

Mojave Desert Air Quality Management District Governing Board Meeting

Agenda

LOCATION

**MOJAVE DESERT AQMD BOARD CHAMBERS
14306 PARK AVENUE VICTORVILLE, CA 92392
MONDAY, FEBRUARY 26, 2018
10:00 AM**

TELECONFERENCE LOCATION(S)

San Bernardino County Government Center
385 N. Arrowhead Ave., Fifth Floor
San Bernardino, CA 92415

Riverside County Board of Supervisors
73-710 Fred Waring Drive, Ste. 222
Palm Desert, CA 92260

Blythe City Hall, Conference Room A
235 N. Broadway
Blythe, CA 92225

IF YOU CHALLENGE ANY DECISION REGARDING ANY OF THE LISTED PROPOSALS IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED DURING THE PUBLIC TESTIMONY PERIOD REGARDING THAT PROPOSAL OR IN WRITTEN CORRESPONDENCE DELIVERED TO THE GOVERNING BOARD AT, OR PRIOR TO, THE PUBLIC HEARING.

DUE TO TIME CONSTRAINTS AND THE NUMBER OF PERSONS WISHING TO GIVE ORAL TESTIMONY, PUBLIC COMMENTS ARE LIMITED TO THREE MINUTES PER SPEAKER. YOU MAY WISH TO MAKE YOUR COMMENTS IN WRITING TO ASSURE THAT YOU ARE ABLE TO EXPRESS YOURSELF ADEQUATELY.

Except where noted, all scheduled items will be heard in the Chamber of the Governing Board, Mojave Desert AQMD Offices, 14306 Park Avenue, Victorville, CA and the teleconference location(s). Please note that the Board may address items in the agenda in a different order than the order in which the item has been posted.

CALL TO ORDER 10:00 A.M.

Pledge of Allegiance.

Roll Call.

Items with potential Conflict of Interests - for information only. None

PUBLIC COMMENT

CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Name of Case: Michele Baird vs MDAQMD et. al CIVDS 1612446 San Bernardino County Superior Court (Government Code Section 54956.9)

OPEN SESSION

Disclosure of any Reportable action taken in Closed Session; and the Vote and Abstention of every Member Present in the Closed Session

CONSENT CALENDAR

2. [Approve Minutes from Regular Governing Board Meeting of January 22, 2018](#)
3. [Approve the 2018 Mojave Desert Air Quality Management District \(MDAQMD\) Governing Board Meeting Schedule. Presenter: Brad Poiriez.](#)
4. [Ratify the Board Chair's appointment of members to serve on the Budget Committee and the Personnel Committee for calendar year 2018. Presenter: Brad Poiriez.](#)
5. [Adopt a budget schedule for FY 2018-19. Presenter: Jean Bracy.](#)
6. [1\) Approve the FY 17-18 Application for Carl Moyer Program Year 20 Funds and authorize its submission to the California Air Resources Board \(CARB\); 2\) Allocate a maximum of 15% of Mobile Source Emissions Reduction \(AB 2766\) Program funds to serve as the required match funding for the Carl Moyer Memorial Air Quality Standards Attainment Program \(the Moyer Program\); and 3\) Authorize the Executive Director/APCO and staff to execute the agreement, approved as to legal form. Presenter: Jean Bracy.](#)
7. [Receive and file the Financial Report for FY18, through the month of December 2017, which provides financial information and budget performance concerning the fiscal status of the District. Presenter: Jean Bracy.](#)

8. [Receive and file the Legislative Report for February 8, 2018. Presenter: Brad Poiriez.](#)

ITEMS FOR DISCUSSION

9. DEFERRED ITEMS.
10. PUBLIC COMMENT.
11. [Receive and file a presentation from the District Counsel Section describing the work and responsibilities associated with legal activities. Presenter: Karen K. Nowak.](#)
12. [Receive and file a presentation from the Executive Director describing the work and responsibilities associated with AB617 – Community Air Protection Program. Presenter: Brad Poiriez.](#)
13. [Discuss the MDAQMD Mobile Source Emission Reduction Program \(AB 2766\) and direct staff action. Presenter: Brad Poiriez.](#)
14. Reports: Executive Director
15. Board Members Comments and Suggestions for future agenda items.

In compliance with the Americans with Disabilities act, if special assistance is needed to participate in the Board Meeting, please contact Deanna Hernandez during regular business hours at 760.245.1661 x6244. Notification received 48 hours prior to the meeting will enable the District to make reasonable accommodations.

I hereby certify, under penalty of perjury, that this agenda has been posted 72 hours prior to the stated meeting in a place accessible to the public. Copies of this agenda and any or all additional materials relating thereto are available at the District Office at 14306 Park Avenue, Victorville, Ca 92392 or by contacting Deanna Hernandez at 760.245.1661 x6244 or by email at dhernandez@mdaqmd.ca.gov .

Mailed & Posted on: Tuesday, February 20, 2018.

Approved:

Deanna Hernandez

The following page(s) contain the backup material for Agenda Item: [Approve Minutes from Regular Governing Board Meeting of January 22, 2018](#)

**MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
REGULAR GOVERNING BOARD MEETING
MONDAY, JANUARY 22, 2018 - 10:00 A.M.
BOARD CHAMBERS, MDAQMD OFFICES
VICTORVILLE, CA**

MINUTES

Board Members Present:

Jim Cox, Chair, City of Victorville
Jeff Williams, Vice Chair, City of Needles
Ed Camargo, City of Adelanto
John Cole, City of Twentynine Palms
Joseph “Joey” DeConinck, City of Blythe
Carmen Hernandez, City of Barstow
Robert Leone, Town of Yucca Valley
Robert Lovingood, San Bernardino County
V. Manuel Perez, Riverside County
James Ramos, San Bernardino County
Barbara Riordan, Public Member
Rebekah Swanson, City of Hesperia

Board Members Absent:

Barb Stanton, Town of Apple Valley

CALL TO ORDER

Chair **JIM COX** called the meeting to order at 10:00 a.m. and asked Board Member **ROBERT LOVINGOOD** to lead the Pledge of Allegiance.

Chair **JIM COX** asked for roll call; roll was called.

Election of Chair and Vice-Chair of the Governing Board for 2018:

Chair **JIM COX** called for nominations for Chair of the Governing Board for 2018. Board Member **JOHN COLE** nominated Board Member **JIM COX** for Chair, Seconded by Board Member **BARBARA RIORDAN**, and being no other nominations, nominations for Chair was closed. By unanimous roll call vote, Board Member **JIM COX** was elected Chair for 2018.

Chair **JIM COX** called for nominations for Vice Chair of the Governing Board for 2018. Board Member **JIM COX** nominated Board Member **JEFF WILLIAMS** for Vice Chair, Seconded by Board Member **ROBERT LOVINGOOD**, and being no other nominations, nominations for Vice Chair was closed. By unanimous roll call vote, Board Member **JEFF WILLIAMS** was elected Vice Chair for 2018.

Chair **JIM COX** called for items with potential conflict of interest – for information only:

A. Item # 4. District Board Members and Officers and Best, Best & Krieger principles and agents have the potential for conflict of interest.

B. Item #13. The parties to the agreement will be the District and AGZA. Potential conflict: District Board Members and Officers; AGZA, its partners and principals.

Chair **JIM COX** called for PUBLIC COMMENT – None at this time.

CLOSED SESSION

Upon Motion by Board Member **ROBERT LEONE**, Seconded by Board Member **ROBERT LOVINGOOD** and carried by unanimous roll call vote, the Board adjourned to Closed Session at 10:10 a.m.

Agenda Item 1 - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Name of Case: Michele Baird vs MDAQMD et. al CIVDS 1612446 San Bernardino County Superior Court (Government Code Section 54956.9).

Agenda Item 2 - CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation pursuant to subdivision (b) of Government Code Section 54956.9: (4 Cases).

OPEN SESSION - Disclosure of any Reportable Action(s) taken in Closed Session(s); and the Vote and Abstention of Every Member Present in the Closed Session.

The Governing Board reconvened to open session at 10:36 a.m., and Special Counsel **Piero Dallarda** stated that the Board met in Closed Session on all items with no reportable action for all items.

CONSENT CALENDAR - The following consent items were acted upon by the Board at one time without discussion, upon motion by Board Member **JEFF WILLIAMS**, Seconded by Board Member **JOHN COLE**, and carried by the following roll call vote, with twelve **AYES** votes by Board Members **ED CAMARGO, JOHN COLE, JIM COX, JOSEPH DECONINCK, CARMEN HERNANDEZ, ROBERT LEONE, ROBERT LOVINGOOD, V. MANUEL PEREZ, JAMES RAMOS, BARBARA RIORDAN, REBEKAH SWANSON and JEFF WILLIAMS** with one abstention for **agenda item 4** by Board Member **JOSEPH DECONINCK** and two abstentions for **agenda item 3** by Board Member **CARMEN HERNANDEZ and Board Member ROBERT LOVINGOOD** as follows:

Agenda Item 3 – Approve Minutes from Regular Governing Board Meeting of October 23, 2017.

Approved Minutes from Regular Governing Board Meeting of October 23, 2017.

Agenda Item 4 – Approve an agreement with Best, Best & Krieger, LLP (BB&K) for services as Special Counsel to the Governing Board and additional services on an as needed basis for a period of 2 years with an option of additional 2 year extensions; authorize Chairman to sign the agreement.

Deferred for discussion; see Agenda Item 16.

Agenda Item 5 – Ratify Memorandum of Agreement between the California Air Resources Board (CARB) and the Mojave Desert Air Quality Management District (MDAQMD) for enforcement of 17 CCR 95665 et. seq. regarding crude oil and natural gas facilities.

Ratified Memorandum of Agreement between the California Air Resources Board (CARB) and the Mojave Desert Air Quality Management District (MDAQMD) for enforcement of 17 CCR 95665 et. seq. regarding crude oil and natural gas facilities.

Agenda Item 6 – Amend the District’s Classification Plan to add new classifications; assign pay ranges, revise existing classifications, reassign pay ranges for existing classifications; and inform the Board regarding other administrative matters.

Amended the District’s Classification Plan to add new classifications; assign pay ranges, revise existing classifications, reassign pay ranges for existing classifications; and inform the Board regarding other administrative matters.

Agenda Item 7 – Adopt a new Resolution to supersede Resolution No. 04-05 to update the category designations of persons to be deemed as employees for workers compensation coverage as provided in California Labor Code §3363.5.

Adopted a new Resolution to supersede Resolution No. 04-05 to update the category designations of persons to be deemed as employees for workers compensation coverage as provided in California Labor Code §3363.5.

Agenda Item 8 – Amend and update Governing Board Policy 04-04, “Unpaid Volunteers.”

Amended and update Governing Board Policy 04-04, “Unpaid Volunteers.”

Agenda Item 9 – Receive and file the Financial Report provided for financial information and budget performance concerning the fiscal status of the District as of June 30, 2017.

Received and filed the Financial Report provided for financial information and budget performance concerning the fiscal status of the District as of June 30, 2017.

Agenda Item 10 – Receive and file the Financial Report for November FY 18, which includes information for the July through October 2017 which provides financial information and budget performance concerning the fiscal status of the District.

Received and filed the Financial Report for November FY 18, which includes information for the July through October 2017 which provides financial information and budget performance concerning the fiscal status of the District

Agenda Item 11 – Authorize surplus of District-owned capital equipment and disposal as indicated; receive and file the Executive Director’s report of surplus and disposal for non-capital items.

Authorized surplus of District-owned capital equipment and disposal as indicated; receive and file the Executive Director’s report of surplus and disposal for non-capital items.

Agenda Item 12 – Amend the MDAQMD Adopted Budget for FY18 to increase State Revenue \$158,172; increase Salaries and Benefits \$158,172; and authorize two additional full time Air Quality Specialist positions.

Amended the MDAQMD Adopted Budget for FY18 to increase State Revenue \$158,172; increase Salaries and Benefits \$158,172; and authorize two additional full time Air Quality Specialist positions.

Agenda Item 13 – Allocate funds from the Mobile Source Emissions Reduction Program (AB 2766) Grant Fund not to exceed \$100,000 for continued implementation of the MDAQMD Lawn and Garden Equipment Exchange Program to provide incentive subsidies to consumers and contract expenses to conduct the exchange program in 2018; authorize the Executive Director to negotiate and sign contract with AGZA to run the program for an amount not to exceed \$15,000.

Allocated funds from the Mobile Source Emissions Reduction Program (AB 2766) Grant Fund not to exceed \$100,000 for continued implementation of the MDAQMD Lawn and Garden Equipment Exchange Program to provide incentive subsidies to consumers and contract expenses to conduct the exchange program in 2018; authorize the Executive Director to negotiate and sign contract with AGZA to run the program for an amount not to exceed \$15,000.

Agenda Item 14 – Receive and file the Technical Advisory Committee Meeting minutes of January 9, 2018.
Received and filed the Technical Advisory Committee Meeting minutes of January 9, 2018.

Agenda Item 15 – Receive and file the Legislative Report for January 4, 2018.
Received and filed the Legislative Report for January 4, 2018.

Agenda Item 16 – DEFERRED ITEMS:

Agenda Item 4 – Approve an agreement with Best, Best & Krieger, LLP (BB&K) for services as Special Counsel to the Governing Board and additional services on an as needed basis for a period of 2 years with an option of additional 2 year extensions; authorize Chairman to sign the agreement.

Item deferred for discussion by Board Member **CARMEN HERNANDEZ**. Board Member Hernandez wanted clarification why this item was placed on the Consent Calendar and not the Discussion Calendar, what is the duration of the contract and was a Request for Proposal done. Following discussion, upon Motion by Board Member **JOHN COLE**, Seconded by Board Member **BARBARA RIORDAN**, and carried by the following roll call vote, with ten **AYES** votes by Board Members **ED CAMARGO, JOHN COLE, JIM COX, CARMEN HERNANDEZ, ROBERT LEONE, ROBERT LOVINGOOD, V. MANUEL PEREZ, JAMES RAMOS, BARBARA RIORDAN, REBEKAH SWANSON and JEFF WILLIAMS** with one abstention by Board Member **JOSEPH DECONINCK** the Board **approved** an agreement with Best, Best & Krieger, LLP (BB&K) for services as Special Counsel to the Governing Board and additional services on an as needed basis for a period of 2 years with an option of additional 2 year extensions; authorize Chairman to sign the agreement.

Agenda Item 17 – PUBLIC COMMENT.

Chair **JIM COX** called for PUBLIC COMMENT – Public comment made by Mr. Daniel McGivney representing Southern California Gas Company supporting Agenda Item 23 Rule 1160 – *Internal Combustion Engines*.

Agenda Item 18 – Conduct a public hearing to consider the amendment of Rule 102 – *Definition of Terms*: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending Rule 102 and directing staff actions.

Chair **JIM COX** opened the public hearing. Staff Member Alan De Salvio presented the staff report. Chair **JIM COX** solicited public comment, being none; Chair **JIM COX** closed the public hearing. **Made** a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. **Waived** reading of Resolution; g. **Adopted** Resolution making appropriate findings, certifying the Notice of Exemption, amending the Rule and directing staff actions. Upon motion by Board Member **ROBERT LOVINGOOD**, Seconded by Board Member **JEFF WILLIAMS**, and carried by the following roll call vote, with twelve **AYES** votes by Board Members **ED CAMARGO, JOHN COLE, JIM COX, JOSEPH DECONINCK, CARMEN HERNANDEZ, ROBERT LEONE, ROBERT LOVINGOOD, V. MANUEL PEREZ, JAMES RAMOS, BARBARA RIORDAN, REBEKAH SWANSON** and **JEFF WILLIAMS** the Board **adopted RESOLUTION 18-02**, titled, “**A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT MAKING FINDINGS, CERTIFYING THE NOTICE OF EXEMPTION, AMENDING RULE 102 – DEFINITION OF TERMS AND DIRECTING STAFF ACTIONS.**”

Agenda Item 19 – Conduct a public hearing to consider the amendment of Rule 461 – Gasoline Transfer and Dispensing, Rule 462 – Organic Liquid Loading and Rule 463 – Storage of Organic Liquids and a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending Rule 461 – Gasoline Transfer and Dispensing, Rule 462 – Organic Liquid Loading and Rule 463 – Storage of Organic Liquids and directing staff actions.

Chair **JIM COX** opened the public hearing. Chair **JIM COX** solicited public comment, being none; Chair **JIM COX** closed the public hearing. **Made** a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. **Waived** reading of Resolution; g. **Adopted** Resolution making appropriate findings, certifying the Notice of Exemption, amending the Rule and directing staff actions. Upon motion by Board Member **ED CAMARGO**, Seconded by Board Member **CARMEN HERNANDEZ**, and carried by the following roll call vote, with twelve **AYES** votes by Board Members **ED CAMARGO, JOHN COLE, JIM COX, JOSEPH DECONINCK, CARMEN HERNANDEZ, ROBERT LEONE, ROBERT LOVINGOOD, V. MANUEL PEREZ, JAMES RAMOS, BARBARA RIORDAN, REBEKAH SWANSON** and **JEFF WILLIAMS** the Board **adopted RESOLUTION 18-03**, titled, “**A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT MAKING FINDINGS, CERTIFYING THE NOTICE OF EXEMPTION, AMENDING RULE 461 – GASOLINE TRANSFER AND DISPENSING, RULE 462 – ORGANIC LIQUID LOADING AND RULE 463 – STORAGE OF ORGANIC LIQUIDS, AND DIRECTING STAFF ACTIONS.**”

Agenda Item 20 – Conduct a public hearing to consider the amendment of Rule 1114 – Wood Products Coating Operations and a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending Rule 1114 and directing staff actions.

Chair **JIM COX** opened the public hearing. Chair **JIM COX** solicited public comment, being none; Chair **JIM COX** closed the public hearing. **Made** a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. **Waived** reading of Resolution; g. **Adopted** Resolution making appropriate findings, certifying the Notice of Exemption, amending the Rule and directing staff actions. Upon motion by

Board Member **BARBARA RIORDAN**, Seconded by Board Member **CARMEN HERNANDEZ**, and carried by the following roll call vote, with eleven **AYES** votes by Board Members **ED CAMARGO, JOHN COLE, JIM COX, JOSEPH DECONINCK, CARMEN HERNANDEZ, ROBERT LEONE, ROBERT LOVINGOOD, V. MANUEL PEREZ, JAMES RAMOS, BARBARA RIORDAN, and REBEKAH SWANSON** the Board adopted **RESOLUTION 18-04**, titled, “**A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT MAKING FINDINGS, CERTIFYING THE NOTICE OF EXEMPTION, AMENDING RULE 1114 – WOOD PRODUCTS COATING OPERATIONS, AND DIRECTING STAFF ACTIONS.**”

Agenda Item 21 – Conduct a public hearing to consider the amendment of Rule 1115 – Metal Parts & Products Coating Operations and a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending Rule 1115 and directing staff actions.

Chair **JIM COX** opened the public hearing. Chair **JIM COX** solicited public comment, being none; Chair **JIM COX** closed the public hearing. **Made** a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. **Waived** reading of Resolution; g. **Adopted** Resolution making appropriate findings, certifying the Notice of Exemption, amending the Rule and directing staff actions. Upon motion by Board Member **ROBERT LEONE**, Seconded by Board Member **ROBERT LOVINGOOD**, and carried by the following roll call vote, with twelve **AYES** votes by Board Members **ED CAMARGO, JOHN COLE, JIM COX, JOSEPH DECONINCK, CARMEN HERNANDEZ, ROBERT LEONE, ROBERT LOVINGOOD, V. MANUEL PEREZ, JAMES RAMOS, BARBARA RIORDAN, REBAKAH SWANSON and JEFF WILLIAMS** the Board adopted **RESOLUTION 18-05**, titled, “**A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT MAKING FINDINGS, CERTIFYING THE NOTICE OF EXEMPTION, AMENDING RULE 1115 – METAL PARTS & PRODUCTS COATING OPERATIONS, AND DIRECTING STAFF ACTIONS.**”

Agenda Item 22 – Conduct a public hearing to consider the amendment of Rule 1157 – Boilers and Process Heaters and a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending Rule 1157 and directing staff actions.

