

State of California  
AIR RESOURCES BOARD

Resolution 06-46

December 7, 2006

Agenda Item No.: 06-11-7

WHEREAS, sections 44275 through 44299.2 of the Health and Safety Code establish the Carl Moyer Memorial Air Quality Standards Attainment Program to provide grants to offset the incremental cost of projects that reduce emissions of oxides of nitrogen (NO<sub>x</sub>), particulate matter (PM), and reactive organic gases (ROG) from qualifying sources in California;

WHEREAS, section 44287 of the Health and Safety Code requires the Air Resources Board (ARB or Board) to establish grant criteria and guidelines for the Carl Moyer Program in consultation with the air pollution control and air quality management districts (air districts) and to revise the guidelines as necessary to improve the ability of the program to achieve the maximum amount of emission reduction feasible;

WHEREAS, section 39600 of the Health and Safety Code directs ARB to do such acts as may be necessary to carry out its powers and duties;

WHEREAS, section 39602 of the Health and Safety Code designates ARB as the air pollution control agency for all purposes set forth in federal law and has given ARB the responsibility for preparing the State Implementation Plan (SIP) for attaining and maintaining the national ambient air quality standards (NAAQS) by coordinating the activities of the air districts as necessary to comply with the federal Clean Air Act (42 U.S.C. section 7401 et seq.);

WHEREAS, section 39605 of the Health and Safety Code authorizes ARB to conduct public hearings and to provide assistance to air districts;

WHEREAS, the California Clean Air Act, in section 40910 et seq. of the Health and Safety Code, requires ARB and the air districts to adopt and implement plans to achieve the state ambient air quality standards for ozone and its precursors by the earliest practicable date;

WHEREAS, section 43018 of the Health and Safety Code directs ARB to achieve the maximum degree of emission reduction possible from motor vehicles and other mobile sources;

WHEREAS, while ARB and air district regulations are the primary mechanism to reduce emissions and achieve ambient air quality standards in California, the Carl Moyer

Program complements the regulatory strategy by providing monetary incentives to obtain surplus emission reductions earlier than they are required by rules and regulations;

WHEREAS, the emission reductions from the Carl Moyer Program must be real, quantifiable, surplus, and enforceable and are applied toward California's legally-enforceable obligations in the SIP for attaining health-based NAAQS;

WHEREAS, recent legislation has provided substantial, sustained funding that can be directed to the Carl Moyer Program and has supplied additional opportunities and requirements which the criteria and guidelines should address;

WHEREAS, Assembly Bill 923 (Firebaugh/Pavley; Stats. 2004, ch. 707), in section 44229(b) of the Health and Safety Code, authorizes nonattainment air districts to use additional funding from a discretionary motor vehicles registration fee surcharge to remediate air pollution harms created by motor vehicles;

WHEREAS, section 44229(b)(4) of the Health and Safety Code also authorizes the air districts to use part of the vehicles registration fee surcharge for an accelerated vehicle retirement or repair program adopted by the Board;

WHEREAS, AB 923, in section 42889 of the Public Resources Code, authorizes ARB to expend a portion of the fee on new tires to fund projects that mitigate or remediate air pollution caused by tires;

WHEREAS, Assembly Bill 923 expanded the Carl Moyer Program to address pollutants ROG and PM in addition to NOx;

WHEREAS, ARB staff has proposed revisions to the Carl Moyer Program Guidelines (the Guidelines), as set forth in Attachment A hereto, that will implement specific provisions of AB 923;

WHEREAS, ARB staff proposes criteria to allow funding Carl Moyer Program for two light-duty vehicle projects: voluntary accelerated vehicle retirement regulations and voluntary repair of vehicle guidelines;

WHEREAS, ARB staff has proposed guidelines for calculating extra emission reductions generated through the retirement or successful repair of high emitting vehicles;

WHEREAS, the California Environmental Quality Act (CEQA) requires that no project or activity that may have a significant adverse impact on the environment may be adopted as originally proposed if feasible alternatives or mitigation measures are available to

reduce or eliminate such impacts, unless specific overriding considerations are identified which outweigh the potential adverse consequences of any unmitigated impacts;

WHEREAS, ARB has consulted with the air districts and state agencies and has held public workshops in March, June, and August 2006 to present proposed revisions to the Guidelines and to accept public comment on the proposed revisions;

WHEREAS, in consideration of the staff report and the oral and written comments received from the air districts, interested parties, and the public, the Board finds:

1. Emission reductions resulting from the Carl Moyer Program are critical for ARB and air districts to fulfill our obligations under the State Implementation Plan, to attain state and federal health-based air quality standards, and to reduce exposure to toxic air pollutants;
2. The revisions to the Guidelines provide greater opportunities to generate emission reductions from light-duty vehicle projects and provide guiding principles on administering and operating such programs that focus on in-use high emitting vehicles;
3. The revisions to the Guidelines include criteria for funding voluntary light-duty vehicle repair projects, as well as voluntary accelerated vehicle retirement projects that are addressed in separate ARB regulations;
4. The Guideline revisions provide greater flexibility for the design of light-duty vehicle programs to address local needs including programs that focus on high emitting vehicles, yet retain the voluntary nature of the program and preserve car collector provisions;
5. The revisions to the Guidelines require an ARB-approved plan prior to implementation;
6. These revisions will assist California citizens to operate cleaner vehicles by providing financial incentives for vehicle repair and retirement which will result in real and surplus reductions in NOx, ROG, and PM emissions;
7. The revisions to the Guidelines allow for the use of technologies such as remote sensing devices and databases to identify high emitting vehicles, authorize the generation of extra emission reduction credits for their repair or retirement, and provide a recommended methodology for the calculation of the reductions; and

8. This action will have a beneficial impact on the environment by supplementing the regulatory program of ARB and the air districts to deliver emission reductions of criteria and toxic air pollutants that would not otherwise have occurred.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby adopts the 2006 Revisions to the Carl Moyer Program Guidelines, as set forth in Attachment A.

BE IT FURTHER RESOLVED, that the Board directs the Executive Officer to develop and approve ministerial technical amendments to the Carl Moyer Program, including but not limited to, changes necessary to reflect regulatory requirements that may pertain to covered sources, to update emissions factors, to update emission reduction calculations, to update emission reduction tables, to reflect current technology.

BE IT FURTHER RESOLVED, that the Board extends its appreciation to the air districts, stakeholders, and other interested parties that worked with ARB staff to revise the Guidelines and improve the Carl Moyer Program.

I hereby certify that the above is a true and correct copy of Resolution 06-46, as adopted by the Air Resources Board.

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Lori Andreoni, Clerk of the Board