

State of California
AIR RESOURCES BOARD

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

PUBLIC HEARING TO CONSIDER THE PROPOSED 2019 AMENDMENTS TO AREA DESIGNATIONS FOR STATE AMBIENT AIR QUALITY STANDARDS

Public Hearing Date: **December 12, 2019**
Agenda Item No.: **19-12-1**

I. GENERAL

The Staff Report: Initial Statement of Reasons for Rulemaking (staff report), Proposed 2019 Amendments to Area Designations for State Ambient Air Quality Standards, released October 22, 2019, is incorporated by reference herein. The staff report contained a description of the rationale for the proposed amendments. On October 22, 2019, all references relied upon and identified in the staff report were made available to the public.

On December 12, 2019, the California Air Resources Board (CARB or Board) adopted amendments to the area designation regulations by Resolution 19-30. Based on data collected from 2016 through 2018, the Board adopted amendments which changed the area designations for ozone. In the South Central Coast Air Basin, Santa Barbara County was redesignated as attainment. In the Sacramento Valley Air Basin, Yuba County and that portion of Sutter County outside of the Sutter Buttes area were redesignated as nonattainment. The amendments to the area designation regulations affect title 17, California Code of Regulations (Cal. Code of Regulations), section 60201. These changes are summarized in Table 1.

TABLE 1
PROPOSED AREA DESIGNATIONS FOR STATE STANDARDS
(Based on 2016-2018 data)

Pollutant	Designation Area	Current Designation	Proposed Designation
Ozone	Sacramento Valley Air Basin		
	Sutter/Yuba Counties		
	Remainder of Sutter County	A	N
	Yuba County	A	N
	South Central Coast Air Basin		
	Santa Barbara County	NA-T	A

Designation Categories: A = Attainment; N = Nonattainment; NA-T = Nonattainment-Transitional; U = Unclassified.

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 Yuba and most of Sutter Counties from attainment to nonattainment for ozone will reinstitute reporting requirements under the Health and Safety Code sections 40910-40930 and may result in some costs to the Feather River Air Quality Management District (Feather River District) which oversees these two counties.

The Feather River District will be required to reinstitute a report to the Board of its plan to achieve the air quality standards every three years (triennial report in the 2021/2022 fiscal year), or an annual update to this plan (annual updates in 2020/2021 and 2022/2023). According to Feather River District staff, the triennial report usually takes about seventy hours to prepare at a cost of \$84 per hour of staff time. They also incur costs for legal review (\$500), publication of a public notice (\$500), and compensation for the Feather River District board (\$900). The cost of a triennial report is then estimated to be \$7,780 (i.e., \$84 wage and benefit rate x 70 hours + \$500 legal + \$500 publication + \$900 board). The two annual updates each take approximately ten hours to prepare at a cost of \$84 per hour of staff time, with a lower legal review cost of \$200 but full compensation for the Feather River District board (\$900), according to the Feather River District staff. The cost of each annual update is estimated to be \$1,940 (i.e., \$84 wage and benefit rate x 10 hours + \$200 legal + \$900 board). Therefore, the total cost to the Feather River District will amount to \$11,660 [i.e., \$7,780 + (2 x \$1,940)] over the three-year period. The annual cost amounts to \$1,940 in the next fiscal year (2020/2021), \$7,780 in the 2021/2022 fiscal year, and \$1,940 in the 2022/2023 fiscal year.

The change in Santa Barbara County from nonattainment-transitional to attainment for ozone will suspend reporting requirements under the Health and Safety Code sections 40910-40930 and may result in some cost savings to the Santa Barbara Air Pollution Control District (Santa Barbara District) which oversees this county.

The Santa Barbara District is no longer required to submit a report to the Board of its plan to achieve the air quality standards every three years (triennial report in 2021/2022 fiscal year), or an annual update to this plan (annual updates in 2020/2021 and 2022/2023). According to 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. They also incur 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 Santa Barbara District staff. 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 savings to the Santa Barbara District will amount to \$40,140 [i.e., \$39,500 + (2 x \$320)] over the three-year period. The annual savings amount to \$320 in the next fiscal year (2020/2021), \$39,500 in the 2021/2022 fiscal year, and \$320 in the 2022/2023 fiscal year.

The proposed amendments would, therefore, result in a total lifetime cost savings of approximately \$28,500 (i.e., cost savings of \$40,140 – costs of \$11,660) 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 proposed amendments would not constitute a new obligation. The proposed regulatory action would trigger reporting requirements under the Health and Safety Code sections 40910-40930 and potentially create costs to one local air district, which is 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 the Health and Safety Code sections 40910-40930. As such, the proposed amendments neither require local agencies to undertake a new program nor provide an increased level of service in an existing program. (See Cal. Govt. Code section 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, Cal. Code of Regulations, 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 proposed area designations reflect the most current and complete ambient air quality data, collected from 2016 through 2018. 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 proposed amendments are 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.

For the reasons set forth in the staff report, in staff's comments and responses at the hearing, and in this Final Statement of Reasons, 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, or 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.

In rejecting the no action alternative, 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.

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 October 22, 2019.

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

One written comment was received during the 45-day comment period in response to the December 12, 2019, public hearing notice, and written and oral comments were presented at the Board Hearing. This comment was not responsive to the amendments in this rulemaking and therefore no response is needed.

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.