Chair **JIM COX** opened the public hearing. Chair **JIM COX** solicited public comment, being none; Chair **JIM COX** closed the public hearing. **Made** a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. **Waived** reading of Resolution; g. **Adopted** Resolution making appropriate findings, certifying the Notice of Exemption, amending the Rule and directing staff actions. Upon motion by Board Member **ROBERT LEONE**, Seconded by Board Member **ED CAMARGO**, and carried by the following roll call vote, with eleven **AYES** votes by Board Members **ED CAMARGO, JOHN COLE, JIM COX, JOSEPH DECONINCK, CARMEN HERNANDEZ, ROBERT LEONE, ROBERT LOVINGOOD, V. MANUEL PEREZ, JAMES RAMOS, BARBARA RIORDAN, and REBAKAH SWANSON** the Board adopted **RESOLUTION 18-06**, titled, “**A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT MAKING FINDINGS,**

CERTIFYING THE NOTICE OF EXEMPTION, AMENDING RULE 1157 – BOILERS AND PROCESS HEATERS, AND DIRECTING STAFF ACTIONS.”

Agenda Item 23 – Conduct a public hearing to consider amendments to proposed Rule 1160 – Internal Combustion Engines and a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending Rule 1160 and directing staff actions.

Chair **JIM COX** opened the public hearing. Chair **JIM COX** solicited public comment, public comment made by Mr. Daniel McGivney, Southern California Gas Company, being no further public comment; Chair **JIM COX** closed the public hearing. **Made** a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. **Waived** reading of Resolution; g. **Adopted** Resolution making appropriate findings, certifying the Notice of Exemption, amending the Rule and directing staff actions. Upon motion by Board Member **BARBARA RIORDAN**, Seconded by Board Member **ROBERT LOVING**, and carried by the following roll call vote, with ten **AYES** votes by Board Members **ED CAMARGO, JOHN COLE, JIM COX, CARMEN HERNANDEZ, ROBERT LEONE, ROBERT LOVINGOOD, V. MANUEL PEREZ, JAMES RAMOS, BARBARA RIORDAN, and REBAKAH SWANSON** and two **Noes** votes by Board Members **JOSEPH DECONINCK and JEFF WILLIAMS** the Board **adopted RESOLUTION 18-07, titled, “A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT MAKING FINDINGS, CERTIFYING THE NOTICE OF EXEMPTION, AMENDING RULE 1160 – INTERNAL COMBUSTION ENGINES, AND DIRECTING STAFF ACTIONS.”**

Agenda Item 24 – Conduct a public hearing to consider the amendment of Rule 1161 – Portland Cement Kilns and a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending Rule 1161 and directing staff actions.

Chair **JIM COX** opened the public hearing. Chair **JIM COX** solicited public comment, being none; Chair **JIM COX** closed the public hearing. **Made** a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. **Waived** reading of Resolution; g. **Adopted** Resolution making appropriate findings, certifying the Notice of Exemption, amending the Rule and directing staff actions. Upon motion by Board Member **ED CAMARGO**, Seconded by Board Member **BARBARA RIORDAN**, and carried by the following roll call vote, with ten **AYES** votes by Board Members **ED CAMARGO, JOHN COLE, JIM COX, JOSEPH DECONINCK, CARMEN HERNANDEZ, ROBERT LEONE, V. MANUEL PEREZ, BARBARA RIORDAN, REBAKAH SWANSON and JEFF WILLIAMS** the Board **adopted RESOLUTION 18-08, titled, “A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT MAKING FINDINGS, CERTIFYING THE NOTICE OF EXEMPTION, AMENDING RULE 1161 – PORTLAND CEMENT KILNS, AND DIRECTING STAFF ACTIONS.”**

Agenda Item 25 – Reports:

Executive Director Brad Poiriez:

- Mr. Poiriez informed the Board of the newly installed audio system that allows for individual adjustments to be done as needed;
- Mr. Poiriez asked each Board Member to reach out to their respective school districts and fleet managers to obtain a good school bus inventory as the District is seeking out grant money to support local school districts;
- Mr. Poiriez informed the Board to remind their respective building and planning departments to direct any cannabis operations to the District as these operations are required to get an approved certificate of occupancy from the District;
- Mr. Poiriez informed the Board that he participated in the following monthly board calls for AAPCA, NACAA, WRAP and CAPCOA.
- Mr. Poiriez informed the Board the he is on the CAPCOA Board of Directors and committee assignments he is responsible for are Vapor Recovery, Human Resources, Fiscal and IT.

Mr. Poiriez updated the Board of past events:

- January 3rd – 5th – attended CAPCOA Board Meeting with CARB Executive Staff, the meeting focused on AB617 implementation and impacts, funding, subvention levels, committee assignments and legislative goals;
- January 9th – Technical Advisory Committee meeting held to discuss 9 rules;
- January 10th – met with MEEC Executive Board to discuss CRE retirements and future of programs;

Mr. Poiriez informed the Board of upcoming events:

- January 23rd – 26th – attending the National Air Quality Conference after today’s meeting, moderating a panel on Exceptional Events;
- February 7th – field visit with Amy Zimpfer, Associate Director EPA Region 9, Ms. Zimpfer is the liaison to both Mojave Desert and Antelope Valley Air Quality Management District to Region 9;

Special note from Mr. Poiriez:

With the actions taken by the Board today, there will be several personnel actions with retirements, existing vacancies and new position, the District will be hiring 5 new staff members by March 2018. Recent new hires and the hiring 5 new staff members will represent a 25% of the District staff with 1 year or less tenure.

Agenda Item 26 - Board Member Comments and Suggestions for Future Agenda Items.

- Board Member **Cox** suggested that a letter from the Executive Director be sent to the local cities that the District is seeking grant money to support local school district’s bus fleets.
- Board Member **Riordan** followed up on Board Member Cox’s comment to keep in mind the rural and remote school districts.

Being no further business, Chair **JIM COX** adjourned the meeting at **11:22 a.m.** to the next Regular Meeting of **February 26, 2018.**

The following page(s) contain the backup material for Agenda Item: [Approve the 2018 Mojave Desert Air Quality Management District \(MDAQMD\) Governing Board Meeting Schedule. Presenter: Brad Poiriez.](#)

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #3

DATE: February 26, 2018

RECOMMENDATION: Approve the 2018 Mojave Desert Air Quality Management District (MDAQMD) Governing Board Meeting Schedule.

SUMMARY: This proposed item identifies the Governing Board meeting dates for calendar year 2018.

CONFLICT OF INTEREST: None.

BACKGROUND: The MDAQMD Governing Board has established a regular meeting schedule on the fourth Monday of each month, beginning at 10:00 am in the Board Chambers of the MDAQMD office in Victorville, CA.

Although a monthly schedule is adopted, it is acknowledged that when there are not sufficient business items to require a meeting, the meeting will be cancelled. It has also been the practice to modify the meeting date and time when the meeting has been rescheduled due to conflict with other meetings or holiday schedules.

MDAQMD Staff, however, has been directed to make every effort to minimize deviation from the regular schedule to ensure continuity of meetings and participation.

Advanced confirmation of meetings or cancellation notices are part of MDAQMD's standard procedure for meeting preparation. This proposed 2018 meeting schedule conforms to the fourth Monday of each month.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #3

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REASON FOR RECOMMENDATION: MDAQMD Staff and Governing Board Members are encouraged to calendar these meeting dates to ensure continuity of meetings and participation.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about February 12, 2018.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Brad Poiriez, Executive Director

2018 Governing Board Meeting Dates

(4th Monday of each month)

- January 22
- February 26
- March 26
- April 23
- May 28 – Meeting cancelled
- June 11 – Budget Hearing
- June 25 – Budget Adoption
- July 23
- August 27
- September 24
- October 22
- November 26
- December 24 –Meeting cancelled

Committee Meetings

are scheduled as needed



**14306 Park Avenue
Victorville, CA 92392
760.245.1661
760.241.3492 FAX
www.mdaqmd.ca.gov**

The following page(s) contain the backup material for Agenda Item: [Ratify the Board Chair's appointment of members to serve on the Budget Committee and the Personnel Committee for calendar year 2018. Presenter: Brad Poiriez.](#)

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #4

DATE: February 26, 2018

RECOMMENDATION: Ratify the Board Chair's appointment of members to serve on the Budget Committee and the Personnel Committee for calendar year 2018.

SUMMARY: This item appoints committee members for the Budget Committee in preparation of the budget for FY 2018-19, and the Personnel Committee for personnel matters during the year including the performance evaluation of the Executive Director/APCO; and designates officers from the Governing Board as committee chairs.

CONFLICT OF INTEREST: None.

BACKGROUND: The following Board members have agreed to serve on these committees:

Budget Committee

1. Jeff Williams, *Board Vice Chair*
2. Paul Russ
3. Carmen Hernandez

Personnel Committee

1. Jim Cox, *Board Chair*
2. Barbara Riordan
3. John Cole
4. Barb Stanton

REASON FOR RECOMMENDATION: The Governing Board Chair appoints members to serve on Board committees subject to ratification of the Governing Board.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form on or about February 12, 2018.

FINANCIAL DATA: Any costs that may be incurred during the scheduled meetings are included in the budgets for FY 18 and FY 19.

PRESENTER: Brad Poiriez, Executive Director, on behalf of the Governing Board Chair.

The following page(s) contain the backup material for Agenda Item: [Adopt a budget schedule for FY 2018-19. Presenter: Jean Bracy.](#)

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #5

DATE: February 26, 2018

RECOMMENDATION: Adopt a budget schedule for FY 2018-19.

SUMMARY: The budget schedule is prepared to ensure timely delivery and adoption of the District's annual fiscal budget.

CONFLICT OF INTEREST: None.

BACKGROUND: Annually staff presents a schedule of the tasks required to prepare and present the annual fiscal budget for public comment and adoption by the Governing Board.

March 26, 2018	Budget Committee reviews recommendations by staff for proposed budget; committee meets as needed. A proposed budget will be published and permit holders notified by May 11, 2018.
April 23, 2018	

June 11, 2018	Public Hearing – The Governing Board will meet for budget workshop and opportunity for public comment on the proposed budget. The time of the meeting will be set by the Clerk of the Board.
<i>**Note the extra meeting in June</i>	

June 25, 2018	The Budget for FY 2018-19 will be presented for final adoption.
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REASON FOR RECOMMENDATION: This notice is provided for information and planning purposes. Adjustments or modifications by the Governing Board made at the time of the meeting will be implemented by staff.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director/APCO on or about February 12, 2018.

FINANCIAL DATA: The budget schedule has no direct fiscal impact; costs associated with related meetings are included in the District's budget.

PRESENTER: Jean Bracy, Deputy Director - Administration

The following page(s) contain the backup material for Agenda Item: [1\) Approve the FY 17-18 Application for Carl Moyer Program Year 20 Funds and authorize its submission to the California Air Resources Board \(CARB\); 2\) Allocate a maximum of 15% of Mobile Source Emissions Reduction \(AB 2766\) Program funds to serve as the r](#)

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #6

DATE: February 26, 2018

RECOMMENDATION: 1) Approve the FY 17-18 Application for Carl Moyer Program Year 20 Funds and authorize its submission to the California Air Resources Board (CARB); 2) Allocate a maximum of 15% of Mobile Source Emissions Reduction (AB 2766) Program funds to serve as the required match funding for the Carl Moyer Memorial Air Quality Standards Attainment Program (the Moyer Program); and 3) Authorize the Executive Director/APCO and staff to execute the agreement, approved as to legal form.

SUMMARY: This item authorizes the application for and implementation of the Carl Moyer Program for Year 20, through FY 17-18.

CONFLICT OF INTEREST: None.

BACKGROUND: The purpose of the Moyer Program is to reduce emissions by providing grants for the incremental cost of cleaner heavy-duty vehicles and equipment such as on-road, off-road, marine, locomotive stationary agricultural pump, forklift, and airport ground support engines. The state legislature has authorized continuing funding for statewide implementation of the Moyer Program into FY 17-18 (Year 20).

1. **Approve the “Fiscal Year 17-18 Application for Carl Moyer Program Funds” and authorize the submission to CARB.** Subject to the final reporting of available revenue for the Moyer Program, the tentative allocation for the MDAQMD is **\$792,704**. The amount of funding will be finalized during the agreement development process authorized under Section 3, below. By submitting an application to CARB, the District will be able to claim those funds and demonstrate the willingness to administer the program in accordance with the stated objectives.
2. **Match Requirement.** The program requires the District to provide one dollar in matching funding for every two dollars of Moyer funding (50%). This match amount may be modified if the overall Moyer Program funding allocation is greater than the statewide \$12 million cap. Currently Moyer Program funding exceeds \$65 million statewide and CARB has completed a recalculation of participating districts’ required match and the MDAQMD will be required to provide an estimated \$118,906 in match funding (15%).

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #6

PAGE 2

The amount of match required will also be finalized during the agreement development process authorized under section 3 below. Eligible projects previously awarded using AB 2766 funds will satisfy the tentative allocation requirement and the District estimates sufficient funds have already been expended to account for potential adjustment to the required match amount. No additional expenditures will be required to meet the match requirements.

3. **Authorize the Executive Director/APCO to execute the agreement with CARB which binds the parties to the terms and conditions set forth in the application and the 2017 Carl Moyer Program Guidelines.** This agreement will finalize the award amount and match requirement if such amounts are adjusted during the grant process.

REASON FOR RECOMMENDATION: The Moyer Program guidelines require that the Governing Board formally authorize District's application. By this action the Governing Board delegates authority to the Executive Director/APCO to execute agreement(s) with CARB for this award.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about February 12, 2018.

FINANCIAL DATA: Moyer Program funds are supplementary to the MDAQMD General Fund Budget. The required match funding commitment will be met first by AB2766 Funds. The distribution of these funds will be included in the FY 18-19 budget.

PRESENTER: Jean Bracy, Deputy Director - Administration

Attachment 2

**CARL MOYER PROGRAM
 FISCAL YEAR 2017-2018 (YEAR 20) APPLICATION
 Application must be received by CARB by February 29, 2018**

1. APPLICANT DISTRICT

District Name Mojave Desert Air Quality Management District
 Street Address 14306 Park Ave
 City/Zip Code Victorville,
 Contact Person Jean Bracy
 Phone 760-245-1661 x6214 E-mail Address jbracy@mdaqmd.ca.gov

2. CARL MOYER PROGRAM FUNDING REQUEST

Check one box and enter amount, if applicable. District requests:

Tentative allocation ("Total Allocation" amount from Attachment 1), or greater amount shown below if available:

\$ 792,704

Minimum allocation of \$200,000 (no match required).

Minimum allocation and authorizes the funds be designated to the Rural District Assistance Program (RAP) for these years. **(Please circle years that apply.)**

Current Year 20 Year 21 Year 22 Year 23 Year 24

Tentative allocation and authorizes the funds be designated to a lead air district for these years. **(Please circle years that apply.)**

Current Year 20 Year 21 Year 22 Year 23 Year 24

(Please specify lead district.) _____

No Carl Moyer Program funds. District declines all funding for Year 20.

3. DISTRICT MATCHING FUNDS (15% of Funding Request, for applications over \$200,000)

Total District Match: \$ 118,906

Specify match funding by source and amount:

AB 2766 \$ 118,906
 Source of Funding

_____ \$ _____
 Source of Funding

_____ \$ _____
 Source of Funding

(a) Match Funds Subtotal: \$ 118,906

(b) Estimated In-kind Administration: \$ 99,088
 (Up to 15% of Total District Match)

4. PROGRAM ADMINISTRATION

Check box and enter percentage if District requests a program administration grant percentage lower than the 6.25% or 12.5% allowed under statute (H&SC § 44299.1).

The District requests program administration funds be included in this grant at _____ percent of the total grant, a lower portion than allowed by statute.

5. BOARD RESOLUTION

Check one box and complete the date if applicable.

This application has been duly approved and authorized by the District governing board, as specified in the attached resolution.

X This application is scheduled to go before the District board on 02/26/2018
Date

6. DISTRICT CONTACT INFORMATION Please complete items (a)- (d):

(a) District Air Pollution Control Officer	Phone	Email Address
Brad Poiriez	760-245-1661 x5737	bpoiriez@mdaqmd.ca.gov

(b) District Carl Moyer Program Manager	Phone	Email Address
Jean Bracy	760-245-1661 x6214	jbracy@mdaqmd.ca.gov

(c) District Mailing Address:

14306 Park Ave
Victorville, CA 92392

(d) District Phone number: 760-245-1661

7. DISTRICT APCO/EO APPROVED SIGNATURE

To the best of my knowledge and belief, the information in this application is true and correct. Unless my district has declined or designated these grant funds, an up-to-date Carl Moyer Program District Policies and Procedures Manual, based on current Carl Moyer Program Guidelines, is maintained at the District's office.

Signature of Air Pollution Control Officer

02/26/2018
Date

Please e-mail signed application by February 29, 2018 to:
Sibyl.Britton@arb.ca.gov

The following page(s) contain the backup material for Agenda Item: [Receive and file the Financial Report for FY18, through the month of December 2017, which provides financial information and budget performance concerning the fiscal status of the District.](#)
[Presenter: Jean Bracy.](#)

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #7

DATE: February 26, 2018

RECOMMENDATION: Receive and file.

SUMMARY: Receive and file the Financial Report for **FY18**, through the month of **December 2017**, which provides financial information and budget performance concerning the fiscal status of the District.

CONFLICT OF INTEREST: None

BACKGROUND: The Financial Report provides financial information and budget performance concerning the fiscal status of the District. The included reports reflect the business activities of the District for the period referenced *for all funds*. The target variance for December respectively is 50% of Fiscal Year 2018.

The December financial statements (most recent available) indicate that the financial position for the District is sound yet close to the adopted budget estimates. Fiscal Year 18 Program Revenue from AB2766 will be received through October 2017, which explains the 24.61% received to date.

Expenditures in the General Fund are slightly above budget (52%) to date, and Personnel Expenses (51%) are also slightly above budget. The Fiscal Year 18 Budget anticipates the use of the unassigned fund balance (\$12,100) *if executed as adopted*. The District has experienced to date extraordinary, but manageable, expenses. An incident in July prompted the Executive Director to initiate onsite security services; a cost not budgeted in FY 18. Those services were terminated on November 22, 2017. Negotiated personnel expenses in addition to costs associated with separated employees were not included in budget development. Air Monitoring's remote stations have required maintenance. Staff will continue to apprise the Board about how those costs, and associated legal support, will impact the budget performance. The District holds sufficient reserves to manage these cash expenditures.

The Finance Reports are attached.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

FINANCE REPORT

AGENDA ITEM #7

PAGE 2

REASON FOR RECOMMENDATION: Receive and file.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director/APCO on or before February 12, 2018.

FINANCIAL DATA: No change in appropriation is required at this time.

PRESENTER: Jean Bracy, Deputy Director / Administration

FINANCIAL REPORTS (attached)

BALANCE SHEET – GOVERNMENTAL FUNDS – This report is the District’s financial picture (a “snapshot”) as of the date of report including all funds. “Mobile Emissions” and “Carl Moyer” are totally restricted funds. The “Fiduciary Fund” is the District’s OPEB (Other Post-Employment Benefits) and Pension Fund which is held in an irrevocable trust with PARS (Public Agency Retirement Services).

STATEMENT OF REVENUES & EXPENDITURES – This report describes the financial activities for each of the District’s funds during the month indicated.

STATEMENT OF ACTIVITY – This report reflects the revenues received and expenses made in all funds for the month and the year to date against the adopted budget for FY 18. The line items “Program” and “Program Costs” refer to the revenue and those payments made from the District’s grant funds (AB 2766 and Carl Moyer Fund).

Y-T-D Actual Column – The revenue and expenditures to date reflect the activity year to date for the General Fund *together with* the District’s grant funds. When grant funds are expended they may be for amounts greater than what was received year to date because grants are often paid from the funds accumulated over a period of time. The Excess Revenue/Over Expenditures may reflect expenditures for the period exceeding the revenue for the period, creating a negative result that may imply expenses exceeding approved budget for the fiscal year.

This report for December indicates expenses exceeding revenue for FY 18 to date in the amount of (\$140,557.27). This reports the District’s financial condition as a snapshot on December 31. As noted in the Background section of this agenda item, about \$320,000 in AB 2766 and other revenue is yet to be received and recorded as revenue for FY 18. When

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

FINANCE REPORT

AGENDA ITEM #7

PAGE 3

that revenue is recognized, the calculation for Excess Revenue/Over Expenses becomes positive.

CHECK REGISTERS – These reports list payments made for goods and services and fund transfers for the following District accounts since the last report to the Board:

WELLS FARGO OPERATING – This report lists the payments made from the District’s primary operating account deposited at Wells Fargo Bank. The District issues payments in-house to a number of vendors. Periodically the account is reimbursed from the funds on deposit with the San Bernardino County Auditor/Controller. References to “Credit Card Transaction” indicate Visa payments received via a third party contractor for invoices usually relating to permit application or annual renewal fees.

