

# Final Statement of Reasons for Rulemaking, Including Summary of Comments and Agency Response

## Public Hearing to Consider Proposed 2020 Amendments to Area Designations for State Ambient Air Quality Standards

Public Hearing Date: February 25, 2021  
Agenda Item No.: 21-1-2

### I. General

The Staff Report: Initial Statement of Reasons for Rulemaking (staff report), entitled Proposed 2020 Amendments to Area Designations for State Ambient Air Quality Standards, released January 5, 2021, is incorporated by reference herein. The staff report contained a description of the rationale for the proposed amendments. On January 5, 2021, all references relied upon and identified in the staff report were made available to the public.

On February 25, 2021, the California Air Resources Board (CARB or Board) adopted amendments to the area designation regulations by Resolution 21-3. Utilizing air quality data collected from 2017 through 2019, the Board adopted amendments which changed the area designations for ozone and fine particulate matter (PM<sub>2.5</sub>). Ozone changes are as follows: South Central Coast Air Basin, Santa Barbara County was redesignated as Nonattainment; Mountain Counties Air Basin, Amador County and Sacramento Valley Air Basin, Shasta County areas were redesignated as Nonattainment-Transitional; and North Central Coast Air Basin was redesignated as Attainment. For PM<sub>2.5</sub>, the Mojave Desert Air Basin-Remainder of San Bernardino County and Kern, Los Angeles, and Riverside Counties was redesignated as Attainment. The amendments to the area designation regulations affect title 17, California Code of Regulations (CCR), sections 60201 and 60210. These changes are summarized in Table 1.

**Table 1. Proposed Area Designations for State Standards (2017-2019 data)**

Pollutant	Designation Area	Current Designation	Proposed Designation
Ozone	South Central Coast Air Basin-Santa Barbara County	Attainment	Nonattainment
Ozone	Mountain Counties Air Basin-Amador County	Nonattainment	Nonattainment-Transitional *
Ozone	Sacramento Valley Air Basin-Shasta County	Nonattainment	Nonattainment-Transitional *
Ozone	North Central Coast Air Basin	Nonattainment-Transitional	Attainment
PM <sub>2.5</sub>	Mojave Desert Air Basin-Remainder of San Bernardino County and Kern, Los Angeles, and Riverside Counties	Unclassified	Attainment

\* Changes in ozone designation from Nonattainment to Nonattainment-transitional occurred by operation of law under Health and Safety Code section 40925.5.

## **A. Mandates and Fiscal Impacts to Local Governments and School Districts**

The Board has determined that this regulatory action will not result in a mandate to any local agency or school district the costs of which are reimbursable by the State pursuant to Part 7 (commencing with section 17500), Division 4, Title 2 of the Government Code.

A change in area designation status can result in a change in reporting requirements for local air districts, which are local government agencies. The proposed amendments could result in both cost outlay and savings to local government agencies.

The change in Santa Barbara County from Attainment to Nonattainment for ozone will reinstitute reporting requirements under the Health and Safety Code (H&SC) sections 40910-40930 and may result in some costs to the Santa Barbara County Air Pollution Control District (Santa Barbara District), which oversees air quality in this county.

The Santa Barbara District is required to reinstitute a report to the Board of its plan to achieve the State standards every three years (triennial report in 2021/2022 fiscal year), and an annual update to this plan (annual updates in 2022/2023 and 2023/2024). According to the Santa Barbara District staff, the triennial report usually takes about two hundred and forty (240) hours to prepare at a cost of \$160 per hour of staff time. The Santa Barbara District also incurs costs for legal review (\$1,000), and publication of a public notice (\$100). The cost of a triennial report is then estimated to be \$39,500 (i.e., \$160 wage and benefit rate x 240 hours + \$1,000 legal + \$100 publication). The two annual updates each take approximately two hours to prepare at a cost of \$160 per hour of staff time, according to the air district. The cost of each annual update is estimated to be \$320 (i.e., \$160 wage and benefit rate x 2 hours). Therefore, the total cost to the affected district will amount to \$40,140 [i.e., \$39,500 + (2 x \$320)] over the three-year period.

The change in North Central Coast Air Basin from Nonattainment-transitional to Attainment for ozone will suspend reporting requirements under H&SC sections 40910-40930 and may result in some cost savings to the Monterey Bay Air Resources District (Monterey District), which oversees this air basin.

The Monterey District is no longer required to submit a report to the Board of its plan to achieve the State standards every three years (triennial report in 2021/2022 fiscal year), or an annual update to this plan (annual updates in 2022/2023 and 2023/2024). According to the Monterey District staff, the triennial report usually takes about two hundred (200) hours to prepare at a cost of \$154 per hour of staff time. The Monterey District also incurs costs for legal review (\$1,000), and publication of a public notice (\$500). The cost of a triennial report is then estimated to be \$32,300 (i.e., \$154 wage and benefit rate x 200 hours + \$1,000 legal + \$500 publication). The two annual updates each take approximately four hours to prepare at a cost of \$154 per hour of staff time, according to the Monterey District. The cost of each annual update is estimated to be \$616 (i.e., \$154 wage and benefit rate x 4 hours). Therefore, the total cost savings to the affected district will amount to \$33,532 [i.e., \$32,300 + (2 x \$616)] over the three-year period. The annual savings amount to \$32,300 in the next fiscal year (2021/2022), \$616 in the 2022/2023 fiscal year, and \$616 in the 2023/2024 fiscal year.

