

AMENDED IN ASSEMBLY JULY 5, 2012

AMENDED IN ASSEMBLY JUNE 15, 2012

SENATE BILL

No. 234

Introduced by Senators Hancock and Pavley
(Principal coauthor: Senator Rubio)
(Principal coauthor: Assembly Member Ma)

February 9, 2011

An act to amend Section 39625.5 of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

SB 234, as amended, Hancock. Goods Movement Emission Reduction Program.

Existing law, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B at the November 7, 2006, statewide general election, authorizes the issuance of general obligation bonds for various transportation-related purposes, including reducing emissions and improving air quality in trade corridors. The State Air Resources Board is required to allocate the funds to be used for air quality purposes pursuant to specified requirements. Projects for the provision of on-shore electrical power for ocean freight carriers calling at the state's seaports to reduce the use of auxiliary and main engine ship power are authorized for funding.

This bill would require the state board to ~~disburse funds appropriated and allocated for these on-shore electrical power projects upon the port entering into a design or construction contract, or both, for the project~~ *reimburse uncontested allowable project costs on a quarterly basis*. This bill would require the state board to revise specified guidelines

and procedures to also consider a project fully operational if the facility providing on-shore electrical power has completed a building and safety inspection, and load bank testing.

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. Section 39625.5 of the Health and Safety Code
2 is amended to read:

3 39625.5. (a) (1) Upon appropriation by the Legislature from
4 the funds made available by paragraph (2) of subdivision (c) of
5 Section 8879.23 of the Government Code, the state board shall
6 allocate funds on a competitive basis for projects that are shown
7 to achieve the greatest emission reductions from each emission
8 source identified in subdivision (c) of Section 39625.1, not
9 otherwise required by law or regulation, from activities related to
10 the movement of freight along California's trade corridors,
11 commencing at the state's airports, seaports, and land ports of
12 entry.

13 (2) Projects eligible for funding pursuant to paragraph (1) shall
14 include, but are not limited to, the following:

15 (A) The replacement, repower, or retrofit of heavy-duty diesel
16 trucks.

17 (B) The replacement, repower, or retrofit of diesel locomotive
18 engines, with priority given to switching locomotive engines,
19 provided that before any project is authorized for a locomotive
20 engine operated and controlled by a railroad company that has
21 entered into a memorandum of understanding or any other
22 agreement with a state or federal agency, a local air quality
23 management district, or a local air pollution control district,
24 including, but not limited to, the ARB/Railroad Statewide
25 Agreement Particulate Emissions Reductions Program at California
26 Rail Yards, dated June 2005, the state board shall determine that
27 the emission reductions that would be achieved by the locomotive
28 engine are not necessary to satisfy any mandated emission
29 reduction requirement under any such agreement.

30 (C) The replacement, repower, or retrofit of harbor craft that
31 operates at the state's seaports.

1 (D) The provision of on-shore electrical power for ocean freight
2 carriers calling at the state's seaports to reduce the use of auxiliary
3 and main engine ship power.

4 (E) Mobile or portable shoreside distributed power generation
5 projects that eliminate the need to use the electricity grid.

6 (F) The replacement, repower, or retrofit of cargo handling
7 equipment that operates at the state's seaports and rail yards.

8 (G) Electrification infrastructure to reduce engine idling and
9 use of internal combustion auxiliary power systems at truck stops,
10 intermodal facilities, distribution centers, and other places where
11 trucks congregate.

12 (b) (1) The state board shall allocate funds in a manner that
13 gives priority to emission reduction projects that achieve the
14 earliest possible reduction of health risk in communities with the
15 highest health risks from goods movement facilities.

16 (2) In evaluating which projects to fund, the state board shall,
17 at a minimum, consider all of the following criteria:

18 (A) The magnitude of the emission reduction.

19 (B) The public health benefits of the emission reduction.

20 (C) The cost-effectiveness and sustainability of the emissions
21 reductions.

22 (D) The severity and magnitude of the emission source's
23 contributions to emissions.

24 (E) Regulatory and State Implementation Plan requirements,
25 and the degree of surplus emissions to be reduced.

26 (F) The reduction in greenhouse gases, consistent with and
27 supportive of emission reduction goals, consistent with existing
28 law.

29 (G) The extent to which advanced emission reduction
30 technologies are to be used.

31 (H) The degree to which funds are leveraged from other sources.

32 (I) The degree to which the project reduces air pollutants or air
33 contaminants in furtherance of achieving state and federal ambient
34 air quality standards and reducing toxic air contaminants.

35 (J) The total emission reductions a project would achieve over
36 its lifetime per state dollar invested.

37 (K) Whether an emissions reduction is likely to occur in a
38 location where emissions sources in the area expose individuals
39 and population groups to elevated emissions that result in adverse

1 health effects and contribute to cumulative human exposures to
2 pollution.

3 (c) The state board shall ensure that state bond funds are
4 supplemented and matched with funds from federal, local, and
5 private sources to the maximum extent feasible.

6 (d) For a project described in subparagraph (D) of paragraph
7 (2) of subdivision (a), all of the following apply:

8 ~~(1) The state board shall disburse funds appropriated and~~
9 ~~allocated for a project upon the port entering into a design or~~
10 ~~construction contract, or both, for the project.~~

11 *(1) The state board shall reimburse uncontested allowable*
12 *project costs on a quarterly basis.*

13 (2) The state board shall revise the Proposition 1B: Goods
14 Movement Emission Reduction Program Final 2010 Guidelines
15 for Implementation and Supplemental Procedures for Ships at
16 Berth and Cargo Handling Equipment Projects to also consider a
17 project fully operational if the facility providing on-shore electrical
18 power has completed a building and safety inspection, and load
19 bank testing.