GENERAL FUND MPA (San Bernardino County) – This account is held by the San Bernardino County Treasurer who is the custodian of District funds. Requests for reimbursement to the District’s other accounts are made through the San Bernardino County Audit/Controller who is appointed the District’s accounting officer, as set forth in the Health & Safety Code (§41245 and §41246).

AB2766 MPE (San Bernardino County) - This report lists the activity and payments made from the District’s Grant Fund Account held in trust at the San Bernardino County. The items on these lists are included on the Statement of Activity as “Program Costs.”

CARL MOYER MPB (San Bernardino County) - This report lists the activity and payments made from the District’s Grant Fund Account held in trust at San Bernardino County. The items on these lists are included on the Statement of Activity as “Program Costs.”

PARS Held in Trust – This reports the activity related to the District’s Other Post Employment Benefit (for retiree health benefits) Trust and Pension Trust.

BANK REGISTERS – DISTRICT CARDS – (not available). These reports show the purchases made using the District’s MasterCard’s. The items on these lists are the expenditure detail for the payments made to **BUSINESS CARD** as shown on the Check Register Wells Fargo Operating Account.

Mojave Desert AQMD
Balance Sheet - Governmental Funds
As of December 31, 2017

Financial Report

	<u>General Fund</u>	<u>Mobile Emissions</u>	<u>Carl Moyer</u>	<u>Fiduciary Fund</u>	<u>Total</u>
Assets					
Current Assets					
Cash	2,061,172.07	3,377,228.28	1,272,869.29	1,106,966.13	7,818,235.77
Cash Held For Other Fund	651,777.31	(40,862.28)	(163,894.08)	(447,020.95)	0.00
Receivables	968,846.82	0.00	879,249.00	0.00	1,848,095.82
Pre-Paid	62,725.74	0.00	0.00	0.00	62,725.74
Total Current Assets	3,744,521.94	3,336,366.00	1,988,224.21	659,945.18	9,729,057.33
Total Assets	3,744,521.94	3,336,366.00	1,988,224.21	659,945.18	9,729,057.33
Liabilities and Net Position					
Current Liabilities					
Payables	257,546.63	132,111.30	(58,537.82)	0.00	331,120.11
Accruals	270,105.98	0.00	0.00	0.00	270,105.98
Due to Others	500,455.00	(0.09)	0.00	0.00	500,454.91
Payroll Taxes Liability	9,820.03	0.00	0.00	0.00	9,820.03
Retirement	(6,758.63)	0.00	0.00	0.00	(6,758.63)
Health	(39,204.89)	0.00	0.00	0.00	(39,204.89)
Other Payroll Deductions	795.18	0.00	0.00	0.00	795.18
Unearned Revenue	6,907.60	0.00	1,967,994.35	0.00	1,974,901.95
Total Current Liabilities	999,666.90	132,111.21	1,909,456.53	0.00	3,041,234.64
Restricted Fund Balance	163,894.08	3,154,431.35	77,328.62	570,288.32	3,965,942.37
Cash Reserves	690,000.00	0.00	0.00	0.00	690,000.00
Building Improvements	200,000.00	0.00	0.00	0.00	200,000.00
Litigation Reserves	300,000.00	0.00	0.00	0.00	300,000.00
Budget Stabilization	250,000.00	0.00	0.00	0.00	250,000.00
Retirement Reserves	1,000,000.00	0.00	0.00	0.00	1,000,000.00
Unassigned Fund Balance	210,960.51	0.00	0.00	0.00	210,960.51
Compensated Absences	150,000.00	0.00	0.00	0.00	150,000.00
Pre Paid	62,725.74	0.00	0.00	0.00	62,725.74
Change in Net Position	(282,725.29)	49,823.44	1,439.06	89,656.86	(141,805.93)
Total Liabilities & Net Position	3,744,521.94	3,336,366.00	1,988,224.21	659,945.18	9,729,057.33

Mojave Desert AQMD
Statement of Revenues & Expenditures
For the Period Ending December 31, 2017

Financial Report

	<u>General Fund</u>	<u>Mobile Emissions Program</u>	<u>Carl Moyer Program</u>	<u>Fiduciary Fund</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>					
Antelope Valley Air Quality Mngmnt Contract	104,635.09	0.00	0.00	0.00	104,635.09
Other Contracts	0.00	0.00	0.00	0.00	0.00
Application and Permit Fees	361,022.52	0.00	0.00	0.00	361,022.52
AB 2766 and Other Program Revenues	62,367.62	62,332.62	0.00	0.00	124,700.24
Fines	3,575.00	0.00	0.00	0.00	3,575.00
Investment Earnings	34.70	0.00	0.00	0.00	34.70
Federal and State	0.00	0.00	0.00	0.00	0.00
Other Revenue	0.00	0.00	0.00	0.00	0.00
Total Revenues	531,634.93	62,332.62	0.00	0.00	593,967.55
<u>Expenditures</u>					
Salaries and Benefits	586,862.85	0.00	0.00	2,602.53	589,465.38
Services and Supplies	29,795.36	95,310.40	0.00	0.00	125,105.76
Contributions to Other Participants	0.00	0.00	0.00	0.00	0.00
Capital Outlay Improvements and Equipment	68,980.25	0.00	0.00	0.00	68,980.25
Total Expenditures	685,638.46	95,310.40	0.00	2,602.53	783,551.39
Excess Revenue Over (Under) Expenditures	(154,003.53)	(32,977.78)	0.00	(2,602.53)	(189,583.84)

Mojave Desert AQMD
Statement of Activity - All Funds
For the Period Ending December 31, 2017

Financial Report

	<u>M-T-D</u> <u>Actual</u>	<u>Y-T-D</u> <u>Actual</u>	<u>Y-T-D</u> <u>Budget</u>	<u>% Budget</u> <u>to Actual</u>
Revenues				
Revenue - Permitting	369,104.38	2,278,561.49	4,400,000.00	51.79
Revenue - Programs	124,700.24	596,492.19	2,424,008.00	24.61
Revenue - Application Fees	9,866.00	92,509.40	81,000.00	114.21
Revenue - State	0.00	0.00	178,000.00	0.00
Revenue - Federal	0.00	0.00	132,900.00	0.00
Fines & Penalties	3,575.00	31,325.00	82,000.00	38.20
Interest Earned	34.70	58,170.04	82,900.00	70.17
Revenue - Contracts & Unidentified	104,635.09	650,402.61	1,313,050.00	49.53
Permit Cancellations	(17,947.86)	(42,632.29)	0.00	0.00
Total Revenues	593,967.55	3,664,828.44	8,693,858.00	42.15
Expenditures				
Office Expenses	8,424.02	140,144.47	222,900.00	62.87
Communications	1,764.18	35,564.84	95,375.00	37.29
Vehicles	5,299.87	32,635.13	67,250.00	48.53
Program Costs	95,621.44	316,902.52	1,581,508.00	20.04
Travel	988.20	37,152.18	75,750.00	49.05
Professional Services	2,371.95	37,648.67	104,300.00	36.10
Depreciation	0.00	1,784.64	3,000.00	59.49
Maintenance & Repairs	5,395.11	40,166.98	87,350.00	45.98
Non-Depreciable Inventory	538.57	9,377.14	20,700.00	45.30
Dues & Subscriptions	1,022.93	20,021.42	42,350.00	47.28
Legal	3,317.07	26,906.53	61,096.00	44.04
Miscellaneous Expense	199.31	9,683.81	4,000.00	242.10
Suspense	163.11	(25,079.76)	0.00	0.00
Capital Expenditures	68,980.25	79,089.50	192,500.00	41.09
Total Expenditures	194,086.01	761,998.07	2,558,079.00	29.79
Salaries & Benefits				
Personnel Expenses	589,465.38	3,043,387.64	6,123,679.00	49.70
Total Salaries & Benefits	589,465.38	3,043,387.64	6,123,679.00	49.70
Excess Revenue Over (Under) Expenditures	(189,583.84)	(140,557.27)	12,100.00	(1,161.63)

Mojave Desert AQMD

Run: 2/12/2018 at 4:40 PM

Bank Register from 12/01/2017 to 12/31/2017

Page: 1

Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
20130859	12/01/2017	Credit Card Transactions - Love's Travel & Kramer Junction Mining	0.00	3,123.56	814,582.40
20130859	12/01/2017	Credit Card Transactions - US Army - Nationwide Capital - kavry	0.00	666.82	815,249.22
6571553	12/01/2017	Wage Works FSA Claim Payout	434.00	0.00	814,815.22
ACH120117	12/01/2017	[10047] COLONIAL INSURANCE-Supp Ins Prem Dec 2017	503.90	0.00	814,311.32
6574547	12/02/2017	Wage Works FSA Claim Payout	238.00	0.00	814,073.32
20130859	12/04/2017	Credit Card Transaction - Petrochem	0.00	2,165.36	816,238.68
20130859	12/04/2017	Credit Card Transaction - Lockheed	0.00	1,778.67	818,017.35
20130859	12/04/2017	Credit Card Transactions - AFCEE/APTIM Federal Svcs - Hennigan Eng	0.00	807.00	818,824.35
EFT	12/06/2017	Pay period ending 11/24/2017	95,971.63	0.00	722,852.72
6574548	12/06/2017	Wage Works FSA Claim Payout	1,781.95	0.00	721,070.77
BP1217	12/06/2017	Voya 401(a) Contribution Brad Pioriez Nov 2017	987.50	0.00	720,083.27
EFT	12/07/2017	[10017] BEST BEST & KRIEGER LLP-Gen counsel Services through 11/30/17	533.87	0.00	720,083.27
EFT	12/07/2017	[10121] SALLY BODE-Invoice for Mojave Green Logo	37.50	0.00	720,083.27
0006962	12/07/2017	[10025] CALIFORNIA SPECIAL DISTRICTS ASSOCIATION-2018 Agency Membership	6,842.00	0.00	674,578.59
0006963	12/07/2017	[02005] DESERT VALLEY MEDICAL GROUP-payment for new employee physical and drug screen	95.00	0.00	674,483.59
0006964	12/07/2017	[10067] ENTERPRISE RENT A CAR-Car rentals Nov 17	660.87	0.00	673,822.72
0006965	12/07/2017	[10283] GOVT FINANCE OFFICERS ASSN-Invoices 0100625, 0197193	310.00	0.00	673,512.72
0006966	12/07/2017	[15041] GRAND SIERRA RESORT AND CASINO-Staff Lodging - California Desert Air Working Group Conference & EE Workshop- 11/11/14-11/11/16/17	2,212.58	0.00	671,300.14
0006967	12/07/2017	[10088] HI DESERT GARDENS INC-Landscaping Dec 17	260.00	0.00	671,040.14
0006968	12/07/2017	[10263] IN SHAPE HEALTH CLUBS INC-Pay Period 25/2017 - GymDed	184.07	0.00	670,856.07
0006969	12/07/2017	[10087] KNIGHT GUARD ALARM-3rd qtr FY 18 Alarm Montioring	240.00	0.00	670,616.07
0006970	12/07/2017	[15005] MAY MAMARI-Invoices 1848, PO519-2	405.00	0.00	670,211.07
0006971	12/07/2017	[14248] JASON MENTRY-CAPCOA Enf Symposium Travel Claim	122.98	0.00	670,088.09
EFT	12/07/2017	[10093] MET ONE INSTRUMENTS-Sonic Weather Station	2,302.50	0.00	670,088.09
EFT	12/07/2017	[10093] MET ONE INSTRUMENTS-Equipment Repair Supplies o rings and filters	650.25	0.00	670,088.09
EFT	12/07/2017	[10200] MOJAVE DESERT AQMD-Invoices 1798, 1828	21,694.38	0.00	670,088.09
EFT	12/07/2017	[10200] MOJAVE DESERT AQMD-Pay Period 25/2017 - FSADed	508.34	0.00	670,088.09
0006972	12/07/2017	[10118] OFFICE 1-Copy overages Nov 2017	672.17	0.00	669,415.92
0006973	12/07/2017	[10109] PHELAN PINON HILLS CSD-Electric Use Fee Nov 2017	160.00	0.00	669,255.92
0006974	12/07/2017	[10129] PRAXAIR DISTRIBUTION INC-Cylinder of Gas mixture for Air testin	859.77	0.00	668,396.15
0006975	12/07/2017	[10114] RAINBOW BUILDING MAINTENANCE-Custodial Services November 2017	1,948.00	0.00	666,448.15
0006976	12/07/2017	[11067] VIOLETTE ROBERTS-Meals - 2017 CDAWG Conference & EE Workshop- Reno, Nevada - 11/13-11/16/17	57.74	0.00	666,390.41
0006977	12/07/2017	[10124] SAVILLEX-Filter membranes 5-6 Microns	208.60	0.00	666,181.81
0006978	12/07/2017	[10126] SBCERA-Pay Period 25/2017 - SBCERADefer, SBCERAMatch, SBCERAPickUp, SurvivorInsBen, SurvivorInsDed, RetireCashBen	67,342.99	0.00	598,838.82
0006979	12/07/2017	[10213] SBPEA-Pay Period 25/2017 - GeneralUnitDues	523.50	0.00	598,315.32
0006980	12/07/2017	[15001] SBPIS-Pay Period 25/2017 - GeneralUnitMisc	184.17	0.00	598,131.15
0006981	12/07/2017	[10127] SBRCO FIRE EQUIPMENT-Annual Fire Extinguisher Check and refill	224.00	0.00	597,907.15

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<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0006982	12/07/2017	[10137] SOUTHWEST GAS CORP-Gas Service Nov 2017	63.91	0.00	597,843.24
0006983	12/07/2017	[10161] UNITED WAY DESERT COMMUNITIES-Pay Period 25/2017 - UnitedWay	5.00	0.00	597,838.24
2018009	12/07/2017	Op Fund Rep #9	0.00	444,439.66	1,016,551.06
6593696	12/07/2017	Wage Works FSA Claim Payout	25.00	0.00	1,016,526.06
ACH120717	12/07/2017	[10082] VOYA FINANCIAL (457)-PP25/17 - 457 Ded	9,643.51	0.00	1,006,882.55
20130862	12/08/2017	Credit Card Transaction - American Technologies	0.00	538.00	1,007,420.55
20130866	12/08/2017	Credit Card Transactions - American Tech & Walmart	0.00	1,431.70	1,008,852.25
20130866	12/11/2017	Credit Card Transactions - Hennigan Engineering	0.00	1,678.36	1,010,530.61
20130867	12/13/2017	Credit Card Transaction - J & C Environmental	0.00	538.00	1,011,068.61
20130871	12/13/2017	Credit Card Transaction - J & C Environmental	0.00	541.34	1,011,609.95
6232-	12/13/2017	[10071] BUSINESS CARD-#6232 - Dec 2017 Payment	3,777.38	0.00	1,007,832.57
6210-	12/13/2017	[10071] BUSINESS CARD-#6210 - Dec 2017 Payment	2,172.32	0.00	1,005,660.25
4837-	12/13/2017	[10071] BUSINESS CARD-#4837 - Dec 2017 Payment	2,015.68	0.00	1,003,644.57
7885-	12/13/2017	[10071] BUSINESS CARD-#7885 - Dec 2017 Payment	1,462.90	0.00	1,002,181.67
0357-	12/13/2017	[10071] BUSINESS CARD-#0357 - Dec 2017 Payment	1,313.46	0.00	1,000,868.21
0463-	12/13/2017	[10071] BUSINESS CARD-#0463 - Dec 2017 Payment	1,075.18	0.00	999,793.03
1102-121317	12/13/2017	[10071] BUSINESS CARD-#1102 - Dec 2017 Payment	692.46	0.00	999,100.57
7908-	12/13/2017	[10071] BUSINESS CARD-#7908 - Dec 2017 Payment	251.05	0.00	998,849.52
6251-	12/13/2017	[10071] BUSINESS CARD-#6251 - Dec 2017 Payment	139.10	0.00	998,710.42
4359-	12/13/2017	[10071] BUSINESS CARD-#4359 - Dec 2017 Payment	118.04	0.00	998,592.38
0006984	12/14/2017	[15036] ALICAT SCIENTIFIC, INC.-Portable Mass Flow Meter - Gases - CO, H2S, NO and O3	2,175.49	0.00	996,416.89
0006985	12/14/2017	[10057] ALLIED ADMIN-Invoices 2017-25, 2017-26, AA121217	2,627.15	0.00	993,789.74
0006986	12/14/2017	[10029] CAPITAL ONE COMMERCIAL-Costco Card Charges Nov 2017	342.69	0.00	993,447.05
0006987	12/14/2017	[10031] CDW - G-Laptop Replacement as was scheduled for FY18 for Trevor Samorajski (Microsoft Surface Pro 4)	1,675.20	0.00	991,771.85
0006988	12/14/2017	[10031] CDW - G-Battery Backup for Trona Station	1,254.57	0.00	990,517.28
0006989	12/14/2017	[15032] DOWNTOWN FORD SALES-Invoices 305734, 305786	48,152.44	0.00	942,364.84
0006990	12/14/2017	[10244] PAUL'S PRECISION MAINTENANCE-Install safety rail around the roof of the Phelan Air Monitoring Station, check the roof for stability and leaks, repair as needed and recoat with elastomer roof coating	3,500.00	0.00	938,864.84
0006991	12/14/2017	[10129] PRAXAIR DISTRIBUTION INC-Cylinder Rental Nov 2017	54.00	0.00	938,810.84
EFT	12/14/2017	[10117] RICOH AMERICAS CORP-Copier Lease Dec 2017	1,281.84	0.00	938,810.84
0006992	12/14/2017	[10130] SELECT STAFFING-Extra help Exec Offices w/e 10/15/17	504.68	0.00	938,306.16
0006993	12/14/2017	[10150] THE COUNSELING TEAM- EAP Hours Nov 2017	360.00	0.00	937,946.16
0006994	12/14/2017	[10166] VERIZON BUSINESS-VOIP & Internet Service Dec 2017	1,191.26	0.00	936,754.90
0006995	12/14/2017	[10174] WEST GROUP-Subscription info Charges Nov 2017	866.93	0.00	935,887.97
EFT	12/14/2017	[14303] JEFFREY HAYES WILLIAMS-District's Governing Board Representative forTelsa Tour Attendance Reno, NV 11/14/2017.	188.64	0.00	935,887.97
20130868	12/14/2017	Credit Card Transaction - American Pavement	0.00	224.00	934,641.49
2018010	12/14/2017	Op Fund Rep # 10	0.00	64,174.89	998,816.38

