State of California AIR RESOURCES BOARD

Resolution 95-19

April 27, 1995

Agenda Item No.: 95-4-2

WHEREAS, sections 39600 and 39601 of the Health and Safety Code authorize the Air Resources Board (the "Board") to adopt standards, rules and regulations and to do such acts as may be necessary for the proper execution of the powers and duties granted to and imposed upon the Board by law;

WHEREAS, the Legislature in 1988 enacted the California Clean Air Act of 1988 (the "Act"; Stats. 1988, ch. 1568) to address the problem of air pollution in California;

WHEREAS, in the California Clean Air Act the Legislature declared that attainment of the Board's health-based ambient air quality standards is necessary to protect public health, particularly of children, older people, and those with respiratory diseases and directed that these standards be attained at the earliest practicable date;

WHEREAS, the California Clean Air Act directs the Board to perform numerous tasks related to both vehicular and nonvehicular sources of air pollution;

WHEREAS, section 39612 of the Health and Safety Code authorizes the Board to require air pollution control and air quality management districts ("districts"), beginning July 1, 1989, to impose additional permit fees on nonvehicular sources which emit 500 tons per year or more of any nonattainment pollutant or its precursors in order to recover costs of additional state programs related to nonvehicular sources authorized or required by the Act;

WHEREAS, the Board staff has conferred with representatives of local districts and with their assistance has developed a proposed fee program which specifies the amount of fees to be collected by each district for transmission to the Board;

WHEREAS, the proposed fee regulations have been designed to provide the Board with net revenues of three million dollars (\$3,000,000) to cover budgeted expenses for Fiscal Year 1995-96 of implementing nonvehicular source related activities under the Act;

WHEREAS, the proposed fee regulations provide that any excess fees collected shall be carried over and considered when setting fees in future years;

WHEREAS, the proposed fee regulations specify by district the amount to be transmitted to the Board for deposit in the Air Pollution Control Fund in Fiscal Year 1995-96 and authorize each district to assess additional fees to recover the administrative costs to the district of collecting the fees;

WHEREAS, pursuant to section 39612 of the Health and Safety Code the proposed fee program for Fiscal Year 1995-96 is based on emissions of nonattainment pollutants or their precursors, as provided in the Act, using the most current statewide emission data available from the districts, which are for calendar year 1993;

WHEREAS, the California Environmental Quality Act and Board regulations require that no project which may have significant adverse environmental impacts be adopted as originally proposed if feasible alternatives or mitigation measures are available to reduce or eliminate such impacts;

WHEREAS, a public hearing and other administrative proceedings have been held in accordance with the provisions of Chapter 3.5 (commencing with section 11340), Part 1, Division 3, Title 2 of the Government Code;

WHEREAS, the Board finds that:

The funds which would be collected pursuant to the proposed fee regulations are needed to implement the nonvehicular source related programs established pursuant to the California Clean Air Act:

The excess fees collected in Fiscal Year 1993-94 have been carried over and considered in the calculation of fees in the proposed regulation;

The proposed fee regulations are based on annual emissions of nonattainment pollutants from facilities that emit 500 tons per year or more of any nonattainment pollutant or its precursors based on the most recent statewide data available;

The proposed fee regulations will not affect the creation or elimination of jobs within the State of California, the creation of new businesses or the elimination of existing businesses within California, the expansion of businesses currently doing business within California, or the ability of California businesses to compete with businesses in other states;

The proposed fee regulations will not affect small businesses because the proposed regulations affect only major nonvehicular sources, none of which are small businesses.

The proposed fee regulations will not have a significant adverse economic impact on either the affected sources, on other businesses or private persons affected, or on the districts, which are authorized to recover the administrative costs of collecting the fees; and

WHEREAS, the Board has determined, pursuant to the requirements of the California Environmental Quality Act and the Board's regulations, that this regulatory action will not have any significant adverse impact on the environment.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves sections 90800.6 and 90803, Title 17, California Code of Regulations, as set forth in Attachment A hereto.

BE IT FURTHER RESOLVED that the Board directs the Executive Officer to adopt sections 90800.6 and 90803, Title 17, California Code of Regulations, after making them available to the public for a period of 15 days, provided that the Executive Officer shall consider such written comments as may be submitted during this period, shall make modifications as may be appropriate in light of the comments received, and shall present the regulations to the Board for further consideration if he determines that this is warranted.

BE IT FURTHER RESOLVED that the Board directs the Executive Officer to forward the attached regulations to the affected districts for appropriate action, and to the Department of Finance, the Legislative Analyst, and the State Controller, for information and for appropriate action.

BE IT FURTHER RESOLVED that the Board gives notice of its intention to review the status of the program to implement the provisions of the California Clean Air Act in 1996, and to reconsider at that time the renewal and modification, as necessary, of the fee program in order to reflect changes in program needs and capabilities, base year emissions, and such other factors as may influence funding requirements of the Act.

I hereby certify that the above is a true and correct copy of Resolution 95-19 as adopted by the Air Resources Board

Pat Hutchens, Board Secretary