of 2004, is*
11 *amended to read:*

12 44229. (a) After deducting all administrative costs it incurs
13 through collection of fees pursuant to Section 44227, the
14 Department of Motor Vehicles shall distribute the revenues to
15 districts, which shall use the revenues resulting from the first four
16 dollars (\$4) of each fee imposed to reduce air pollution from motor
17 vehicles and to carry out related planning, monitoring, enforcement,
18 and technical studies necessary for implementation of the California
19 Clean Air Act of 1988. Fees collected by the Department of Motor
20 Vehicles pursuant to this chapter shall be distributed to districts
21 based upon the amount of fees collected from motor vehicles
22 registered within each district.

23 (b) Notwithstanding the provisions of Section 44241 and Section
24 44243, a district shall use the revenues resulting from the next two
25 dollars (\$2) of each fee imposed pursuant to Section 44227 to
26 implement the following programs that the district determines
27 remediate air pollution harms created by motor vehicles on which
28 the surcharge is imposed:

29 (1) Projects eligible for grants under the Carl Moyer Memorial
30 Air Quality Standards Attainment Program (Chapter 9
31 (commencing with Section 44275) of Part 5).

32 (2) The new purchase, retrofit, repower, or add-on equipment
33 for previously unregulated agricultural sources of air pollution, as
34 defined in Section 39011.5, for a minimum of three years from
35 the date of adoption of an applicable rule or standard, or until the
36 compliance date of that rule or standard, whichever is later, if the
37 state board has determined that the rule or standard complies with
38 Sections 40913, 40914, and 41503.1, after which period of time,
39 a new purchase, retrofit, repower, or add-on of equipment shall
40 not be funded pursuant to this chapter. The districts shall follow

1 any guidelines developed under subdivision (a) of Section 44287
2 for awarding grants under this program.

3 (3) ~~The new purchase of new, or retrofit of existing,~~ schoolbuses
4 pursuant to the Lower-Emission School Bus Program adopted by
5 the state board.

6 (4) An accelerated vehicle retirement or repair program that is
7 adopted by the state board pursuant to authority granted hereafter
8 by the Legislature by statute.

9 (c) The Department of Motor Vehicles may annually expend
10 not more than ~~the following percentages~~ 1 percent of the fees
11 collected pursuant to Section 44227 on administrative costs:

12 ~~(1) During the first year after the operative date of this chapter,~~
13 ~~not more than 5 percent of the fees collected may be used for~~
14 ~~administrative costs:~~

15 ~~(2) During the second year after the operative date of this~~
16 ~~chapter, not more than 3 percent of the fees collected may be used~~
17 ~~for administrative costs:~~

18 ~~(3) During any year subsequent to the second year after the~~
19 ~~operative date of this chapter, not more than 1 percent of the fees~~
20 ~~collected may be used for administrative costs:~~

21 (d) ~~No~~ A project funded by the program shall *not* be used for
22 credit under any state or federal emissions averaging, banking, or
23 trading program. ~~No~~ An emission reduction generated by the
24 program shall *not* be used as marketable emission reduction credits
25 or to offset any emission reduction obligation of any person or
26 entity. Projects involving new engines that would otherwise
27 generate marketable credits under state or federal averaging,
28 banking, and trading programs shall include transfer of credits to
29 the engine end user and retirement of those credits toward reducing
30 air emissions in order to quality for funding under the program. A
31 purchase of a ~~low-emission~~ *low-emission* vehicle or of equipment
32 pursuant to a corporate or a controlling board's policy, but not
33 otherwise required by law, shall generate surplus emissions
34 reductions and may be funded by the program.

35 (e) This section shall remain in effect only until January 1, 2015,
36 and as of that date is repealed, unless a later enacted statute, that
37 is enacted before January 1, 2015, deletes or extends that date.

38 ~~SECTION 1. Section 40322.5 of the Health and Safety Code~~
39 ~~is amended to read:~~

1 ~~40322.5.—(a) Notwithstanding any other provision of this~~
2 ~~chapter, on and after July 1, 1994, the membership of the governing~~
3 ~~board of each regional district, including any district formed on~~
4 ~~or after that date, shall include (1) one or more members who are~~
5 ~~mayors, city council members, or both, and (2) one or more~~
6 ~~members who are county supervisors.~~

7 ~~(b) The number of those members and their composition shall~~
8 ~~be determined jointly by the counties and cities within the district,~~
9 ~~and shall be approved by a majority of the counties, and by a~~
10 ~~majority of the cities that contain a majority of the population in~~
11 ~~the incorporated area of the district.~~

12 ~~(c) The governing board shall reflect, to the extent feasible and~~
13 ~~practicable, the geographic diversity of the district and the variation~~
14 ~~of population between the cities in the district.~~

15 ~~(d) The members of the governing board who are mayors or~~
16 ~~city council members shall be selected by a majority of the cities~~
17 ~~in the district. The members of the governing board who are county~~
18 ~~supervisors shall be selected by a majority of the counties in the~~
19 ~~district.~~

20 ~~(e) If a district fails to comply with subdivisions (a) and (b), the~~
21 ~~membership of the governing board shall be determined as follows:~~

22 ~~(1) In districts in which the population in the incorporated areas~~
23 ~~represents 35 percent or less of the total county population,~~
24 ~~one-fourth of the members of the governing board shall be mayors~~
25 ~~or city council members, and three-fourths shall be county~~
26 ~~supervisors.~~

27 ~~(2) In districts in which the population of the incorporated areas~~
28 ~~represents between 36 and 50 percent of the total county~~
29 ~~population, one-third of the members of the governing board shall~~
30 ~~be mayors or city council members, and two-thirds shall be county~~
31 ~~supervisors.~~

32 ~~(3) In districts in which the population of the incorporated areas~~
33 ~~represents more than 50 percent of the total county population,~~
34 ~~one-half of the members of the governing board shall be mayors~~
35 ~~or city council members, and one-half shall be county supervisors.~~

36 ~~(4) The number of those members shall be determined as~~
37 ~~provided in subdivision (b) and the members shall be selected~~
38 ~~pursuant to subdivision (d).~~

39 ~~(5) For purposes of paragraphs (1) to (3), inclusive, if any~~
40 ~~number that is not a whole number results from the application of~~

1 the term “one-fourth,” “one-third,” “one-half,” “two-thirds,” or
2 “three-fourths,” the number of county supervisors shall be increased
3 to the nearest integer, and the number of mayors or city council
4 members decreased to the nearest integer.

5 (f) This section does not apply to a district if the membership
6 of the governing board of the district includes both county
7 supervisors and mayors or city council members on June 30, 1994.

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