Mojave Desert AQMD

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<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
6631992	12/15/2017	Wage Works FSA Claim Payout	135.00	0.00	998,681.38
20130869	12/18/2017	Credit Card Transactions - US Army - John Zink - Dunn Rite	0.00	970.63	999,652.01
20130870	12/18/2017	Credit Card Transactions - US Army	0.00	1,345.00	1,000,997.01
6640949	12/19/2017	Wage Works FSA Claim Payout	372.60	0.00	1,000,624.41
EFT	12/20/2017	Pay period ending 12/08/2017	121,960.79	0.00	878,663.62
20130872	12/20/2017	Credit Card Transaction - Nakai Brothers	0.00	1,748.16	880,411.78
20130872	12/21/2017	Credit Card Transaction - Karem Aircraft	0.00	269.00	880,680.78
0006995	12/22/2017	[10007] AIR TECH SERVICES-Invoices 034998, 3505	480.00	0.00	880,200.78
0006996	12/22/2017	[14217] BRET BANKS-Invoices BB103117, BB120817	115.52	0.00	880,085.26
0006997	12/22/2017	[10021] CAL PUBLIC EMP RETIREMENT SYSTEM-Invoices 100000015147701, 2017-24, 2017-25	41,603.19	0.00	838,482.07
0006998	12/22/2017	[15040] CINTAS-Invoices 9017738783, 9019977189	213.34	0.00	838,268.73
0006999	12/22/2017	[14246] DANIEL CONCHO-Invoices PO522-1, PO533-1	233.05	0.00	838,035.68
0007000	12/22/2017	[10053] CPS HR CONSULTING-Consulting Services - Workforce Planning Review FY 18 as described in a proposal received 11-17-2017	270.00	0.00	837,765.68
EFT	12/22/2017	[10065] ENTERPRISE FLEET MANAGEMENT-Fleet Maintenance & Leases Dec 2017	3,058.20	0.00	837,765.68
0007001	12/22/2017	[15028] FEDAK & BROWN LLP-Invoices FB113017, FBLLP113017	2,100.00	0.00	835,665.68
0007002	12/22/2017	[10076] HI DESERT WINDOW WASHING-Window washing service Dec 2017	200.00	0.00	835,465.68
0007003	12/22/2017	[10079] HIGH DESERT LASER GRAPHICS-Invoices 1897, 1911	216.04	0.00	835,249.64
0007004	12/22/2017	[10263] IN SHAPE HEALTH CLUBS INC-Pay Period 26/2017 - GymDed	184.07	0.00	835,065.57
0007005	12/22/2017	[01371] JOHN ZINK COMPANY, LLC-Refund: 41755	270.67	0.00	834,794.90
0007006	12/22/2017	[14248] JASON MENTRY-Wellness Program Reimbursement	240.00	0.00	834,554.90
EFT	12/22/2017	[10093] MET ONE INSTRUMENTS-Sonic Weather Station Phelan Am Station and Back up unit for Scheduled Calibration	4,785.50	0.00	834,554.90
EFT	12/22/2017	[10200] MOJAVE DESERT AQMD-Pay Period 26/2017 - FSADed	287.58	0.00	834,554.90
0007007	12/22/2017	[14218] ROSEANA NAVARRO-BRASINGTON-Wellness Program Reimbursement	240.00	0.00	834,314.90
0007008	12/22/2017	[10244] PAUL'S PRECISION MAINTENANCE-Monthly Maintenance Contract Dec 2017	1,500.00	0.00	832,814.90
EFT	12/22/2017	[14256] BRAD A POIRIEZ-CAPCOA 2017 Board Meeting - Sacramento, CA.	128.00	0.00	832,814.90
0007009	12/22/2017	[10126] SBCERA-Pay Period 26/2017 - SBCERADefer, SBCERAMatch, SBCERAPickUp, SurvivorInsBen, SurvivorInsDed, RetireCashBen	89,586.53	0.00	743,228.37
0007010	12/22/2017	[10213] SBPEA-Pay Period 26/2017 - GeneralUnitDues	523.50	0.00	742,704.87
0007011	12/22/2017	[15001] SBPIS-Pay Period 26/2017 - GeneralUnitMisc	184.17	0.00	742,520.70
0007012	12/22/2017	[10127] SBRCO FIRE EQUIPMENT-Valve stem replacement on halon extinguisher	47.54	0.00	742,473.16
0007013	12/22/2017	[10136] SOUTHERN CALIF EDISON-Electric Service Dec 2017	1,733.50	0.00	740,739.66
0007014	12/22/2017	[10141] SPINITAR-Invoices 932893, 932894	43,156.01	0.00	697,583.65
0007015	12/22/2017	[10145] STAPLES INC-Office Supplies	188.51	0.00	697,395.14
0007016	12/22/2017	[10148] STRATEGIC PARTNERS GROUP - STRATEGIC PARTNERS GROUP- Legislative services Oct and nov 2017	4,000.00	0.00	693,395.14

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0007017	12/22/2017	[10148] STRATEGIC PARTNERS GROUP - STRATEGIC PARTNERS GROUP- Legislative services Dec 2017	2,000.00	0.00	691,395.14
0007018	12/22/2017	[10149] TELEDYNE ADVANCED POLLUTION INSTRUMENTATION-Assembly bench and UV lamp for AM Station Repairs	771.78	0.00	690,623.36
0007019	12/22/2017	[10161] UNITED WAY DESERT COMMUNITIES-Pay Period 26/2017 - UnitedWay	5.00	0.00	690,618.36
EFT	12/22/2017	[10173] VOYAGER FLEET SERVICE-Fuel Card Charges Nov 2017	1,073.02	0.00	690,618.36
20130872	12/22/2017	Credit Card Transaction - Mako Industries	0.00	270.67	681,556.73
20130872	12/22/2017	Credit Card Transactions - Koala Green & CA Biotech Center	0.00	538.00	682,094.73
20130872	12/22/2017	ACH - MDAQMD (Bracy)	0.00	264.30	682,359.03
20130872	12/26/2017	Credit Card Transactions - Ferrellgas	0.00	807.00	683,166.03
Total for Report:			617,950.25	528,320.12	

Mojave Desert AQMD
Bank Register from 12/01/2017 to 12/31/2017
General Fund MPA

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
20130864	12/04/2017	Daily Deposit	0.00	56,316.60	882,759.22
20130860	12/06/2017	SBCo ACH - Specialty Minerals	0.00	98,463.19	981,222.41
20130861	12/06/2017	SBCO ACH - USMC	0.00	109,643.30	1,090,865.71
2018009	12/07/2017	Op Fund Rep #9	444,439.66	0.00	646,426.05
20130867	12/07/2017	Daily Deposit	0.00	9,960.22	656,386.27
20130868	12/11/2017	Daily Deposit	0.00	147,613.09	803,999.36
20130869	12/12/2017	Daily Deposit	0.00	21,778.83	825,778.19
2018014	12/13/2017	Transfer AB2766 - October 2017	31,166.31	0.00	794,611.88
20130870	12/14/2017	Daily Deposit	0.00	70,739.13	865,351.01
2018010	12/14/2017	Op Fund Rep # 10	64,174.89	0.00	801,176.12
20130866	12/15/2017	SBCo ACH - MDAQMD	0.00	22,202.72	823,378.84
20130871	12/19/2017	Daily Deposit	0.00	10,069.27	833,448.11
2018015	12/21/2017	Transfer AB2766 - October 2017 Balance	31,166.31	0.00	802,281.80
20130873	12/26/2017	Wells Fargo ACH - MDAQMD	0.00	287.58	802,569.38
Total for Report:			570,947.17	547,073.93	

Mojave Desert AQMD
Bank Register from 12/01/2017 to 12/31/2017
AB2766 MPE

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
MPE 2018-	12/08/2017	[10240] ENVIRONMENTAL ENGINEERING STUDIES-AB2766 Grant	5,494.00	0.00	3,333,794.48
MPE 2018-	12/08/2017	[10156] TOWN OF APPLE VALLEY-AB2766 Grant	18,898.82	0.00	3,314,895.66
2018014	12/13/2017	Transfer AB2766 - October 2017	0.00	31,166.31	3,346,061.97
2018015	12/21/2017	Transfer AB2766 - October 2017 Balance	0.00	31,166.31	3,377,228.28
Total for Report:			24,392.82	62,332.62	

Mojave Desert AQMD
Bank Register from 12/01/2017 to 12/31/2017
Clean Air Fund

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	12/29/2017	Interest Earned	0.00	34.70	161,523.84
Total for Report:			0.00	34.70	

Mojave Desert AQMD
Bank Register from 12/01/2017 to 12/31/2017
PARS TRUST - OPEB

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	12/01/2017	Interest Earned	0.00	6,328.71	608,559.26
Total for Report:			0.00	6,328.71	

Mojave Desert AQMD
Bank Register from 12/01/2017 to 12/31/2017
PARS TRUST - PENSION

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	12/01/2017	Interest Earned	0.00	3,830.53	508,566.11
Total for Report:			0.00	3,830.53	

The following page(s) contain the backup material for Agenda Item: [Receive and file the Legislative Report for February 8, 2018. Presenter: Brad Poiriez.](#)

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #8

DATE: February 26, 2018

RECOMMENDATION: Receive and file.

SUMMARY: The Legislative Report for February 8, 2018.

CONFLICT OF INTEREST: None

BACKGROUND: Legislative actions proposed at the federal and state level have the potential to impact the implementation of the District's mission as well as its regulatory operations. An important tool for the District is to monitor the flood of information and its status which allows for comment early in the process and preparation for any changes that may be required. The District contracts this service and receives periodic reports with summaries to help sort the pertinent legislative proposals.

Strategic Partners Group (SPG) is the consultant to the District providing this service to monitor certain legislative and regulatory activities at the state and local level. Staff will direct questions to SPG regarding any of the material presented or follow up on any matter of interest to the Governing Board. Following the table of proposed legislation are several Articles of Interest of relevant information.

REASON FOR RECOMMENDATION: This item is provided for information subject to direction of the Governing Board.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel, as to legal form and by Brad Poiriez, Executive Director, on or about February 12, 2018.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Brad Poiriez, Executive Director



Government Affairs and Communication Consulting

FRANK T. SHEETS, III
LAURIE HANSEN SHEETS

MEMORANDUM

TO: Brad Poiriez

FROM: Frank Sheets
Laurie Hansen

DATE: February 8, 2018

Strategic Partners Group is pleased to provide our latest legislative report to the Mojave Desert Air Quality Management District.

The report demonstrates that to date neither of the two houses have introduced very many new bills that deal with subjects of interest to the District. For the most part, both houses have still been dealing with 2017 two-year bills in that the deadline to consider these bills is February 16th. Additionally, as an article in the following section conveys, much of the legislature's time during the first month of the new session has been consumed by efforts to generate legislation to address the barrage of sexual harassment allegations against California elected officials. The deadline to introduce new 2018 bills is February 16.

Of the new bills introduced we would like to draw your attention to the following:

- AB 1756 - would repeal the gas tax;
- AB 1775- attempts to fight Trump's proposed expansion of coastal oil and gas leases;
- AB 1975- deals with nuisance odors in the Bay area APCD;
- AB 2008- a Carl Moyer Bill;
- SB 701- a two-year bill proposing a state bond measure to fund reclamation of the Salton Sea;
- SB 1013- is a new air quality measure dealing with refrigerant emissions.

As mentioned, we believe the number of newly introduced bills meeting the Districts criteria to be relatively short and would anticipate the number of bills of interest to the District will increase significantly in our next report.

Again, as questions or comments arise, please feel free to contact us at your convenience.

MDAQMD bills 2018

2/8/2018

AB 151

([Burke D](#)) *California Global Warming Solutions Act of 2006: market-based compliance mechanisms: scoping plan: report.*

Current Analysis: 05/30/2017 [Assembly Floor Analysis \(text 5/2/2017\)](#)

Introduced: 1/11/2017

Last Amend: 5/2/2017

Status: 2/1/2018-Failed Deadline pursuant to Rule 61(b)(3). (Last location was INACTIVE FILE on 8/24/2017)

Location: 2/1/2018-A. DEAD

Desk	Policy	Fiscal	Dead	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

Summary: Would require the State Air Resources Board to report to the appropriate policy and fiscal committees of the Legislature to receive input, guidance, and assistance before adopting guidelines and regulations implementing the scoping plan and a regulation ensuring statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level by 2030. This bill contains other related provisions and other existing laws.

AB 193

([Cervantes D](#)) *Air Quality Improvement Program: Clean Reused Vehicle Rebate Project.*

Current Analysis: 09/09/2017 [Senate Floor Analyses \(text 9/8/2017\)](#)

Introduced: 1/19/2017

Last Amend: 9/8/2017

Status: 9/12/2017-Ordered to inactive file at the request of Senator Roth.

Location: 9/12/2017-S. INACTIVE FILE

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

Summary: Would require the State Air Resources Board to establish the Clean Reused Vehicle Rebate Project, as a part of the Air Quality Improvement Program, to provide rebates for the acquisition of an eligible used vehicle, as defined; the replacement or refurbishment of an electric vehicle battery and related components for an eligible used vehicle or a vehicle service contract, as defined, for the battery or related components; or a vehicle service contract to cover unexpected vehicle repairs not covered by the manufacturer's warranty related to unique problems in eligible used vehicles, as specified.

AB 196

([Bigelow R](#)) *Greenhouse Gas Reduction Fund: water supply and wastewater systems.*

Current Analysis: 07/17/2017 [Senate Appropriations \(text 3/6/2017\)](#)

Introduced: 1/19/2017

Last Amend: 3/6/2017

Status: 9/1/2017-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 7/17/2017)(May be acted upon Jan 2018)

Location: 9/1/2017-S. 2 YEAR

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered	
1st House				2nd House								

Summary: Current law requires moneys from the Greenhouse Gas Reduction Fund to be allocated for the purpose of reducing greenhouse gas emissions in this state and satisfying other purposes. Current law authorizes specified investments, including water use and supply, if the investment furthers the regulatory purposes of the California Global Warming Solutions Act of 2006 and is consistent with law. This bill would authorize the use of the moneys in the fund for electric pump efficiency, water and wastewater systems, pump and pump motor efficiency improvements, and drinking water transmission and distribution systems' water loss if the investment furthers the regulatory purposes of the act and is consistent with law.

AB 362

([Wood D](#)) *Forestry assistance program: loans.*

Current Analysis: 07/10/2017 [Senate Appropriations \(text 6/15/2017\)](#)

Introduced: 2/8/2017

Last Amend: 6/15/2017

Status: 9/1/2017-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 7/10/2017)(May be acted upon Jan 2018)

Location: 9/1/2017-S. 2 YEAR

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law creates the Timber Regulation and Forest Restoration Fund in the State Treasury and requires that specified revenues received from a lumber or engineered wood products assessment, less amounts deducted for refunds and reimbursements, be deposited in the fund and, upon appropriation by the Legislature, used for specified purposes, including for forest resources improvement grants and projects administered by Department of Forestry and Fire Protection. This bill would provide that assessments deposited into the fund, less amounts deducted for refunds and reimbursements, be used, upon appropriation by the Legislature, for forest resources improvement grants, loans, and projects.

[AB 378](#)

([Garcia, Cristina](#) D) Greenhouse gases, criteria air pollutants, and toxic air contaminants.

Current Analysis: 09/08/2017 [Assembly Floor Analysis \(text 5/30/2017\)](#)

Introduced: 2/9/2017

Last Amend: 5/30/2017

Status: 2/1/2018-Failed Deadline pursuant to Rule 61(b)(3). (Last location was INACTIVE FILE on 9/11/2017)

Location: 2/1/2018-A. DEAD

Desk	Policy	Fiscal	Dead	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The California Global Warming Solutions Act requires the State Air Resources Board, when adopting rules and regulations to achieve greenhouse gas emissions reductions beyond the statewide greenhouse gas emissions limit and to protect the state's most impacted and disadvantaged communities, to follow specified requirements, consider the social costs of the emissions of greenhouse gases, and prioritize specified emission reduction rules and regulations. This bill would require the state board to consider and account for the social costs of the emissions of greenhouse gases when adopting those rules and regulations.

[AB 382](#)

([Voepel](#) R) Fuel taxes: State Parks and Recreation Fund: Off-Highway Vehicle Trust Fund.

Current Analysis: 05/30/2017 [Assembly Floor Analysis \(text 5/26/2017\)](#)

Introduced: 2/9/2017

Last Amend: 5/26/2017

Status: 7/21/2017-Failed Deadline pursuant to Rule 61(a)(11). (Last location was T. & H. on 6/14/2017)(May be acted upon Jan 2018)

Location: 7/21/2017-S. 2 YEAR

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would provide that in the 2017-18 fiscal year up to \$1,000,000 of the revenues transferred to the State Parks and Recreation Fund may be transferred to the Off-Highway Vehicle Trust Fund to be available for specified purposes and would express the intent of the Legislature to make this transfer in the Budget Act of 2017.

[AB 388](#)

([Mullin](#) D) Greenhouse Gas Reduction Fund: wetland restoration projects.

Current Analysis: 08/21/2017 [Senate Appropriations \(text 6/22/2017\)](#)

Introduced: 2/9/2017

Last Amend: 6/22/2017

Status: 9/1/2017-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/21/2017)(May be acted upon Jan 2018)

Location: 9/1/2017-S. 2 YEAR

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: This bill would authorize the use of the moneys in the Greenhouse Gas Reduction Fund for wetland

restoration projects that may make use of dredged material if the investment furthers the regulatory purposes of the act and is consistent with law.

AB 419

(Salas D) Greenhouse gases: life cycle emissions profiles.

Current Analysis: 05/01/2017 [Assembly Appropriations \(text 4/19/2017\)](#)

Introduced: 2/9/2017

Last Amend: 8/21/2017

Status: 8/21/2017-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on RLS.

Location: 8/21/2017-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include the use of market-based compliance mechanisms. Current law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund. This bill would appropriate \$500,000 from the fund to the state board for the purpose of funding a study by one or more campuses of the University of California to study and assess life cycle emissions profiles.

AB 496

(Fong R) Transportation funding.

Introduced: 2/13/2017

Last Amend: 2/28/2017

Status: 2/1/2018-From committee: Filed with the Chief Clerk pursuant to Joint Rule 56.

Location: 1/31/2018-A. DEAD

Dead	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would create the Traffic Relief and Road Improvement Program to address traffic congestion and deferred maintenance on the state highway system and the local street and road system. The bill would provide for the deposit of various existing sources of revenue in the Traffic Relief and Road Improvement Account, which the bill would create in the State Transportation Fund, including revenues attributable to the sales and use tax on motor vehicles, revenues attributable to automobile and motor vehicle insurance policies from the insurer gross premiums tax, revenues from certain diesel fuel sales and use taxes, revenues from certain vehicle registration fees, and certain miscellaneous State Highway Account revenues.

AB 498

(Harper R) Fire rings: beaches.

Introduced: 2/13/2017

Status: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was PRINT on 2/13/2017)

Location: 1/20/2018-A. DEAD

Dead	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would state the intent of the Legislature to enact legislation related to fire rings at state and local beaches.

AB 509

(Frazier D) Tire recycling: California tire regulatory fee and waste tire program.

Current Analysis: 07/17/2017 [Senate Appropriations \(text 6/22/2017\)](#)

Introduced: 2/13/2017

Last Amend: 6/22/2017

Status: 9/1/2017-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 7/17/2017)(May be acted upon Jan 2018)

Location: 9/1/2017-S. 2 YEAR

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require, until January 1, 2024, upon a specified finding by the Department of Resources Recycling and Recovery, a waste tire generator that is a retail seller of new tires to end user purchasers to pay a California tire regulatory fee and to remit that fee to the state on a quarterly schedule for deposit in the California Tire Recycling

Management Fund. The bill would require the department to track revenue from the California tire regulatory fee separately and would prohibit those funds from being used for activities other than those specified.

AB 520

(Harper R) Local government: energy source materials.

Introduced: 2/13/2017

Status: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was L. GOV. on 2/27/2017)

Location: 1/20/2018-A. DEAD

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The California Constitution authorizes cities and counties to make and enforce within their limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws, and further authorizes cities organized under a charter to make and enforce all ordinances and regulations in respect to municipal affairs, which supersede inconsistent general laws. This bill would prohibit a local agency, as defined, from prohibiting the shipment or storage of any energy source material, including, but not limited to, coal, within its jurisdiction. The bill would declare that its provisions constitute a matter of statewide concern.

AB 582

(Garcia, Cristina D) Vehicles: emissions: certification, auditing, and compliance.

Current Analysis: 07/17/2017 [Senate Appropriations \(text 6/29/2017\)](#)

Introduced: 2/14/2017

Last Amend: 8/21/2017

Status: 9/1/2017-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. on 9/1/2017)(May be acted upon Jan 2018)

Location: 9/1/2017-S. 2 YEAR

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require the State Air Resources Board to enhance its certification, audit, and compliance activities for new motor vehicles to detect defeat devices or other software used to evade emissions testing, as specified. The bill would authorize the state board to impose a fee on the manufacturers of new motor vehicles to cover the state board's costs associated with the state board's certification, audit, and compliance activities. The bill would authorize the state board to impose a penalty on the manufacturers of new motor vehicles relating to the state board's certification, audit, and compliance activities if specified conditions are met.

AB 726

(Holden D) Energy.

Current Analysis: 09/06/2017 [Senate Floor Analyses \(text 9/6/2017\)](#)

Introduced: 2/15/2017

Last Amend: 9/8/2017

Status: 9/12/2017-Re-referred to Com. on RLS. pursuant to Senate Rule 29.10(c).

Location: 9/12/2017-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would repeal the current law governing the transformation of the ISO into a regional organization adopted as part of the Clean Energy and Pollution Reduction Act of 2015 and replace it with provisions authorizing the transformation of the ISO into a regional organization if the ISO governing board undertakes certain steps and the Commission on Regional Grid Transformation, which the bill would create, makes specified findings by December 31, 2018. The bill would make inoperative other provisions of existing law relating to the ISO entering into a multistate entity or transforming into a regional organization unless the Commission on Regional Grid Transformation does not make the specified findings by that date.

AB 771

(Quirk D) Burning of forest lands: forest land owners.

Current Analysis: 04/25/2017 [Assembly Appropriations \(text 2/15/2017\)](#)

Introduced: 2/15/2017

Status: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was APPR. on 5/26/2017)

Location: 1/20/2018-A. DEAD

Desk	Policy	Dead	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
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1st House	2nd House				
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Summary: Would require the Department of Forestry and Fire Protection, by July 1, 2018, in consultation with the State Air Resources Board, local air districts, and other relevant organizations and individuals, to develop an Internet Web site that provides the public certain information relating to prescribed burns, including information on the regulations that govern prescribed burns for forest fuel treatment, and to develop a uniform prescribed burn template for forest landowners that provides standardized procedures associated with planning and implementation of a prescribed burn and meets specified objectives.

