



June 7, 2019

Clerk of the Board
California Air Resources Board
1001 I Street
Sacramento, CA 95814
<http://www.arb.ca.gov/lispub/comm/bclist.php>

RE: Proposed Regulation for the Reporting of Criteria Air Pollutants and Toxic Air Contaminants

The California Retailers Association (CRA) is the only statewide trade association representing all segments of the retail industry including general merchandise, department stores, mass merchandisers, fast food restaurants, convenience stores, supermarkets and grocery stores, chain drug, and specialty retail such as auto, vision, jewelry, hardware and home stores. CRA works on behalf of California's retail industry, which currently operates over 164,200 stores with sales in excess of \$571 billion annually and employing 2,776,000 people—nearly one fifth of California's total employment.

CRA is supportive of the California Air Resources Board's (CARB) approach and effort to create a state-wide data collection and monitoring system to effectively measure air emissions across the state. Although a statewide approach is much more efficient and streamlined than a piecemeal process, we are concerned with many elements of the proposed regulations and the impact that they will have on tens of thousands of retail businesses across the state.

Specifically, we are concerned about the approach CARB is taking with recent amendments to regulations that attempt to address required data submission from entities that are within specified community boundaries. Public comments already provided reveal concerns about the fluid nature of the boundaries and the difficulty with cross-boundary air emissions. By acknowledging this, CARB removed the community boundary requirement and expanded the monitoring and data submissions to four categories of "facilities," many of which were not considered by AB 617 (Garcia, C. 2017), which was the statute authorizing these regulations.

By adding the fourth category, CARB will dramatically increase the number of facilities falling under the monitoring requirement established through AB 617. While CARB expects the first three categories will include approximately 1,300 facilities, CARB also expects the fourth category alone will include an additional 48,700 facilities and impact many more small businesses (approximately 17,200) than under the original proposed regulations. This expansion is outside the scope and intent of AB 617, because that bill only authorized

monitoring requirements for defined stationary sources, which under category four, fall outside that definition.

Additionally, CRA is concerned about the lack of a public hearing on this issue given the extensive expansion of the monitoring requirements on thousands of retail businesses. This expedited process has inhibited community and stakeholder input which is integral to the success of these regulations.

CRA is deeply concerned with the very high costs of this program and specifically with the submitted data that is largely duplicative of what is already collected by air districts. Originally, the cost estimate of this program was \$20 million, however, that has expanded to over \$80 million given the revisions that have been made. There are limited funds available for AB 617 community selection thus far, and CARB still anticipates additional costs to develop the electronic reporting system to incorporate and efficiently implement this process. We believe CARB should explore alternative options for data collection to drive down the cost of the program.

Lastly, the California Retailers Association would like to align itself with the written comments to CARB made by the California Chamber of Commerce's detailed analysis of the impacts these regulations will have across our state.

We appreciate the work that CARB has done on this issue and the efforts to make the reporting process more efficient. We look forward to working with Board staff to continue to address these concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Rachel Michelin', is written over a light blue rectangular background.

Rachel Michelin
President