Overall, the amendments would result in the net costs of about \$7,200 (i.e., \$39,500 in triennial report costs to the Santa Barbara District – \$32,300 in triennial report cost savings to the Monterey District) in the 2021/2022 fiscal year, and net cost savings of \$300 (i.e., costs of \$320 – cost savings of \$616) in each of the fiscal years 2022/2023 and 2023/2024. Therefore, the total lifetime costs of the amendments amount to approximately \$6,600 (i.e., costs of \$40,140 – cost savings of \$33,532) to all affected air districts.

Pursuant to Government Code section 11346.9(a)(2), the costs to local agencies would be non-reimbursable because the amendments would not constitute a new obligation. The amendments would trigger reporting requirements under H&SC sections 40910-40930 and potentially create costs to one local air district, which are not reimbursable by the State under Government Code, title 2, division 4, part 7 (commencing with section 17500), and cost savings to another local air district by allowing the suspension of the reporting requirements under H&SC sections 40910-40930. As such, the amendments neither require local agencies to undertake a new program nor to provide an increased level of service in an existing program. (See Cal. Govt. Code, § 17514.)

The Board has determined that this regulatory action will not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states, or on representative private persons.

In accordance with Government Code section 11346.3, the Board has determined that this regulatory action will not affect the creation or elimination of jobs within the State of California, the creation of new businesses or elimination of existing businesses

within the State of California, or the expansion of businesses currently doing business within the State of California.

In addition, the Board has determined that there will be no, or an insignificant, potential cost impact, as defined in Government Code section 11346.53(e), on private persons or businesses directly affected resulting from this regulatory action.

Finally, the Executive Officer has determined, pursuant to title 1, CCR, section 4, that this regulatory action will not affect small businesses because the proposed regulatory action does not contain any requirements for action.

## **B. Consideration of Alternatives**

Health and Safety Code section 39608 requires an annual review of the area designations for State standards. The adopted area designations reflect the most current and complete ambient air quality data, collected from 2017 through 2019. The Board considered the potential alternatives to the proposed amendments, namely the no action alternative. However, based on the available data, the Board found that the amendments as proposed were more appropriate than the no action alternative, which would not be consistent with State law. Furthermore, the no action alternative would not serve to inform the public about the healthfulness of air quality. The Board determined the proposed amendments give the public, businesses, and government an indication of whether the health-based standards are being met. This information allows the public to make more educated decisions regarding personal health and residency, as well as participation in outdoor activities. In addition, businesses and government are given the opportunity to make informed decisions regarding worker health and safety.

For the reasons set forth in the staff report, in staff's comments and responses at the hearing, and in this FSOR, the Board determined that no alternative considered by the agency would be more effective in carrying out the purpose for which the regulatory action was proposed, would be as effective and less burdensome to affected private persons, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provisions of law than the action taken by the Board.

## **II. Modifications Made to the Original Proposal**

### **A. Modifications Approved at the Board Hearing and Provided for in the 15-Day Comment Period**

There were no modifications to the original proposal. The amended regulations, which the Board adopted, are identical to those initially proposed by the staff and made available in the staff report released January 5, 2021.

## B. Non-Substantial Modifications

There were no non-substantial modifications to the original proposal.

## III. Documents Incorporated by Reference

No documents are incorporated by reference in this regulation.

## IV. Summary of Comments and Agency Response

Written comments were received during the 45-day comment period in response to the February 25, 2021 public hearing notice, and written and oral comments were presented at the Board Hearing. Listed below are the organizations and individuals that provided comments during the 45-day comment period:

Written Comment Received During the 45-Day Comment Period

Commenter	Affiliation
Moore, John (1-11-2021)	Banks & Co./Nwestco
Pearson, Molly (2-19-2021)	Santa Barbara County APCD

1. Comment: Is there any way of not using a Phase II vapor recovery in an above ground storage tank systems in National Forest.

Agency Response: This comment was not responsive to the amendments in this rulemaking and therefore no response is needed.

2. Comment: The Santa Barbara District requests CARB's full support and partnership in addressing common air quality goals and to identify funding that will allow the Santa Barbara District to successfully implement critical programs.

Agency Response: This comment was not responsive to the amendments in this rulemaking and therefore no response is needed. CARB will continue work with the Santa Barbara District to reduce air pollution emissions to attain and maintain the State air quality standards and protect the public health.

## V. Peer Review

Health and Safety Code section 57004 sets forth requirements for peer review of identified portions of rulemakings proposed by entities within the California Environmental Protection Agency, including CARB. Specifically, the scientific basis or scientific portion of a proposed rule may be subject to this peer review process. As this rulemaking only updates the labels identifying air quality in each area of the State, a peer review is not required.