AB 803

(Quirk D) Energy: low-income energy efficiency programs.

Current Analysis: 12/13/2017 [Senate Energy, Utilities And Communications \(text 6/13/2017\)](#)

Introduced: 2/15/2017

Last Amend: 6/28/2017

Status: 9/1/2017-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 7/10/2017)(May be acted upon Jan 2018)

Location: 9/1/2017-S. 2 YEAR

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the Public Utilities Commission to establish programs to assist low-income electricity and gas customers. Current law requires the commission, not less often than every 3rd year, to conduct an assessment of the needs of low-income electricity and gas ratepayers. This bill would require the commission to conduct a new assessment not less often than every 5th year, instead of every 3rd year. The bill would require the assessment to additionally evaluate the impacts of low-income programs on low-income households and consider whether available technologies, in combination with existing programs, adequately address those low-income electricity and gas customers' concerns.

AB 920

(Aguiar-Curry D) Electricity: procurement plans: integrated resource plans.

Current Analysis: 08/21/2017 [Senate Appropriations \(text 7/17/2017\)](#)

Introduced: 2/16/2017

Last Amend: 7/17/2017

Status: 9/1/2017-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. SUSPENSE FILE on 8/21/2017)(May be acted upon Jan 2018)

Location: 9/1/2017-S. 2 YEAR

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the PUC to identify a diverse and balanced portfolio of resources needed to ensure a reliable electricity supply that provides optimal integration of renewable energy in a cost-effective manner, and specifies the respective roles of electrical corporations and community choice aggregators in satisfying the portfolio needs for renewable integration. This bill would specify that a "diverse and balanced portfolio of resources" includes an appropriate mix of renewable capacity, including peaking, dispatchable, baseload, firm, and as-available capacity.

AB 964

(Calderon D) Economic development: Capital Access Loan Program: California Affordable Clean Vehicle Program.

Current Analysis: 07/03/2017 [Senate Environmental Quality \(text 6/21/2017\)](#)

Introduced: 2/16/2017

Last Amend: 6/21/2017

Status: 9/1/2017-Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. on 7/11/2017)(May be acted upon Jan 2018)

Location: 9/1/2017-S. 2 YEAR

Desk	Policy	Fiscal	Floor	Desk	Policy	2 year	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would, until January 1, 2027, create the California Affordable Clean Vehicle Program to assist low-income individuals in the purchase or lease of zero emission or plug-in vehicles for personal or commercial use, and other eligible projects. The bill would require the California Pollution Control Financing Authority to administer the program in consultation with the State Air Resources Board and consistent with the requirements of the Capital Access Loan Program and other related programs related to financing of clean energy vehicles.

[AB 1030](#)

(Ting D) Energy storage systems.

Current Analysis: 04/24/2017 [Assembly Utilities And Energy \(text 3/30/2017\)](#)

Introduced: 2/16/2017

Last Amend: 3/30/2017

Status: 1/13/2018-Failed Deadline pursuant to Rule 61(b)(1). (Last location was L. & E. on 3/9/2017)

Location: 1/13/2018-A. DEAD

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would establish 4 energy policy goals of the state with respect to energy storage and would require the PUC, on behalf of electrical corporations, and require the governing board, on behalf of a local publicly owned electric utility, to undertake specified actions with respect to customer- and load-sited energy storage systems in order to achieve those energy policy goals, including a rebate program dedicated to energy storage that carves out a portion of funding for low-income customers and disadvantaged communities.

[AB 1036](#)

(McCarty D) Organic waste: composting.

Current Analysis: 04/25/2017 [Assembly Appropriations \(text 2/16/2017\)](#)

Introduced: 2/16/2017

Last Amend: 6/20/2017

Status: 7/14/2017-Failed Deadline pursuant to Rule 61(a)(10). (Last location was E.Q. on 5/18/2017)(May be acted upon Jan 2018)

Location: 7/14/2017-S. 2 YEAR

Desk	Policy	Fiscal	Floor	Desk	2 year	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the California Environmental Protection Agency and the Department of Food and Agriculture, with the Department of Resources Recycling and Recovery, the State Water Resources Control Board, and the State Air Resources Board, to, among other things, assess the state's progress toward developing the organic waste processing and recycling infrastructure necessary to meet the state goals specified in certain state laws and documents. This bill would require those entities to assess the state's progress towards developing the organic waste processing and recycling infrastructure necessary to meet the state goals specified in an additional state law, as provided, and would make other changes in these provisions.

[AB 1055](#)

(Waldron R) Solid waste: plastic products.

Introduced: 2/16/2017

Last Amend: 3/21/2017

Status: 1/13/2018-Failed Deadline pursuant to Rule 61(b)(1). (Last location was NAT. RES. on 3/20/2017)

Location: 1/13/2018-A. DEAD

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires a manufacturer or supplier making an environmental marketing claim relating to the recycled content of a plastic food container product, as defined, to maintain certain information and documentation in support of that claim. Current law requires a manufacturer or supplier to furnish this information to any member of the public upon request or to provide the information and documentation by furnishing a link to a document on its Internet Web site. Existing law repeals these requirements relating to information supporting claims of recycled content for plastic food container products on January 1, 2018. This bill would extend the operation of those requirements to January 1, 2028.

[AB 1081](#)

(Burke D) Sales and use taxes: exclusion: low-emission motor vehicle: trade-in.

Current Analysis: 05/01/2017 [Assembly Appropriations \(text 4/24/2017\)](#)

Introduced: 2/16/2017

Last Amend: 4/24/2017

Status: 2/1/2018-From committee: Filed with the Chief Clerk pursuant to Joint Rule 56.

Location: 1/31/2018-A. DEAD

Dead	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current sales and use tax laws impose taxes on retailers measured by gross receipts from the sale of

tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state, measured by sales price. The Sales and Use Tax Law defines the terms “gross receipts” and “sales price.” This bill, before January 1, 2023, would exclude from the terms “gross receipts” and “sales price” the value of a motor vehicle traded in for a qualified motor vehicle, as defined, if the value of the trade-in motor vehicle is separately stated on the invoice or bill of sale or similar document provided to the purchaser.

AB 1184

(Ting D) Vehicular air pollution: incentives.

Current Analysis: 09/06/2017 [Senate Floor Analyses \(text 9/1/2017\)](#)

Introduced: 2/17/2017

Last Amend: 9/1/2017

Status: 9/7/2017-Ordered to inactive file at the request of Senator Stern.

Location: 9/7/2017-S. INACTIVE FILE

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law establishes the Air Quality Improvement Program that is administered by the State Air Resources Board for the purposes of funding projects related to, among other things, the reduction of criteria air pollutants and improvement of air quality. This bill would require the state board, by January 1, 2019, to submit to the Legislature a report on the operations of its vehicle incentive programs containing specified information.

AB 1341

(Calderon D) Zero-emission and near-zero-emission vehicles: income tax credits: deduction.

Current Analysis: 05/22/2017 [Assembly Appropriations \(text 5/11/2017\)](#)

Introduced: 2/17/2017

Last Amend: 5/11/2017

Status: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was APPR. SUSPENSE FILE on 5/24/2017)

Location: 1/20/2018-A. DEAD

Desk	Policy	Dead	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House			2nd House								

Summary: The Personal Income Tax Law allows various credits against the taxes imposed by that law. This bill, for taxable years beginning on or after January 1, 2018, and before January 1, 2023, would allow a credit under the Personal Income Tax Law in a specified amount, depending on the type of vehicle, to a qualified taxpayer, as defined, who purchased or leased in California a new near-zero-emission or zero-emission vehicle that is registered in California during the taxable year.

AB 1342

(Flora R) Greenhouse Gas Reduction Fund: healthy forest programs, organic waste projects, and recycling projects.

Current Analysis: 05/15/2017 [Assembly Appropriations \(text 4/27/2017\)](#)

Introduced: 2/17/2017

Last Amend: 4/27/2017

Status: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was APPR. SUSPENSE FILE on 5/17/2017)

Location: 1/20/2018-A. DEAD

Desk	Policy	Dead	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House			2nd House								

Summary: Would make moneys from the Greenhouse Gas Reduction Fund, upon appropriation, available to the Department of Forestry and Fire Protection for healthy forest programs that reduce greenhouse gas emissions caused by uncontrolled wildfires, as specified; to the Department of Resources Recycling and Recovery for instate organic waste recycling projects that reduce greenhouse gas emissions, as specified; and to the Department of Resources Recycling and Recovery for instate recycling projects that reduce greenhouse gas emissions and help achieve the state’s policy goal that not less than 75% of solid waste generated be source reduced, recycled, or composted by the year 2020.

AB 1369

(Gray D) Water quality and storage.

Introduced: 2/17/2017

Status: 1/13/2018-Failed Deadline pursuant to Rule 61(b)(1). (Last location was W.,P. & W. on 3/27/2017)

Location: 1/13/2018-A. DEAD

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Summary: Current law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism relative to reduction of greenhouse gas emissions to be deposited in the Greenhouse Gas Reduction Fund. This bill would require the Department of Water Resources to increase statewide water storage capacity by 25% by January 1, 2025, and 50% by January 1, 2050, as specified.

[AB 1624](#)

(Acosta R) Surface mining: reclamation plans.

Introduced: 2/17/2017

Status: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was PRINT on 2/17/2017)

Location: 1/20/2018-A. DEAD

Dead	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Summary: The Surface Mining and Reclamation Act of 1975 prohibits a person, with exceptions, from conducting surface mining operations unless, among other things, a permit is obtained from, a specified reclamation plan is submitted to and approved by, and financial assurances for reclamation have been approved by the lead agency for the operation of the surface mining operation. This bill would make technical, nonsubstantive changes to those provisions

[AB 1745](#)

(Ting D) Vehicles: Clean Cars 2040 Act.

Introduced: 1/3/2018

Status: 1/16/2018-Referred to Com. on TRANS.

Location: 1/16/2018-A. TRANS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Summary: Would, commencing January 1, 2040, prohibit the Department of Motor Vehicles from accepting an application for original registration of a motor vehicle unless the vehicle is a zero emissions vehicle, as defined. The bill would exempt from that prohibition, a commercial vehicle with a gross vehicle weight rating of 10,001 pounds or more, and a vehicle brought into the state from outside of the state for original registration, as specified.

[AB 1756](#)

(Brough R) Transportation funding.

Introduced: 1/4/2018

Status: 1/16/2018-Referred to Com. on TRANS.

Location: 1/16/2018-A. TRANS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Summary: Would repeal the Road Repair and Accountability Act of 2017. This bill contains other related provisions.

[AB 1775](#)

(Muratsuchi D) State lands: leasing: oil and gas.

Introduced: 1/4/2018

Status: 1/29/2018-Referred to Com. on NAT. RES.

Location: 1/29/2018-A. NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Summary: Would prohibit the State Lands Commission and the local trustees of granted public trust lands from entering into any new lease or other conveyance or from entering into any lease renewal, extension, or modification that authorizes a lessee to engage in new or additional exploration, development, or production of oil or natural gas upon lands owned by the state and under the jurisdiction of the commission that are located seaward of the ordinary high water mark for tidal waterways and the ordinary low water mark for navigable nontidal waterways that would result in the increase of oil or natural gas production from federal waters.

Notes 1: This bill is obviously a reaction to the Trump administration proposal to expand coastal oil and gas exploration.

[AB 1901](#)

(Obernolte R) California Environmental Quality Act: exemption: roadway projects.

Introduced: 1/22/2018

Status: 2/5/2018-Referred to Coms. on NAT. RES. and TRANS.

Location: 2/5/2018-A. NAT. RES.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: CEQA, until January 1, 2020, exempts a project or an activity to repair, maintain, or make minor alterations to an existing roadway, as defined, if the project or activity is carried out by a city or county with a population of less than 100,000 persons to improve public safety and meets other specified requirements. This bill would extend the above exemption indefinitely.

[AB 1915](#)

(Mathis R) Building Homes and Jobs Act: recording fee: mining claims.

Introduced: 1/23/2018

Status: 2/5/2018-Referred to Com. on H. & C.D.

Location: 2/5/2018-A. H. & C.D.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law imposes a charge, except as provided, of \$75 to be paid at the time of the recording of every real estate instrument, paper, or notice required or permitted by law to be recorded, per each single transaction per single parcel of real property, not to exceed \$225. Current law defines "real estate instrument, paper, or notice" for this purpose as a document relating to real property and specifies a nonexhaustive list of documents deemed to be a "real estate instrument, paper, or notice." This bill would exclude from this definition of "real estate instrument, paper, or notice," and thereby exempt from the recording fee, any document recorded in relation to a mining claim, as provided.

[AB 1933](#)

(Maienschein R) Greenhouse Gas Reduction Fund: appropriations: recycling infrastructure projects.

Introduced: 1/24/2018

Status: 1/25/2018-From printer. May be heard in committee February 24.

Location: 1/24/2018-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would appropriate \$200,000,000 from the Greenhouse Gas Reduction Fund to the Department of Resources Recycling and Recovery for organic waste recycling infrastructure projects that reduce greenhouse gas emissions and solid waste recycling infrastructure projects that reduce greenhouse gas emissions.

[AB 1945](#)

(Garcia, Eduardo D) California Global Warming Solutions Act of 2006: Greenhouse Gas Reduction Fund: investment plan.

Introduced: 1/29/2018

Status: 1/30/2018-From printer. May be heard in committee March 1.

Location: 1/29/2018-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires all moneys, except for fines and penalties, collected by the State Air Resources Board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation by the Legislature. Current law requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund. This bill would make a nonsubstantive change to that provision.

[AB 1975](#)

(Chu D) Nuisance: odors.

Introduced: 1/31/2018

Status: 2/1/2018-From printer. May be heard in committee March 3.

Location: 1/31/2018-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require the Department of Resources Recycling and Recovery, no later than July 1, 2019, to establish the South Bay Interagency Odor Taskforce, with a specified membership, to identify sources of odor emissions and nuisance complaints based on odor emissions received by the Bay Area Air Quality Management District and the City of Milpitas, the City of Fremont, the City of Santa Clara, and the City of San Jose. The bill would require the taskforce, no later than January 1, 2020, to take specified actions, including, among others, developing and implementing a protocol for joint inspections by the air district and the enforcement agency represented on the taskforce.

Notes 1: SPG felt the District may be interested in a nuisance abatement bill specific to the Bay Area APCD.

AB 2006

(Eggman D) Agricultural Worker Clean Transportation Investment Program.

Introduced: 2/1/2018

Status: 2/2/2018-From printer. May be heard in committee March 4.

Location: 2/1/2018-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would establish the Agricultural Worker Clean Transportation Investment Program, which would be administered by the State Air Resources Board to fund the deployment of near-zero-emission and zero-emission vehicles, as defined, used for agricultural vanpools, as defined, serving disadvantaged or low-income communities, as defined, to reduce greenhouse gas emissions. The bill would authorize moneys from the Greenhouse Gas Reduction Fund to be available, upon appropriation, for allocation under the provisions of the program.

AB 2008

(Salas D) Income taxes: exclusion: Carl Moyer Memorial Air Quality Standards Attainment Programs grants.

Introduced: 2/1/2018

Status: 2/2/2018-From printer. May be heard in committee March 4.

Location: 2/1/2018-A. PRINT

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Personal Income Tax Law and the Corporation Tax Law define gross income as all income from whatever source derived, unless specifically excluded. This bill would, under both laws, exclude from gross income any amount provided to a taxpayer pursuant to the Carl Moyer Memorial Air Quality Standards Attainment Program for the purchase of new zero or low-emission engines.

Notes 1: This is a new Bill dealing with the Carl Moyer program and should be of interest to the District.

SB 276

(Dodd D) State Water Efficiency and Enhancement Program.

Current Analysis: 05/30/2017 [Senate Environmental Quality \(text 4/5/2017\)](#)

Introduced: 2/9/2017

Last Amend: 4/24/2017

Status: 1/20/2018-Failed Deadline pursuant to Rule 61(b)(2). (Last location was APPR. SUSPENSE FILE on 5/25/2017)

Location: 1/20/2018-S. DEAD

Desk	Policy	Dead	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Department of Food and Agriculture has established the State Water Efficiency and Enhancement Program to provide financial assistance in the form of grants to implement irrigation systems that reduce greenhouse gases and save water on agricultural operations. The Sustainable Groundwater Management Act, provides for the sustainable management of groundwater basins. This bill would require the Department of Food and Agriculture, upon appropriation of moneys by the Legislature for this purpose, to administer the State Water Efficiency and Enhancement Program to provide financial assistance in the form of grants to implement irrigation management systems that reduce greenhouse gas emissions, save water, and reduce energy use in agricultural operations in the state, offer technical assistance to program applicants, and perform outreach to groundwater basins designated as high- or medium-priority basins, as prescribed.

SB 638

(Leyva D) Heavy-duty motor vehicles.

Introduced: 2/17/2017

Status: 1/13/2018-Failed Deadline pursuant to Rule 61(b)(1). (Last location was T. & H. on 3/2/2017)

Location: 1/13/2018-S. DEAD

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
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1st House	2nd House	Conc.			
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Summary: Current law requires the State Air Resources Board, in consultation with the Bureau of Automotive Repair and a specified review committee, to adopt regulations requiring owners or operators of heavy-duty diesel motor vehicles to perform regular inspections of their vehicles for excessive emissions of smoke. Current law requires the state board, in consultation with the State Energy Resources Conservation and Development Commission, to adopt regulations requiring heavy-duty diesel motor vehicles to use emission control equipment and alternative fuels. This bill would delete the references and requirements pertaining to excessive emissions of smoke by heavy-duty diesel vehicles.

SB 701

(Hueso D) Salton Sea Obligations Act of 2018.

Current Analysis: 08/21/2017 [Assembly Appropriations \(text 7/3/2017\)](#)

Introduced: 2/17/2017

Last Amend: 7/3/2017

Status: 9/1/2017-September 1 hearing: Held in committee and under submission.

Location: 8/23/2017-A. APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would enact the Salton Sea Obligations Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$500,000,000 pursuant to the State General Obligation Bond Law to finance a program to comply with specified state obligations relating to the Salton Sea. This bill would provide for the submission of these provisions to the voters at the November 6, 2018, statewide general election.

Notes 1: We felt important to convey that this bond measure dealing with remediation of the Salton Sea is still under consideration.

SB 745

(Stern D) Vehicle registration: Environmental rebates.

Introduced: 2/17/2017

Last Amend: 9/8/2017

Status: 2/1/2018-Returned to Secretary of Senate pursuant to Joint Rule 56.

Location: 2/1/2018-S. DEAD

Dead	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would establish the Climate Policy Rebate program and the Climate Policy Rebate Special Fund. The program would provide rebates to offset the transportation improvement fee imposed on a vehicle. The bill would require quarterly transfers of funds from the Greenhouse Gas Reduction Fund to the Climate Policy Rebate Special Fund in amounts needed to fund the rebates, as determined by the department. The bill would require the amount of an individual rebate to equal the transportation improvement fee imposed on a vehicle, and those rebates would be paid from the Climate Policy Rebate Special Fund to the department upon appropriation by the Legislature.

SB 771

(De León D) California Environmental Quality Act: continuing education: public employees.

Current Analysis: 09/06/2017 [Assembly Floor Analysis \(text 7/18/2017\)](#)

Introduced: 2/17/2017

Last Amend: 7/18/2017

Status: 9/13/2017-Ordered to inactive file on request of Assembly Member Calderon.

Location: 9/13/2017-A. INACTIVE FILE

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would establish a continuing education requirement for employees of public agencies who have primary responsibility to administer the California Environmental Quality Act (CEQA, as specified. Because this bill would require a public agency to ensure that this continuing education requirement is met, this bill would impose a state-mandated local program.

SB 774

(Leyva D) Hazardous substances: California Toxic Substances Board.

Current Analysis: 09/13/2017 [Assembly Floor Analysis \(text 9/11/2017\)](#)

Introduced: 2/17/2017

Last Amend: 9/11/2017

Status: 9/14/2017-Ordered to inactive file on request of Assembly Member Calderon.

Location: 9/14/2017-A. INACTIVE FILE

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would establish the California Toxic Substances Board in the Department of Toxic Substances Control. The bill, notwithstanding any other law, would require the board to appoint the Director of Toxic Substances Control, who would hold office at the pleasure of the board. The bill would provide for the membership of the board, the salary and terms of the board members, and other various powers and duties of the board. The bill would require the board to conduct monthly public hearings to consider matters before the board relating to hazardous waste facilities permits and sites.

