

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
939 ELLIS STREET
SAN FRANCISCO, CALIFORNIA 94109
(415) 771-6000**

APPROVED MINUTES

Summary of Board of Directors
Legislative Committee Meeting
9:45 a.m., Wednesday, March 17, 2004

1. Call to Order - Roll Call: Chairperson Wagenknecht called the meeting to order at 9:59 a.m.

Present: Brad Wagenknecht, Chairperson, Chris Daly, Mark DeSaulnier, Mark Ross, Pamela Torliatt (10:01 a.m.).

Absent: Liz Kniss, John Silva.

Also Present: Jake McGoldrick (10:07 a.m.), Scott Haggerty (10:11 a.m.)

2. Public Comment Period: There were none.

3. Approval of Minutes of January 14, 2004: Director DeSaulnier moved approval of the minutes; seconded by Director Daly; carried unanimously.

4. Consideration of New Legislation and Corresponding Agency Positions: Staff presented eleven new bills with the recommended positions listed below:

Bill	Brief Description	Staff Recommendation
<i>AB 1991 (Lowenthal)</i>	<i>Intent language to establish a one-stop permitting process for petroleum infrastructure projects</i>	<i>Watch</i>
<i>AB 2366 (Chan)</i>	<i>Authorizes a 'fifth dollar' for clean air on vehicle registrations within the BAAQMD</i>	<i>Support</i>
<i>AB 2424 (LaMalfa)</i>	<i>Spot bill from Specialty Equipment Manufacturers Association to halt vehicle scrappage programs</i>	<i>Oppose in Concept</i>
<i>AB 2526 (Oropeza)</i>	<i>Funds the Moyer program with a quarter of a cent of existing diesel fuel tax</i>	<i>Support</i>
<i>AB 2628 (Pavley)</i>	<i>Allows hybrids into HOV lanes</i>	<i>Support if amended</i>

<i>AB 2847 (Oropeza)</i>	<i>Five cents per gallon fee on gas and diesel to mitigate air impacts</i>	<i>Support</i>
<i>AB 2880 (Pavley)</i>	<i>Authorizes increase from \$4 to \$6 in motor vehicle registration fees for clean air</i>	<i>Support and seek amendments</i>
<i>AB 2939 (Diaz)</i>	<i>Spot bill that will become a funding measure for a new Moyer-type program</i>	<i>Support</i>
<i>SB 1247 (Soto)</i>	<i>Spot bill that will become a funding measure for a new Moyer-type program</i>	<i>Support</i>
<i>SB 1614 (Torlakson)</i>	<i>Ten cents per gallon fee on gasoline and diesel with a penny going to clean air projects</i>	<i>Support</i>
<i>SB 1615 (Denham)</i>	<i>Ends California requirement that out-of-state vehicles older than 30 years be subject to smog check</i>	<i>Oppose unless amended</i>

During discussion it was noted that one of several measures that would streamline the permitting process for refineries is AB 1991 (Lowenthal). Thomas Addison, Advanced Projects Advisor, stated that this is a Western States Petroleum Association (WSPA) spot bill. Refineries have significant emissions and the Air District is in charge of the permitting process. Some of the proposals consider having the permitting process moved to some other agency, such as the California Energy Commission (CEC), which is an agency that, historically, has not been focused on air quality concerns. The staff recommended a position of “Watch” for this bill.

Brian Bunger, Counsel, added that the Air District is not sure how this would be structured, but in the power plant context, the Air District still has its permitting authority and then that gets rolled into the CEC process, which is not an expedited process.

Jack Broadbent, Executive Officer/APCO, stated that the Air District has written a letter expressing strong concern on behalf of having CEC play a role in permitting and the perception of taking some authority away from the Air District. Director DeSaulnier noted that the California Air Resources Board (CARB) would like to see the Air District oppose this bill.

Committee Action: Director DeSaulnier moved to change the recommendation on AB 1991 (Lowenthal) from “Watch” to “Oppose in concept;” seconded by Director Daly; carried unanimously.

There was discussion on AB 2628 (Pavley), which would allow hybrids into HOV lanes. Mr. Addison discussed the following amendments staff would suggest: 1) Because today’s hybrids are selling very well without this incentive, and excess capacity in the HOV lanes is limited, the bill should provide the benefit to plug-in hybrids. It should either not apply to today’s hybrids, or be very limited duration for the non-plug-in hybrids. The plug-in hybrid technology could use the extra boost and, in addition, there is a bigger air quality benefit. Electric vehicles have access to the HOV lanes now. 2) Do not include allowing hybrids into the HOV lanes in the same code section as the existing language applying to pure battery electric vehicles. If, in the future, the HOV lanes are too full, then the hybrids HOV access would need to be removed. This change

would be more difficult if the battery electric vehicles are in the same code section with the other vehicles.

There was further discussion on how full the HOV lanes are now. Director Haggerty suggested two amendments: 1) having an early sunset for hybrid access to HOV lands, and 2) restructuring the bill so the hybrid vehicles' access language is separate from the existing access language for battery electric and natural gas vehicles.

Committee Action: Director Haggerty moved to support AB 2628 (Pavley) if amended per his above recommendations; seconded by Director Ross; carried unanimously by acclamation.

There was discussion on the variety of bills to provide funding for air quality, and their different approaches. This included discussion of the bills to increase motor vehicle registration fee surcharges, including the statewide measure AB 2880-Pavley and AB 2366-Chan, which is for the Bay Area only. Director Haggerty requested staff speak with Ms. Chan and urge her to go forward with her bill even if AB 2880 passes. Other bills discussed were SB 1257 (McClintock), AB 2953 (Canciamilla), and AB 2983 (McCarthy). Mr. Addison stated that AB 2983 will be a Moyer-funding bill, but there is no language in it yet. Staff may bring this bill back to the Committee in April with a "support" position.

The Committee had no changes on the staff recommendations for the other nine bills on the list.

5. **Update on District-Sponsored Smog Check Bill:** *Staff informed the Committee of the status of AB 2683 (Lieber), which would clean the air by keeping vehicles that are in the Smog Check program today in the program in the future.*

Mr. Addison stated that this is a controversial bill and that as of last Wednesday there were approximately 800 letters and e-mails in opposition of this bill. The considerable opposition to this bill has been generated by the Specialty Equipment Manufacturers Association (SEMA). Mr. Addison noted that most people who oppose this bill, including television personality Jay Leno, own vehicles that would not be affected by the bill because they own pre-1976 cars.

Committee Action: None. This report provided for information only.

6. **Committee Members' Comments:** There were none.
7. **Time and Place of Next Meeting:** At the Call of the Chair.
8. **Adjournment:** The meeting adjourned at 10:57 a.m.

/s/ Mary Romaidis

Mary Romaidis
Clerk of the Boards