[SB 775](#)

(Wieckowski D) California Global Warming Solutions Act of 2006: market-based compliance mechanisms.
Introduced: 2/17/2017
Last Amend: 5/1/2017
Status: 2/1/2018-Returned to Secretary of Senate pursuant to Joint Rule 56.
Location: 2/1/2018-S. DEAD

Dead	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include use of market-based compliance mechanisms. Current law prohibits a state agency from linking a market-based compliance mechanism with any other state, province, or country unless the state agency notifies the Governor. Current law requires the Governor to issue specified findings within 45 days of receiving that notice from a state agency and to provide those findings to the Legislature. This bill would add to the findings required to be issued by the Governor and provided to the Legislature in those circumstances.

[SB 1013](#)

(Lara D) Refrigerants.
Introduced: 2/6/2018
Status: 2/7/2018-From printer. May be acted upon on or after March 9.
Location: 2/6/2018-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law prohibits the manufacture and sale of specified chlorofluorocarbons (CFCs) as aerosol propellants, limits the percentage of new motor vehicles equipped with air-conditioners that utilize CFC-based products, requires the State Air Resources Board to adopt regulations to provide for the enforcement of those provisions, and imposes a civil penalty on persons violating those provisions. This bill would apply all restrictions on the use of class I substances, as defined, and class II substances, as defined, under the federal Clean Air Act, as it read on January 19, 2017, except as specified. The bill would authorize the state board to adopt a regulation making those restrictions more rigorous or accelerated in time, as appropriate.

Notes 1: This is a newly introduced bill that the District should be interested in tracking.

[SB 1014](#)

(Skinner D) Zero-emission vehicles.
Introduced: 2/6/2018
Status: 2/7/2018-From printer. May be acted upon on or after March 9.
Location: 2/6/2018-S. RLS.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require the Public Utilities Commission, in consultation with the State Air Resources Board, to establish the California Clean Miles Standard and Incentive Program for zero-emission vehicles, as defined, used by participating drivers to provide prearranged transportation services for compensation for a transportation network company with the goal to increase the percentage of passenger miles provided by zero-emission vehicles used on behalf of transportation network companies so that 100% of the passenger miles are provided by zero-emission vehicles by December 31, 2028.

Total Measures: 46

Total Tracking Forms: 46

Articles of Interest:

Jerry Brown to Trump: Give California coasts the same courtesy you gave Florida's

BY ADAM ASHTON AND ANGELA HART

January 10, 2018 04:50 PM

Gov. Jerry Brown on Wednesday said California plans to ask for an exemption from the Trump administration's proposed expansion of off-shore oil-drilling, seeking the same exception that the White House gave to Florida from a controversial plan that upset residents of coastal states.

Trump's Interior Department last week released a plan to open more shorelines to oil and gas drilling, including proposing six new leases for drilling platforms off the California coast. The Trump administration cast the proposal as an effort to boost energy security.

Coastal governors, however, condemned the plan. The West Coast's three governors, for instance, released a joint statement saying the drilling plan would expose their shorelines to oil spills and exacerbate global warming.

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On Tuesday, Interior Secretary Ryan Zinke announced that Florida would be exempt from the plan. Zinke touted Republican Gov. Rick Scott's leadership and said that the state is "unique" in its reliance on coastal tourism.

California's Democratic governor said his state deserves the same courtesy.

"We're certainly going to ask for that. They've set the precedent in Florida and we'll try to get" the exemption," Brown said at a press conference.

Dear Secretary Zinke, California like Florida, has hundreds of miles of beautiful coastline and a governor who wants to keep it that way. Or is that not enough for blue states?

Attorney General Xavier Becerra said the state is planning to fight the Trump administration's decision.

"The state of California is communicating our objections and concerns with the proposed change in policy," Becerra said in an interview. "We will certainly provide to the administration communication about our interests and our objections. We're going to make sure California is treated equally under the law and that our interests are protected."

On Tuesday, he quoted Zinke's statement on Twitter and wrote that California is also "unique" and reliant on coastal tourism. "If that's your standard, we, too, should be removed from your list. Immediately," Becerra wrote.

Downplaying the threat of repeal, Brown offers spending plan for \$4.6 billion in new gas taxes and fees

Gov. Jerry Brown proposed Wednesday to spend \$4.6 billion from new gas taxes and vehicle fees on repairing California's roads and bridges and improving rail systems in the next year, and downplayed the threat that voters might repeal the levies in November.

Brown's transportation budget for the fiscal year beginning July 1 depends heavily on funds generated by the new taxes, which are the focus of an initiative drive by Republicans who want to repeal the new charges.

"It hasn't qualified yet," Brown said when asked by a reporter about the initiative. "Secondly, there will be a very strong opposition to it."

The governor's proposed budget includes \$2.8 billion of the new tax revenue to repair neighborhood roads, state highways and bridges, \$556 million to improving trade and commute corridors, \$200 million to match county funds on transportation projects and \$721 million to improve local passenger rail and public transit systems. Passage of the repeal initiative would be a serious setback, the governor acknowledged.

"If it does pass, it will be a decade at least before anyone thinks of providing the necessary money for roads and bridges," Brown said during a Capitol news conference. "If it were to pass, it would be a blow to California's economy. I think there is a good chance it could be beaten. Because it's a common sense thing; this is all money going to roads."

California plans for collecting taxes on spaceflight

By Dominic Fracassa

The earthly convention of paying taxes may soon extend into outer space, if California regulators have anything to say about it.

The state's Franchise Tax Board is seeking public comment on its **proposal** for computing taxes on commercial space transportation companies.

The private spaceflight industry remains small, despite grand ambitions to shuttle everything from tourists to **3-D printers** into space. But the board says it created the rules to give entrepreneurs the confidence that once their businesses really start to take off, California's tax code will be ready to handle them.

The rules are designed to apply to any company operating in California that generates at least half the money it takes in from "space transportation" — defined as the movement of people or property 62 miles above the surface of the Earth. That's the internationally recognized line that separates our planet from the rest of space. It would apply to companies that use California as a launchpad, not California companies launching from other states, like Texas or Florida.

Thomas Lo Grossman, a tax attorney at the Franchise Tax Board, said the proposed rules are designed to mirror the ways taxes are levied on terrestrial transportation and logistics firms operating in California, like trucking or train companies. Those rules are based largely on the way California and other states calculate taxes when goods are shipped from one state to another.

In what's known as a market-based approach, companies tally sales — and then the taxes based on those sales — in the state where the good or service is received. But in the borderlessness of space, precisely where a product gets delivered is difficult to define.

According to the proposal, California will collect tax from space transportation companies based on a formula factoring in how often a company launches spacecrafts out of the state, and, most importantly, how far a commercial spacecraft travels from California soil. Between May and mid-October, there were eight launches from Vandenberg Air Force Base, in Santa Barbara County about 50 miles south of San Luis Obispo.

In short, the amount of tax on commercial spaceflight companies will decrease the farther the spacecraft travels from California. "More mileage will mean less tax, and less mileage will mean more tax," Grossman said.

If a company can't reveal the specifics of its mission due to confidentiality concerns — common with contracts with the military — a launch's mileage will be presumed to be 310 miles under the proposed rules. (For reference, the International Space Station is about 250 miles above the Earth.)

The Franchise Tax Board says it received input from the private space companies on the proposed rules, which largely resemble a draft submitted by SpaceX, perhaps the industry's most recognizable company. SpaceX, which is headquartered in Hawthorne (Los Angeles County), declined to comment.

The federal government already has its own system for taxing commercial spaceflight companies, Grossman said, but California was the only state he was aware of working to create a framework for taxing commercial spaceflight.

That may not last long, according to John Logsdon, a professor emeritus at George Washington University in Washington, D.C., and a co-founder of the school's Space Policy Institute. States across the country are already competing to craft the most enticing regulatory regimes for the burgeoning commercial spaceflight industry.

"States that don't levy taxes would have that competitive advantage over states that do," Logsdon said. "If California puts in a tax and Florida or Texas doesn't have a similar tax, I'm not sure that helps California in a competitive way."

The Franchise Tax Board proposal said certainty about tax treatment "will lead to increased activity in the industry and will foster an atmosphere of growth and prosperity once present during the golden age of California's aviation industry, thereby creating jobs as the industry thrives in this state."

At least one company has already been lured away from California for the promise of greater financial incentives — though of a more earthly variety. Moon Express, a company working to mine the moon for natural resources, moved from Mountain View to Florida.

In an email, the company's CEO and founder, Bob Richards, said the company "relocated from California to Florida in part due to the State of Florida's progressive economic development incentives designed to attract commercial space companies.

"We are happy to be reaching for the moon as Space Coast residents now, thanks to the proactive efforts by Florida's aerospace economic development agency, Space Florida," Richards said.

California's Franchise Tax Board is accepting comments on the proposed rules until June 5. The rules will be up for adoption at a public hearing on June 16.

Paint companies could hand taxpayers the bill for hazardous lead paint cleanup under proposed California ballot.

Paint companies could hand taxpayers the bill for hazardous lead paint cleanup under proposed California ballot measure

By LIAM DILLON

JAN 17, 2018 | 3:20 PM

A proposed November statewide ballot measure could allow three of the nation's biggest paint companies to hand California taxpayers a bill for the cost of cleaning up health hazards caused by lead paint.

The measure would place a \$2-billion bond on the November ballot to fund the remediation of lead paint, mold, asbestos and other environmental dangers in homes, schools and senior citizen facilities. The initiative also would reverse [a November state appeals court decision](#) requiring three paint companies — ConAgra, NL Industries and Sherwin-Williams — to shell out hundreds of millions of dollars for lead paint abatement. It also aims to block future lawsuits against the paint companies for similar claims.

Initiative proponents contend that the bond measure, which they're calling the Healthy Homes and Schools Act, allows for a more wide-ranging solution to lead paint problems than a potential legal judgment. The bond would finance the cleanup of other environmental threats in addition to lead paint and would apply across the state instead of only in jurisdictions that filed suit against the companies.

"The Healthy Homes and Schools Act is a holistic and comprehensive approach to cleaning up existing homes in California by creating a statewide solution to address a variety of hazards in homes, such as mold, lead, asbestos, pests and other threats," said a statement from Tiffany Moffatt, a spokeswoman for the bond campaign. "Essentially, the initiative provides rehabilitation for old housing — providing a broader public benefit for all Californians versus cherry-picking winners and losers."

Last week, ConAgra, NL Industries and Sherwin-Williams [donated a combined \\$6 million to a campaign supporting the bond measure](#), indicating the companies were gearing up for a signature-gathering effort to qualify the initiative. That amount would likely be more than enough for supporters to collect the 365,880 valid voter signatures needed to secure a place on the fall ballot.

The bond proposal has angered those who have fought the companies in court for the last 18 years. The three companies, not the general public, should pay to clean up affected homes, said Greta Hansen, chief assistant county counsel in Santa Clara County.

"It's unfortunate that they're seeking to shift the burden for their unlawful activities to the taxpayers of the state of California," Hansen said.

The dispute over who's responsible for cleaning up lead paint dates back to a lawsuit filed in 2000 by Santa Clara and Los Angeles counties and eight other local governments across the state. The cities and counties argued that lead paint was a public nuisance and that the paint companies promoted its use even after they knew the material could cause negative health effects, especially in children. Lead paint became illegal to use in homes in 1978.

The November appeals court decision largely upheld a lower-court ruling requiring ConAgra, NL Industries and Sherwin-Williams to set up a fund for discovering and cleaning up lead paint problems in the communities that filed the lawsuit. The three companies have since asked the California Supreme Court to review the case. Shortly after the November court decision, the proposed \$2-billion bond was filed with the state attorney general.

The bond measure includes language declaring that lead paint is not a public nuisance, a declaration that would apply to active court cases, including the suit filed by Santa Clara County and the other cities and counties.

"It seems to me that this is designed to erase liability in that case and also potential liability in any future cases for them, and substitute taxpayer-funded bond measures to do the remediation that these companies would otherwise be responsible for," said Sean Hecht, a UCLA School of Law professor who has followed the litigation.

The state's nonpartisan Legislative Analyst's Office came to a similar conclusion in its analysis of the bond, saying the initiative could reverse the existing court decision, cause the loss of several hundred million dollars in company-funded lead paint remediation and prohibit other local governments from filing similar lawsuits in the future. The analysts estimated the bond would cost the state's day-to-day operating budget roughly \$110 million annually for the next 35 years to repay with interest.

The proposed ballot measure has also upset affordable housing activists. Last year, state lawmakers agreed to put a \$4-billion bond on this November's ballot to fund low-income housing development and provide home loans for veterans. A second housing-related bond on the statewide ballot could complicate its passage, activists say.

"This appears to be a cynical, brazen attempt by a few select corporations to get themselves off the hook at taxpayers' expense, and we remain focused on the Veterans and Affordable Housing Bond that will actually bring safe, affordable homes to California families, seniors and veterans," said Ray Pearl, executive director of the California Housing Consortium, in a statement.

Private industries benefiting from the public initiative process is not uncommon in California politics. In 2008, billionaire Texas oilman T. Boone Pickens pitched a failed initiative that would have provided billions in state subsidies for consumers to purchase natural gas vehicles fueled by companies Pickens owned.

But Thad Kousser, a political science professor at UC San Diego, said he couldn't recall any companies sponsoring an initiative that would get them out of paying a legal judgment.

"There's nothing that comes to mind that says, 'Government stuck us with the tab for something, and we're going to make someone else pay for it instead,' " Kousser said. "That's the gutsiest element of this initiative."

The paint industry has been a major player in statehouses across the country. In 2011 and 2012, Harold Simmons, then owner of NL Industries, donated a total of \$750,000 to a political organization supporting Wisconsin Gov. Scott Walker and state GOP lawmakers, according to leaked court documents published by the Guardian. Soon after the donations and amid intense lobbying from paint manufacturers, Wisconsin passed legislation to shield the companies from liability in lead paint lawsuits.

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A Viable Republican Should Run Against Sen. Feinstein

By **Tony Quinn**

Editor, *California Target Book*

Wednesday, January 17th, 2018

Three Republicans are now running for governor, hoping one can slip into second place in the primary and make the fall runoff. But that is unlikely given the four well funded Democrats in the race. It is the Senate contest, completely overlooked so far, where there is an opening for a Republican. That's because incumbent Democratic Sen. Dianne Feinstein is showing remarkable weakness in early polling.

“New Senate poll raises questions about Dianne Feinstein’s re-election bid,” the *San Jose Mercury News* reported in December. The poll, by the UC Berkeley Institute of Governmental Studies, found Feinstein leading her one serious opponent, Senate President Pro Tem Kevin DeLeon, by a margin of 41 to 27 percent. Feinstein “shows weakness and vulnerability, much more so than in any of her past re-election campaigns,” said Mark DiCamillo, head of the IGS poll.

This survey only asked about Feinstein and DeLeon. But that will not be the June primary ballot; it could include as many as three dozen candidates, most completely unknown (37 candidates ran for the Senate in 2016). In this poll, DeLeon’s base of support was with Republicans, which makes no sense since he is running well the left of Feinstein. But Feinstein remains very unpopular with the state’s Republican electorate, that has regularly voted against her over the past quarter century.

Even more damaging for Feinstein is a new Survey USA Poll released January 10. In this poll Feinstein is receiving only 34 percent, but the number two candidate is not fellow Democrat DeLeon, it is an unknown Republican named Timothy Charles Kalenkarian, who is getting six percent. He is followed by three other unknown Republicans each getting five percent, and then comes DeLeon at a paltry four percent.

There is reason why this poll makes sense; if you put a Republican on the ballot, even an unknown one, DeLeon’s support craters, as Republican voters vote for a Republican. While he is trying to run to Feinstein’s left, there is really no room to Feinstein’s left. Her base of support are partisan Democrats. She receives 58 percent of the Democratic vote to just six percent for DeLeon. Even among Latinos, Feinstein handily beats DeLeon, with 31 percent of Latino voters to his nine percent.

And this is before Feinstein spends millions defining the little known DeLeon as the Senate leader whose roommate and fellow Democratic Senator Tony Mendoza has refused to resign despite highly credible sexual harassment charge against him. Feinstein would much rather run against a Republican next fall than a fellow Democrat, so she is likely to do what she can to stop DeLeon in the primary. The Survey USA poll certainly shows this a very viable strategy.

Republicans desperately need a viable statewide candidate in November to bring out their voters. If it is two Democrats running off for governor and two Democrats running off for US Senator what reason will Republicans have to turn out. In 2016, hundreds of thousands of Republicans did not vote in the all Democratic Senate race. If they stay home in those numbers in 2018, Republicans could easily lose half the congressional delegation and a third of their legislators to a fired up high turnout Democratic base.

That is not to say that a Republican could defeat Feinstein in November, that remains very unlikely, although who would have thought that a Democrat could win a special Senate election in Alabama in 2017. But in the IGA poll, only 50 percent of voters approved of Feinstein’s performance in office and only 45 percent were inclined to re-elect her. At 84, she is the oldest US Senator, and could have the same problem that forced veteran Utah GOP Sen. Orrin Hatch from running again: too old and too Washington.

But even if a Republican has only a minuscule chance of defeating Feinstein in November, still there are big advantages in having a GOP candidate on the ballot, not the least of which is saving down ballot Republicans from a massacre. And a Republican could make a credible argument that he or she could “do more for California.”

Gov. Jerry Brown and Attorney General Xavier Becerra are baying at the moon like chickens with their heads cut off in their resistance to the Trump Administration. (I know this is mixed metaphors, dear reader, but that is what they are acting like.) Brown is channeling his inner John C. Calhoun by trying to nullify Trump’s federal policies especially on climate change, but we decided the nullification issue 150 years ago. Becerra acts as though he slept through his law school class on federal supremacy with his flurry of lawsuits against Trump politics.

But a Republican Senator in Washington could actually protect the state's interests in a way a Democrat could not. Funny how Florida with a GOP governor and Senator got a reprieve from Trump's off shore oil drilling plans while California did not.

This is not to say that this argument would actually get a Republican elected, but at least it is intellectually sound. There is really no argument a Republican can make running for governor; Brown is reasonably popular and the state agrees with Democrats on state policies, as election after election has shown.

If all three serious Republicans running for governor stay in that race they will all but assure two Democrats in the November runoff. One of them would be wise to look seriously at the US Senate race.

Wealthy exodus to escape new tax rules worries California Democrats

BY ADAM ASHTON

aashton@sacbee.com

The Republican-backed federal tax bill flipped the tables on a never-ending question for California politicians: Will high taxes lead the state's wealthiest residents to flee the Golden State for the comparable tax havens of Florida, Nevada and Texas?

Republicans reliably raise that alarm when Democrats advocate for tax increases, like the 2012 and 2016 ballot initiatives that levied a new income tax on very high-earning residents.

But now, with the federal tax bill cutting off deductions that benefited well-off Californians, the state's Democrats suddenly are singing the GOP song about a potential millionaire exodus.

"People with higher incomes pay a lot more money, and some of them may be tempted to leave," Gov. Jerry Brown said when he unveiled his 2018-19 budget proposal last week. "This was an assault by the Republicans in Congress against California."

That fear animates Senate President pro tem Kevin de León's bill that would allow California residents to write off their state taxes on their federal returns as a charitable deduction, as well as other proposals that Assembly leaders have hinted they're preparing to offer. De León's bill cleared a second committee this week and is on its way to a vote on the Senate floor. Trump administration officials say it won't pass muster with the IRS.

Democratic state lawmakers are worried because California relies so heavily on the income taxes it collects from high earners to fund government services. The state's wealthiest 1 percent, for instance, pay 48 percent of its income tax, and the departure of just a few families could lead to a noticeable hit to state general fund revenue.

"It is a genuine concern and that's why the legislatures in high-tax states are swinging into action immediately," said Katie Pratt, a professor at Loyola Law School in Los Angeles who specializes in taxes.

The new federal tax law poses problems for high earners in the Golden State because it caps two deductions that Californians used to limit their federal income tax liability, restricting their ability to write off mortgage interest and their state and local taxes.

Because real estate in coastal counties is so expensive with median home prices in the nine-county Bay Area topping \$768,000, the cap on mortgage interest deductions probably will bite some middle class Californians, too.

In two reports last month, the Institute for Taxation and Economic Policy found that 11 percent of Californians would wind up with a tax increase because of the federal changes.

Among high-income brackets, about 38 percent of Californians who earn more than \$877,560 – the top 1 percent – would see a tax hike. About 25 percent of Californians earning between \$130,820 and \$304,630, also would see a tax increase, according to the tax policy institute.

Will the numbers add up to encourage a high-earning family to leave California?

“The new tax law is kind of like icing on the cake for some who were thinking about moving out of the state,” said Fiona Ma, a Democrat on the tax-collecting Board of Equalization who is running for state treasurer. “If they don’t have to stay here because of work or family, it doesn’t give them a lot of incentive.”

So far, research on the migration of wealthy Californians suggests that most very well off people are tied to their communities or businesses and do not often migrate for tax reasons.

A 2012 study by Stanford researchers, for example, found that millionaires are mostly rooted to their locations for economic reasons. The work, “Millionaire Migration,” was based on data from the Franchise Tax Board and looked at Californians who earned more than \$1 million in a year and paid a special tax for mental health services.

California Democrats want businesses to give half their tax-cut savings to state

By **Melody Gutierrez** Updated 5:12 am, Sunday, January 21, 2018

SACRAMENTO — California lawmakers are targeting the expected windfall that companies in the state would see under the federal tax overhaul with a bill that would require businesses to turn over half to the state.

A proposed Assembly Constitutional Amendment by Assemblymen Kevin McCarty, D-Sacramento, and Phil Ting, D-San Francisco, would create a tax surcharge on California companies making more than \$1 million so that half of their federal tax cut would instead go to programs that benefit low-income and middle-class families.

“Trump’s tax reform plan was nothing more than a middle-class tax increase,” Ting said in a statement. “It is unconscionable to force working families to pay the price for tax breaks and loopholes benefiting corporations and wealthy individuals. This bill will help blunt the impact of the federal tax plan on everyday Californians by protecting funding for education, affordable health care, and other core priorities.”

As a constitutional amendment, the bill would require approval from two-thirds of the Legislature to pass, a difficult hurdle now that Democrats have lost their supermajority. If passed and signed by Gov. Jerry Brown, it would then go to voters for final approval.

Democrats lost their supermajority following resignations of two Assembly Democrats, Matt Dababneh of Encino (Los Angeles County), and Raul Bocanegra of San Fernando Valley (Los Angeles County) amid sexual misconduct allegations. Another Assembly Democrat, Sebastian Ridley-Thomas of Los Angeles, resigned citing health issues. In the Senate, Democrat Tony Mendoza of Artesia (Los Angeles County) is taking a leave of absence pending an investigation into sexual misconduct allegations.

California Democrats have been exploring ways to help those in the state who could end up paying higher federal taxes next year under the Republican tax overhaul.

The GOP overhaul caps state income taxes and local property tax write-offs on the federal income tax return at \$10,000, a move expected to hurt high-local-tax states such as California, where the average state and local tax write-off in 2016 was \$22,000.

State Senate President Pro Tem Kevin de León **introduced legislation** this month that would allow Californians to get around the state and local tax cap with a voluntary donation to a charitable fund created by the state of any amount of owed taxes above \$10,000. That donation — in lieu of taxes — would allow donors to write off the gifts on their federal tax returns.

Sexual Harassment Takes Center Stage – California Legislature Responds With Flurry of Proposed Bills

JAN. 5, 2018 BY [BENJAMIN EBBINK](#)

The California Legislature reconvened on January 3 to begin the second year of the 2017-18 legislative session. As anticipated, sexual harassment appears to be the “hot topic” for the Legislature this year, with nearly a half-dozen bills introduced to address this issue in the first two days of the legislative session alone.

Several of the bills deal with the Legislature itself and how it responds to sexual harassment claims, following widespread reports of misconduct from legislators, staffers and lobbyists who state they have been victims of harassment or assault - and the high-profile resignation of several legislators, and allegations made against several others.

But other bills apply to employers statewide. Employers will want to pay close attention to these issues and these bills as the year progresses.

Thus, far, bills that have been introduced or discussed include:

Ban on Nondisclosure Agreements (NDAs)

Senator Connie Leyva (D-Chino) introduced [Senate Bill 820](#), entitled the STAND (Stand Together Against Non-Disclosure) Act to prohibit confidentiality provisions in settlement agreements in cases involving sexual assault, sexual harassment, and sex discrimination. The bill is sponsored by the Consumer Attorneys of California and the California Women’s Law Center. In [announcing](#) the bill, Senator Leyva stated:

“As we have clearly seen over the last few months, secret settlements serve one primary purpose: to keep sexual predators away from the public eye and continuing to torment and hurt innocent victims. . . . SB 820 will not prevent people from mutually agreeing to settle, but it will simply prevent the perpetrator from requiring the victim to remain silent about the harassment as a condition of settlement. Everyone deserves to live and work free from sexual harassment, assault and discrimination. The STAND Act helps to end the curtain of secrecy that has existed for far too long.”

Ban on Arbitration of Sexual Harassment Claims

Although the bill has not been introduced yet, Assemblywoman Lorena Gonzalez Fletcher (D-San Diego) has [announced](#) plans to introduce legislation that would prohibit arbitration agreements that require employees to pursue sexual harassment claims through arbitration. In announcing the bill, she stated, “Signing away your rights to sue for sexual harassment as a condition of getting a job is simply immoral and has chilled reform in the workplace. . . . No one should be forced into arbitration to obtain a job.”

This is not the California Legislature’s first foray into banning arbitration agreements, which is a favorite target for plaintiffs’ attorneys. While there are very strong arguments that such state proposals are preempted by federal law, in the current political environment it is unlikely that such legal arguments will be able to interfere with this bill making it to the Governor’s desk.

In addition, Assemblywoman Gonzalez Fletcher announced that she would introduce legislation designed to protect all workers from retaliation by making reporting easier, penalizing employers that don’t take action against harassers, strengthen anti-retaliation provisions, and create a hotline so workers can report harassment to state enforcement agencies.

Hotels Required to Provide “Panic Buttons” and “Blacklist” Alleged Harassers

It is anticipated that there will be a number of industry-specific bills introduced this year.

First up is the hotel industry. [Assembly Bill 1761](#) by Assemblymember Al Muratsuchi (D-Torrance) would impose a number of specific requirements on the hotel industry. These include requirements to (1) provide hotel employees with a “panic button” free of charge, (2) compile and maintain a list of all guests accused of violence or sexual harassment, (3) decline service (“blacklist”) for three years to any guest on the list when the accusation is supported by a statement made under penalty of perjury, and (4) post a specified notice on the back of each guestroom door stating that the law protects hotel housekeepers and other employees from violent assault and sexual harassment.

This proposal is similar to an ordinance recently enacted in the City of Seattle, as well as a proposal that was unsuccessful before the Long Beach City Council last year.

Legislature-Specific Bills

As mentioned above, the Legislature itself has not been immune from allegations of widespread sexual harassment. Therefore, a number of bills have been introduced that would primarily impact the Legislature itself as an employer. These include:

- **Assembly Bill 1750** by Assemblyman Kevin McCarty (D-Sacramento) – This [bill](#) expresses the intent of the Legislature to enact legislation that would require an elected official to reimburse a public entity that pays any settlement of a sexual harassment claim against the official.

- **Senate Bill 224** by Senator Hannah-Beth Jackson (D-Santa Barbara) – This [bill](#) would extend liability for sexual harassment where a professional relationship exists between a plaintiff and an investor, elected official, lobbyist, director or producer.
- **Assembly Bill 403** by Assemblymember Melissa Melendez (R-Lake Elsinore) - This [bill](#) would enact a “Legislative Employee Whistleblower Protection Act” to establish a procedure for legislative employees to report violations to the Legislature. This bill has been introduced for several years in a row, but has never made it through the legislative process. This year, however, there appears to be bipartisan pressure to enact this law.
- **Unionization of Legislative Employees** – Although not introduced yet, Assemblywoman Lorena Gonzalez Fletcher (D-San Diego) has [announced](#) plans to introduce a bill to allow legislative employees to unionize.

Conclusion

Sexual harassment will not be the only labor and employment issue to come before the California Legislature in 2018. However, if the first week of the session is any indication, this topic is likely to be the subject of much discussion this year, with numerous proposals to establish new requirements and obligations for California employers. Be sure to check back here often for updates on these and other legislative proposals as the year progresses.

No one seems to want to run Trump's EPA in California

By EVAN HALPER

JAN 25, 2018 | 5:45 AM
| WASHINGTON

Perhaps it is unsurprising that the White House still hasn't filled this job: San Francisco is not an inviting place for the Make America Great Again administration.

But the administration's effort to fill one of its most important environmental jobs — chief of the Environmental Protection Agency's headquarters for California and the rest of the Pacific Southwest — keeps going sideways.

On Tuesday, an oil and gas lobbyist from New Mexico who, according to several people inside the Trump administration, was poised to fill the post told The Times it was all a big mistake. He'd be staying put in New Mexico.

"I am not leaving my current role as Executive Director of the New Mexico Oil and Gas Association for any position at EPA or elsewhere within the federal government," said an email from Ryan Flynn.

That unwavering declaration caught some in the administration off guard. Flynn had already been spotted at EPA offices this week, where staff in the building reported he was fingerprinted, a final step before assuming the role as head of EPA Region 9.

A New Mexico Oil and Gas Assn. spokesman said in an email late Wednesday that Flynn had not been fingerprinted. The spokesman, Robert McEntyre, also said that although Flynn heads the oil and gas industry's lobbying organization in New Mexico, he doesn't personally conduct lobbying.

This was at least the second time the Trump administration had an oil industry executive bow out of the running for the Region 9 job in a late stage of vetting. In other cases, candidates had been approached, but took a pass before talks got that far.

The job is proving to be one of the least sought-after leadership roles in the administration. Region 9 is the only one of EPA's 10 regional headquarters that still lacks a chief.

The assignment is to carry out the Trump agenda — industry-friendly and averse to action to combat climate change — in one of the the nation's most environmentally active states. The post is guaranteed to come with daily confrontation with the state's battle-ready leaders, not to mention the hordes of protesters who can make just getting to and from work in San Francisco a professional hazard.

"The saying goes that there are nine EPA regions and then there is Region 9," said Jared Blumenfeld, who ran that office during the Obama administration.

The passion of the scientists, enforcement officers and others who work in California, he said, has made it "nearly impossible for Trump to recruit" someone "to stand in front of the 900 EPA professionals in Region 9 and lead them and the agency over the precipice. It would be a fool's errand," he said.

Yet the Trump administration continues to hunt aggressively for a candidate. Flynn was cut from cloth similar to that of EPA Administrator Scott Pruitt, whose crusade to unravel scores of federal environmental rules and undermine mainstream climate science is fiercely resisted in California.

Flynn is an oil and gas enthusiast who, during his tenure running New Mexico's state environmental agency, cut deals with industry that enraged local environmentalists. The New Mexico Environmental Law Center twice awarded him its "Toxic Turkey" prize.

The Environmental Protection Agency declined to comment on why its pursuit of Flynn went off track. But officials there said that EPA Region 9 will have its leader soon enough.

"EPA is in the process of filling numerous positions," said an email from agency spokesman Jahan Wilcox. "We look forward to announcing a Regional Administrator for Region 9, who will be dedicated to Administrator Pruitt's agenda of protecting the environment and human health."

Before Flynn was in the mix, the administration had been courting Chris Paul, an executive with Gulf Oil. He, too, was well into the appointment process when things fizzled.

The stress the job would bring is not the only reason it has proved a tough sell, in particular to the oil industry officials Pruitt and President Trump seem to favor. There is also the salary cap. The pay maxes out in the range of \$180,000 — probably not enough to support an oil-executive lifestyle in the Bay Area.

Or to help fund a refuge elsewhere. The Region 9 head under the administration of George W. Bush charged the government for so many flights out of San Francisco that it caught the attention of federal investigators. They ultimately concluded he was improperly billing taxpayers to get to his house in Orange County.

But the biggest drawback of the job for a Trump appointee is that everyone considered for it probably agrees with the president that California is "out of control."

As Flynn was emailing a reporter that he likes his job in New Mexico just fine, thank you, California's attorney general was launching yet another attack against the administration. This time it was a lawsuit to stop the administration's plan allowing more fracking.

State Senate President Pro Tem Kevin de León (D-Los Angeles) warned in an email that whoever ultimately takes the job "is going to be held to account" for "Trump's hostile intrusions" on California's natural resources and shorelines.

It's a standard battle cry these days, but it gives pause to any operative who anticipates staying in the state after Trump is gone. The administration is so toxic in California that affiliating with it can seriously damage one's career there.

"The state has made it quite clear they oppose anything having to do with Trump," said Jeffrey Holmstead, who was an EPA deputy administrator under President George W. Bush. "It makes it more difficult to find people who afterwards still have to make a living working with companies and agencies in California."

For now, activists like Sierra Club legislative director Melinda Pierce are pleased to see Trump having so much difficulty with the appointment.

Out west, she said, "not even fossil-fuel lobbyists want to help Scott Pruitt."

The effort to overturn the fuel tax and vehicle fee increases in California's new transportation funding law appears to be gaining momentum.

The author of one proposed ballot measure is now backing a rival initiative that could be headed for the November election.

The first measure was authored by Orange County Assemblyman and Republican gubernatorial candidate Travis Allen. It would have repealed the transportation funding law – **SB 1** – word for word.

But it's been held up in a **legal battle over how voters would see it described on the ballot**. Democratic Attorney General Xavier Becerra assigned it what Allen calls an unfair title and summary. So Allen is now endorsing a different initiative backed by his GOP rival in the governor's race, San Diego businessman John Cox – who gleefully jabbed Allen in a recent debate on KPCC.

“Travis, welcome to the fight on getting rid of the gas tax!” Cox said. “Glad to have you on board, finally!”

Cox has joined the campaign for the second ballot measure and, as Allen was quick to point out a moment later in the debate, chipped in some money in exchange for being named campaign chairman.

“I'd like to say thank you very much to John Cox for writing a \$250,000 check to buy his way into the repeal the gas tax,” Allen quipped.

Political shots aside, the second initiative does have some momentum. The campaign says it's gathered more than two-thirds of the 585,407 signatures needed to qualify.

The measure would require voter approval for any gas tax or vehicle fee increases.

“And then it applies that constitutional mandate retroactively to January 1st of 2017, effectively repealing this particular gas tax and requiring that any increase in those taxes go back to the voters,” says Jon Coupal with the Howard Jarvis Taxpayers Association, one of the initiative's other backers.

But if the measure qualifies for the November ballot, it's expected to face **strong opposition** – including from Gov. Jerry Brown, who said he thinks it can be beaten.

“If it does pass, it'll be a decade at least before anyone thinks of providing the necessary money for roads and bridges,” Brown said as he presented his budget proposal earlier this month.

Backers of the second initiative have until mid-May to turn in their voter signatures, but they'll likely do so earlier to ensure the signatures are verified in time for the measure to make the November ballot.

California sues Trump administration over fracking rules

By Bob Egelko

January 24, 2018

California and environmental and tribal groups sued the Trump administration in San Francisco federal court Wednesday seeking to enforce Obama administration regulations of hydraulic fracturing, or fracking, for oil and gas wells on hundreds of millions of acres of federally managed lands.

Fracking sends blasts of water, sand and chemicals into wells to crack underground rocks and release oil and natural gas. It has greatly increased well production but also poses a risk of water and air pollution and greenhouse gas emissions.

Rules announced by the Obama administration's Interior Department in 2015, after five years of review, would require operators to disclose chemicals used in fracking on federal and tribal lands and would set standards for well construction, water protection and waste storage.

But a federal judge in Wyoming blocked the regulations from taking effect, in a suit by oil and gas companies and several states, ruling that the federal government lacked authority to regulate fracking. President Trump ordered repeal of the never-enforced rules in March, and his Bureau of Land Management took formal action to remove them in December.

The bureau said the Obama administration's action “unnecessarily burdens industry with compliance costs and information requirements” and that states and Indian tribes can adequately manage the practice. The bureau also said its repeal would have no significant environmental impact.

But in separate lawsuits Wednesday, California Attorney General Xavier Becerra and environmental advocates said the administration was ignoring its legal responsibility to protect public lands.

Federal law requires the Bureau of Land Management to manage public lands in a way that protects “environmental, air and atmospheric (and) water resource” values, and the bureau offered no explanation of how repealing the fracking regulations would fulfill those obligations, Becerra said in his lawsuit.

He said the claim of no environmental impact ignores ample evidence that unregulated fracking increases air and water pollution, adds to climate change, threatens rare animal and plant species and adds to the risk of earthquakes.

“The Interior Department’s own factual record shows that the risks to our health and environment are real,” Becerra said in a statement.

Attorney Michael Freeman of Earthjustice, which sued on behalf of the Sierra Club, the Center for Biological Diversity and other environmental and tribal groups, said the repeal was “another case of the Trump administration putting our public lands and water at risk to pad the bottom line of the oil and gas industry.”

There was no immediate comment from the Trump administration.

New California legislation would make it easier to build projects that meet climate goals. But environmentalists don't like it

A Bay Area lawmaker wants to knock down what he believes is a key barrier to California meeting its ambitious climate change goals: one of the state's most prominent environmental laws.

Assemblyman Tim Grayson (D-Concord) has introduced legislation that aims to make it harder for lawsuits filed under the California Environmental Quality Act, or CEQA, to stop construction of roads and public transit.

CEQA requires developers and public agencies to disclose a project's environmental effects and take steps to reduce or eliminate them. But Grayson says the law can grind to a halt transportation projects that are needed to reduce the amount of cars on the road.

His legislation, Assembly Bill 1905, would make it easier for road or transit projects included in a state-approved regional growth plan to begin construction before any CEQA litigation is resolved.

Since state climate regulators will have already signed off on those road and transit projects when approving a region's growth plan, the projects shouldn't face multiple threats of environmental litigation, Grayson argues.

"What I'm looking at is how do we cut down on traffic congestion where we're just spilling greenhouse gases, creating clouds of greenhouse gases and impacting the environment negatively," Grayson said.

But Grayson's approach is already attracting concerns from high-profile environmental organizations.

Environmental groups often credit CEQA, which took effect in 1970, with preserving California's natural beauty, and argue it is complementary — not contrary — to the more recent climate change laws.

A court should rule in a CEQA lawsuit before construction starts, said Kyle Jones, a policy advocate for Sierra Club California.

"It just seems prudent that you've gotten all your legal barriers out of the way," Jones said.

California has many laws that force private developers and public agencies to examine the environmental impacts of their housing, commercial, industrial and transportation plans and projects.

In 2008, the state Legislature began requiring regional governments, including the Southern California Assn. of Governments, to draw up plans to accommodate population growth and reduce greenhouse gases with proposals for new housing and transportation primarily in already developed areas. The goal is to reduce sprawl and emissions from long commutes. Regional governments are now revising their plans to comply with the state's new aggressive targets to cut carbon emissions by 40% of 1990 levels by 2030.

But actual growth doesn't have to follow the plans, and individual projects can stall for many reasons, including environmental litigation. Under Grayson's bill, however, any road, transit or other transportation project included in an approved regional climate plan would receive relief in potential CEQA lawsuits.

Currently, a court can stop construction on a project if the judge finds its required CEQA analysis failed to account for all effects on the environment. Under Grayson's bill, a court could do so only if the project was found to have serious life or safety risks.

State lawmakers have approved this legal standard before to speed the development of a new Sacramento Kings basketball arena. Those rules weren't tested in a lawsuit against the arena. But state and local officials have said the legal standard allowed construction to go forward without fear of litigation tying up the project and potentially costing the city the team.

In Los Angeles, Grayson's bill could affect large road and transit projects including a Metro Gold Line extension into eastern Los Angeles County and tunnels through the Sepulveda Pass.

But Sierra Club California and the Natural Resources Defense Council are among the environmental organizations that believe the bill goes too far. State climate regulators don't heavily scrutinize individual projects when approving regional growth plans, representatives of both groups said.

For instance, a judge might find that a transportation project's environmental review didn't account for all the effects the development could have on air quality, but under AB 1905 that judge couldn't stop the project because of it, said David Pettit, a senior attorney with the Natural Resources Defense Council. Without the threat of halting construction, agencies won't need to take seriously any subsequent demands to improve the air surrounding the project, he said.

AB 1905 "may look good on its face, but it's fantastically unrealistic when you look at the effects of when concrete is already in the ground," Pettit said.

Grayson said the inspiration for his bill came from the California Transportation Commission, a state agency that advises Gov. Jerry Brown and the Legislature on transportation policy and spending. In its most recent annual report, the commission recommended an idea similar to Grayson's bill as a way to speed up project construction.

The recently passed gas tax and other fee increases are expected to bring in more than \$5 billion annually for road repairs and mass transit upgrades. Grayson said it's important to spend that money quickly, and making it easier to defend against CEQA lawsuits is one way to do it.

"If we're ever going to make a huge impact it is going to be now with the amount of revenue at our disposal," he said.

Fertilizer on farm fields is a major source of California smog, researchers say

BY DALE KASLER AND RYAN SABALOW

Think of California's smog problem and you probably think of tailpipes and smokestacks.

A startling new study led by UC Davis, however, says the fertilizer in farm soils is a major contributor to smog in California.

In a study published Wednesday in the [research journal Science Advances](#), a team led by UC Davis says agricultural soils contribute 25 to 41 percent of nitrogen oxide emissions in California.

Natural soils emit nitrogen oxide, too, but the concentration is far higher in fertilized cropland, the researchers wrote. Nitrogen oxide, or NOx, is a major factor in smog formation.

"Emissions of NOx from agricultural areas are much higher than we used to believe and could be a major source of atmospheric NOx statewide," the researchers wrote in the article. The article, written with several researchers from China, is titled, "Agriculture is a major source of NOx pollution in California."

The findings are especially provocative in light of UC Davis' long-standing [relationship with California agriculture](#). UC Davis researchers have developed world-renowned plant varieties and a multitude of new technologies for farmers. Among the most famous is the mechanical tomato harvester, invented at UC Davis in the 1950s, which revolutionized California's tomato industry. The university's sports teams are called the Aggies.

Cannon Michael, a prominent farmer from the Los Banos area, said that it didn't take long for him to receive a copy of the report as it was passed around by frustrated members of the agricultural community. Michael said he fears the study will lead to more environmental regulations, which could make it harder for growers to compete with farmers in other, less-regulated states.

That the study came from UC Davis was especially frustrating to Michael.

“The university has made very few friends over the last few years in the agricultural community,” Michael said. “I get grief sometimes ... for attending UC Berkeley as my alma mater, but I would posit that Davis has occupied just as active an environmental role, or even a negative role, in terms of how agriculture has been portrayed through some of their reports and studies.” He said he has previously spoken to UC Davis officials about research that he says unfairly portrayed California’s \$45 billion-a-year farm industry negatively.

The study’s co-author Benjamin Houlton, a professor at UC Davis’ department of land, air and water resources, said in an interview that the researchers are prepared for some blowback from farm groups. But he also thinks most farmers will accept the findings.

“It’s always something of a tightrope in these situations,” Houlton said. “But we feel very confident in our results.”

Houlton said the study was based on air-quality samples conducted in Fresno, Tulare and Kings counties, soil samples from throughout the state, and computer models. “We’re left with the logical conclusion that this is a big source (of NOx),” he said.

He added that the findings are comparable to earlier studies done in the Midwest, Europe and China. He said he believes farmers are prepared to find new growing methods that reduce reliance on nitrogen fertilizers.

“We need to increase the food we’re making. We need to do it on the land we have. But we need to do it using improved techniques,” said Maya Almaraz, the study’s lead author and a postdoctoral fellow at UC Davis, in a prepared statement.

Jim Houston, manager of governmental affairs for the California Farm Bureau Federation, said in a statement: “Farmers have a long history of adjusting their practices in response to emerging science, and we will watch to see if further studies verify the results reported here. It’s important to note that most of the steps the study suggests are already underway. Farmers want to use the appropriate amounts of fertilizer and have long relied on expertise from the University of California in making those applications.”

The following page(s) contain the backup material for Agenda Item: [Receive and file a presentation from the District Counsel Section describing the work and responsibilities associated with legal activities. Presenter: Karen K. Nowak.](#)

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #11

DATE: February 26, 2018

RECOMMENDATION: Receive and file presentation regarding the responsibilities and duties of the Office of District Counsel.

SUMMARY: A staff presentation by District Counsel

CONFLICT OF INTEREST: None

BACKGROUND: From time to time District staff provides presentations to the Governing Board regarding the functions and responsibilities of various departments of the District. Such presentations are intended to expand the knowledge base of the Governing Board members regarding the responsibilities and activities associated with the District's mission.

REASON FOR RECOMMENDATION: Presentations are received and filed.

REVIEW BY OTHERS: This item was reviewed by Brad Poiriez, Executive Director/APCO on or about February 12, 2018.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Karen Nowak, District Counsel

Office of District Counsel

Presentation to the
MDAQMD Governing Board
February 26, 2018

Air Districts in General

- Limited Jurisdiction Special District.
- Different Types of Air Districts.
 - County Districts (H&S Code 40100-40131).
 - Unified Districts (H&S Code 40150-40162).
 - Regional Districts (H&S Code 40300-40392).
 - Districts Created by Statute
(MDAQMD H&S Code 41200)

MDAQMD Organization

APCO
(Executive)

MDAQMD Board
(Legislative Body)

Hearing Board
(Quasi-Judicial)

Authority of the Governing Board

APCO
(Executive)

MDAQMD Board
(Legislative Body)
Adopts/Amends Rules & Regulations
Governs District

Hearing Board
(Quasi-Judicial)

Authority of APCO

APCO
(Executive)
Appoint District Personnel
Enforces Laws, Rules & Regulations

MDAQMD Board
(Legislative Body)
Adopts/Amends Rules & Regulations
Governs District

Hearing Board
(Quasi-Judicial)

Authority of Hearing Board

APCO
(Executive)
Appoint District Personnel
Enforces Laws, Rules & Regulations

MDAQMD Board
(Legislative Body)
Adopts/Amends Rules & Regulations
Governs District

Hearing Board
(Quasi-Judicial)
Variances & Abatement Orders
Permit Appeals

Checks and Balances

- Internal:
 - Governing Board Adopts Rules – APCO Enforces
 - APCO Enforces Rules – Governing Board hires/fires APCO.
 - APCO Issues Permits – Hearing Board Reviews
 - Hearing Board Grants/Denies – Governing Board Appoints.
- External:
 - APCO Acts – CARB & USEPA Review.
 - Governing Board Acts – CARB, USEPA and Court Review.
 - Hearing Board Acts – Court Reviews

District Counsel

- Appointed by the Governing Board.
- Work at the Direction of the APCO
 - Enforce District Rules.
 - Provide legal advise.
 - Provide, supervise and coordinate legal services.
- Represent the District.

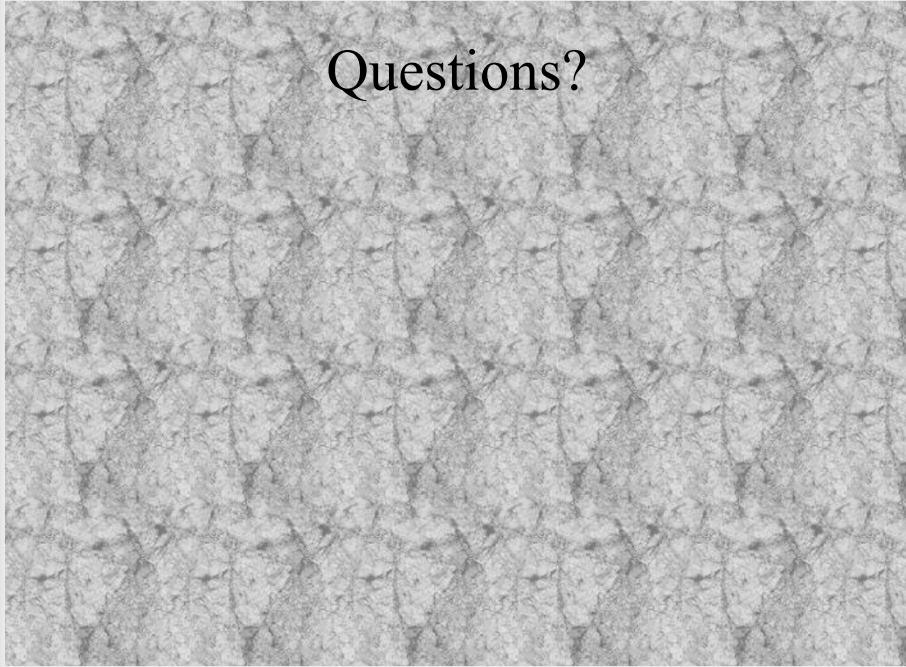
Specifics

- Provide Advice
 - Public agency law (Brown act, Public Records Act etc.)
 - Air Pollution Control Law
- Review for Legal Sufficiency.
- Assist in Document Preparation.
- Enforce District Rules
- Ensure/oversee Legal Services.

Outside Legal Services

- Risk Management – SDRMA
- Special Counsel to Governing Board
- Special Counsel to Hearing Board
- Specialized Legal Areas

Questions?



The following page(s) contain the backup material for Agenda Item: [Receive and file a presentation from the Executive Director describing the work and responsibilities associated with AB617 – Community Air Protection Program. Presenter: Brad Poiriez.](#)

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #12

DATE: February 26, 2018

RECOMMENDATION: Receive and file a presentation from the Executive Director describing the work and responsibilities associated with AB617 – Community Air Protection Program.

SUMMARY: This is a presentation from the Executive Director describing and updating work and responsibilities associated with AB617.

CONFLICT OF INTEREST: None.

BACKGROUND: Assembly Bill (AB) 617 (C. Garcia, Chapter 136, Statutes of 2017) provides a new community-focused action framework to reduce exposure in disadvantaged communities most impacted by air pollution. The bill recognizes that while California has seen tremendous improvement in air quality, some communities still suffer greater impacts than others. AB 617 builds on the foundation of existing air quality legislation and programs by providing additional tools to target actions in communities that bear the greatest burdens. AB 617 specifically sets out a planning framework for the Program that includes requirements for both CARB and the air districts, including a statewide monitoring plan and community-level air quality monitoring, a statewide strategy and community specific emission reduction programs (Action Plans), among other programmatic elements. AB 617 includes near-term deadlines to ensure expeditious action to reduce exposure to criteria pollutants and air toxics. By October 1, 2018, CARB must work with stakeholders to prepare a statewide monitoring plan and statewide strategy, as well as identify the most impacted communities for deployment of community air monitoring campaigns and/or development of Action Plans. CARB will begin technical summits toward the end of February 2018 throughout the State to discuss components of the program that include: State Strategy/Community Action Plans, Technology Clearinghouse, Emissions Inventory and Monitoring.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #12

PAGE 2

REASON FOR RECOMMENDATION: This is a presentation to receive and file.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about February 12, 2018.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Brad Poiriez, Executive Director



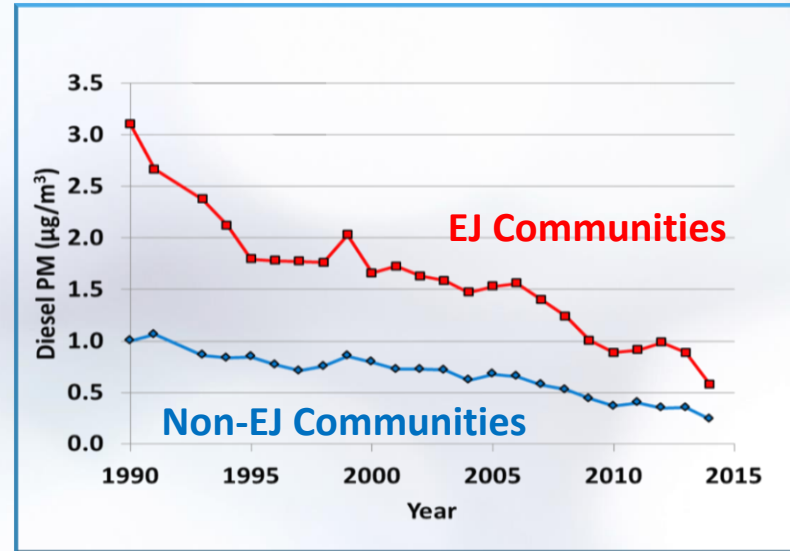
Overview of AB 617

Community Air Protection Program

MDAQMD Board Meeting – Feb. 26, 2018

Motivation for AB 617

- Historical focus on regional air quality
- Significant improvement, but disproportionate burdens remain
- Need for community-level focus
- Address cumulative exposure
- Take advantage of advances in monitoring technologies



Focus on Community Action

Community focused framework

- Community-level air quality monitoring
- Community emissions reduction programs
- Accelerated retrofit of pollution controls on industrial facilities
- Enhanced emissions reporting requirements
- Increased penalty provisions for polluters
- Grants to local community groups

Joint Implementation of Program Elements

MONITORING

- Identify communities for monitoring
- Statewide Monitoring Plan
- District and community operated networks
- Statewide data display

EMISSIONS

- Statewide reporting system
- Statewide pollution mapping tool

FUNDING

- Incentive funding
- Community assistance grants

EMISSION REDUCTION PROGRAMS

- Identify communities for emission reduction programs
- Statewide Strategy
- District Community Emission Reduction Programs
- District BARCT implementation
- State and district strategies

Other Implementation Elements

Technology Clearinghouse

Best available control technologies

Stationary, area-wide, and mobile sources

Emissions Reporting

Annual reporting for specified facilities

Development of uniform methodologies

Resource Center

Land use and transportation best practices

Community air monitoring resources

Education and outreach

Community Identification

- Prioritize communities with highest exposure burdens
 - Deployment of community air monitoring
 - Development of community emission reduction programs
- Focus on disadvantaged communities and sensitive receptor locations



Statewide Monitoring Plan



- Review capabilities of air monitoring technologies
- Review existing community air monitoring systems
- Provide recommendations for additional air monitoring
- Establish guidance on best practices

Statewide Reduction Strategy



By October 2018
with ongoing
updates

- Methods for assessment of community exposure and contributing sources
- Strategies for reducing emissions
- Criteria for community emissions reduction programs

Strategies for Reducing Emissions and Exposure

- Suite of measures that community emissions reduction programs will draw on
- Existing CARB and air district planning efforts will provide foundational reductions
- Community emissions reduction programs will identify additional community-specific strategies
- Comprehensive approach to leverage existing authorities along with innovative new strategies

Elements of Community Emissions Reduction Programs

AB 617 Requirements

- Emission reduction targets
- Specific reduction strategies
- Implementation schedule
- Enforcement plan

Additional Elements

- Air quality goals
- Metrics to track progress
- Community steering committee
- Public engagement plan

CEQA analysis

- CEQA analysis on community emissions reduction programs as applicable

Funding to Benefit Communities

\$250 Million for Incentive Funding to Support Immediate Reductions

CLEAN TECHNOLOGY INCENTIVES – \$250 MILLION



\$5 M for Community Assistance Grants

- Funding to support:
 - ✓ Capacity building – training and support
 - ✓ Technical assistance
 - ✓ Community engagement
- Solicitation to be released mid February

Concept Paper for Program Framework

- Staff's initial proposals based on outreach to date:
 - Process for identification and selection of communities
 - Strategies for reducing emissions and exposure
 - Criteria for community emissions reduction programs
 - Criteria for community air monitoring
 - Additional implementation elements
- Mechanism to seek advice and feedback to guide ongoing program development

Next Steps

Winter
2018

- Concept Paper and Process for Community Selection; Workshops and Community Meetings

March
2018

- CARB Board Meeting Update

May
2018

- Draft Planning Framework Documents

June
2018

- Additional Workshops and Community Meetings

September
2018

- CARB Board Meeting to consider Initial Community Selection and Final Planning Framework Documents

Major Milestones

September
2018

- **CARB:** Select initial communities and adopt planning framework for monitoring and emissions reduction programs

January
2019

- **Air Districts:** Adopt expedited schedule for implementation of Best Available Retrofit Control Technology (BARCT)

July 2019

- **Air Districts:** Deploy community air monitoring campaigns

October
2019

- **Air Districts:** Adopt community emissions reduction programs and submit to CARB

Fall 2019

- **CARB:** Select additional communities (and annually thereafter)

December
2023

- **Air Districts:** Implement BARCT requirements

CARB AB617 Contact

CARB Office of Community Air Protection

- Website:
 - ww2.arb.ca.gov/our-work/topics/community-air-protection
- Email
 - CommunityAir@arb.ca.gov
 - AireComunitario@arb.ca.gov
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The goal of AB 617 is to ensure that everyone benefits from our state's air quality efforts, especially those that live in the most severely pollution impacted areas of California. AB617 provides for:

- Community level monitoring
- Statewide strategy to reduce emissions impacting communities
- Community-specific emission reduction plans
- Accelerated retrofit of pollution control equipment at existing facilities near communities
- Direct reporting of emissions to the CARB
- Increased penalties

EMAIL UPDATES

Keep up to date with information regarding California's Community Air Protection efforts.

SUBSCRIBE

The following page(s) contain the backup material for Agenda Item: [Discuss the MDAQMD Mobile Source Emission Reduction Program \(AB 2766\) and direct staff action. Presenter: Brad Poiriez.](#)

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #13

DATE: February 26, 2018

RECOMMENDATION: Discuss the MDAQMD Mobile Source Emission Reduction Program (AB 2766) and direct staff action.

SUMMARY: This item will describe the history and current status of the MDAQMD Mobile Source Emission Reduction Program (AB 2766) and direct staff action.

CONFLICT OF INTEREST: None

BACKGROUND: The MDAQMD Mobile Source Emission Reduction Program (MSERP) describes the District's efforts to address pollution resulting from mobile sources (vehicles). One of revenue sources used to operate the program is generated locally through vehicle registration under the enabling legislation, "AB 2766." A history of the revenue source and the program is described in Exhibit 1.

The portion of the MSERP funded by AB 2766 has not been reviewed for efficiency or effectiveness for a number of years. A discussion with the Governing Board is needed to provide direction to update the program considering goals that can meet local needs as well as the District's overarching mission to reduce mobile source emissions.

REASON FOR RECOMMENDATION: This is a discussion item and the Governing Board may provide direction to staff.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form on or about February 12, 2018.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Brad Poiriez, Executive Director

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
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AGENDA ITEM #13

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Exhibit 1

History

Assembly Bill AB 2766 was signed into law in January 1991. The legislation authorized local air districts to impose a fee up to \$4 on vehicle registrations within the District's jurisdiction. Among its purposes was to provide a revenue source for districts to develop, implement, and maintain programs in their local jurisdictions to promote efforts that reduce mobile source emissions. As the San Bernardino County APCD, the District adopted a \$2 fee in April 1991 and increased to the maximum \$4 in April 1992. The fee is collected via the California Department of Motor Vehicles and appears on the vehicle registration as "County and Local Fees."

The Mojave Desert AQMD was formed on July 1, 1993. On December 21, 1994 a member agency asked for a portion of the fees received by the District. On June 26, 1995 then APCO Charles Fryxell presented to the Board a report of the AB 2766 collections, uses, the impact on the District's budget, and uses in other districts. He also reported that the California Air Resources Board had issued program criteria for these funds and that an audit revealed the District was "out of compliance" regarding the use the funds. The Board discussed Mr. Fryxell's suggestion for a new "disbursement procedure" and other "options" regarding the fees received by the District.

On July 31, 1995, the Governing Board approved *in concept* a disbursement procedure for the revenue generated under AB 2766:

- 50% would be used for District operation.
- 25% would be disbursed to the member agencies. In order for member agencies to receive a disbursement each would have to adopt a Resolution of commitment recognizing that the uses of these funds are restricted and agreeing to the appropriate use of funds and reporting requirements.
- 25% would be set aside for projects qualifying with competitive proposals.

On August 28, 1995, a "Work Plan" was adopted solely addressing the District's newly comprised competitive grant program.

Program Procedures and Current Status

Operations: The District uses the funds (50% of the revenue received) for activities such as Air Monitoring, Community Relations and Education, Planning and Rule Making, and the Grants

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

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Program. The District's planning documents have identified that mobile sources generate *at least* 60% of the local pollution thus justifying the use of these funds for programs which in part address reducing mobile emissions.

Competitive Grant: The District periodically issues a Call for Projects for accumulated funds (25% of the funds collected; accumulating about \$750,000 with interest every two years). Since 1997 the District has funded CNG infrastructure, park and ride lots, traffic signal synchronization, and distance learning centers among a number of projects. Significant projects granted funds for the last three rounds (6 years) remain incomplete or slow to progress. These unspent funds remain on account with the District and reimburse grantees for approved projects.

Local Agency Distribution: The District disburses to local agencies (25% of the funds collected) twice annually an apportionment based on population information received from the California Department of Finance. Agencies receive a payment with a cover letter asking for information regarding the expenditures made from the funds disbursed. As of 2017 reporting by local agencies has become nonexistent. Staff has increased the efforts to obtain information from local agencies with mixed results.

Preliminary indications are that local agencies in total hold \$1.7 to \$2 Million dollars in restricted funds and only some of those funds record interest earnings. In general local agencies have no active plan for spending the revenue received and some have been accumulating funds for six years or more.

The Mobile Emissions Reduction Program operates in 2018 as it was presented *in concept* in 1995. The revenue received is governed by legislation and guidance documentation that is subject to periodic audit by the California Air Resources Board.