2015 Annual Report to the Governor and Legislature on the California Air Resources Board's Expenditure of Fees on Nonvehicular Sources, Consumer Products, and Architectural Coatings for Fiscal Year 2014-2015

Document Availability

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Introduction

Health and Safety Code (HSC) Sections 39612 and 39613 authorize the California Air Resources Board (CARB or the Board) to assess fees on nonvehicular sources and manufacturers of consumer products and architectural coatings in order to recover the costs of CARB programs related to these sources. HSC Section 39612(g) also requires CARB to report to the Governor and the Legislature on the expenditure of the fees collected. The facilities subject to the nonvehicular fees are those authorized by the air pollution control and air quality management districts (air district) to emit 250 tons or more per year of an air pollutant that forms ozone or particulate matter (PM). The fees for consumer products and architectural coatings apply to manufacturers with total sales in California that result in emissions of 250 tons per year or more of volatile organic compounds (VOC), an ozone precursor.

For fiscal year 2014-2015, CARB staff sent out fee invoices totaling $20.2 million, plus adjustments, to partially fund program expenditures. Pursuant to HSC Sections 39612 and 39613, the fees allow CARB to fulfill responsibilities as California's designated air pollution control agency for all purposes set forth in federal law, as specified in HSC Section 39602, and to carry out activities necessary to implement the California Clean Air Act of 1988 and as amended. This report provides information on the program activities that were funded by the fees.

Fiscal Year 2014-2015 Fee Collections

CARB staff prepares fee invoices (determinations) pursuant to Sections 90800.8(c) and (d) of the Nonvehicular Source, Consumer Products, and Architectural Coatings Fee Regulations (title 17, California Code of Regulations, Sections 90800.8-90806) (Fee Regulation). To ensure collection of the needed funds authorized by the Legislature, the Board approved two adjustments made to each fiscal year's fee determinations pursuant to Section 90800.8(c)(6) of the Fee Regulation. The first adjustment is a 3 percent Adjustment Amount (Section 90800.8(c)(2) of the Fee Regulation) to the needed revenue for recovering unforeseen reductions in collection of funds due to unexpected business closures and bankruptcies. From experience, CARB staff has determined that three percent is the appropriate Adjustment Amount, which adds about $600,000 to the fee determinations when the needed revenues are $20 million. Staff may make a second adjustment to the current fiscal year's fee determinations if there is a Carry-over Balance, as defined in Section 90800.8(c)(3) of the Fee Regulation, from the amount collected in the previous fiscal year in excess or below the needed revenues for that fiscal year.

Collections of funds may fluctuate from fiscal year to fiscal year. Collections may be impacted for a number of reasons including business closures and bankruptcies, loss of fee payers when emissions fall below applicable thresholds, addition of newly identified fee payers, and changes in fee payers' emissions. A Carry-over Balance may occur with either a low or high rate of collection. Any excess funds collected are carried over to reduce the total fee determinations for the next fiscal year. Any amount of funds undercollected will be added to increase the total fee determinations for the next fiscal year.[1]

Fee collections for fiscal year 2014-2015 are shown in Table 1 below, totaling approximately $20.2 million.

Table 1
Fees Collected for Fiscal Year 2014-2015

Activities	Fees Collected
Facilities	$11,676,830.96
Consumer Products and Architectural Coatings	$8,565,957.89
Total Collected	**$20,242,788.85**

Major Activities Funded by the Fees

The fees collected by this program are used in part to implement requirements related to federal and State mandated air quality standards. Implementation activities include air quality monitoring, air quality data assessment, emission inventory development, research, test method development, modeling, air quality planning, regulatory development, implementation of certification programs, product sampling and laboratory analysis, and enforcement. Below is an overview of key programs that are funded through the fees.

Rule Development and Implementation

Nonvehicular Sources

The federal Clean Air Act**,** administered by the United States Environmental Protection Agency (U.S. EPA), sets national ambient air quality standards for the nation. In order to implement the air quality standards, CARB must undertake air quality attainment planning, which includes developing, maintaining and updating emission inventories; evaluating air quality trends and indicators; and conducting sophisticated air quality modeling to identify emissions levels that enable attainment of the air quality standards. The planning effort culminates with adoption of State and local measures that will provide emission reductions needed for attainment.

[1] More information regarding calculation of AB 10x fee rates and annual funding carryover may be found at: https://www.arb.ca.gov/ei/nscpac_fees/fy_2017-2018_fee_rates.pdf .

CARB staff works on an ongoing basis with air districts to ensure the limits for ozone and PM precursor emissions from sources under district authority are set and implemented. For example, during this fiscal year, CARB staff worked with the San Joaquin Valley Air Pollution Control District staff on their plans for attaining the federal fine PM (PM2.5) annual standard of 15 $\mu g/m^3$, which was approved by the Board in May 2015.

Consumer Products and Architectural Coatings

In fiscal year 2014-2015, CARB staff continued data collection for the Consumer and Commercial Products Survey (Survey). This Survey is designed to update the consumer products emissions inventory by gathering current information on sales and emissions of VOCs to support future rulemakings and the upcoming State Implementation Plans (SIP). The last comprehensive Survey was completed in 2003, with more targeted Surveys completed in 2006, 2008, and 2010. This comprehensive Survey covers data years 2013, 2014, and 2015. Companies were required to submit sales, labels, and detailed formulations for all products sold in California. For the 2014 and 2015 surveys, only sales are required unless new products are introduced or if the product ingredients vary by more than 0.5 percent VOC.

The kickoff for 2013 data reporting began on September 2, 2014. Throughout the reporting period, CARB staff assisted companies with the reporting requirements by holding nine webinars attended by over 1,200 companies, setting up a dedicated reporting email address which received thousands of emails, and developing online how-to videos that were posted on CARB's YouTube page that received over 30,000 views. In addition, in-person presentations regarding the reporting requirements were given at the Independent Cosmetic Manufacturers and Distributors regulatory conference and at a Cosmetics Compliance Seminar. In order to facilitate the reporting process, a series of small business webinars were also conducted to provide additional assistance to companies with less than 25 employees.

To facilitate accurate and consistent reporting, a Microsoft Access-based Consumer Products Reporting Tool (CPRT) was introduced to companies at the beginning of the reporting period. Development of a secure data upload portal was also initiated and completed during this time period. The development of this portal was critical to the success of the Survey to ensure that confidential company data could be transferred securely between the company and CARB. The portal opened January 1, 2015 so companies could upload their data. The deadline for 2013 data reporting was March 2, 2015. Extensions were given to companies until April 2, 2015, and for responsible parties and small businesses until July 1, 2015 to submit completed 2013 surveys.

Data analysis and Quality Assurance/Quality Control were conducted by CARB staff. Data summaries of the 2013 Survey data were released, in August 2015, including a list of participating responsible parties.

A streamlined version of the CPRT was developed for the 2014 survey reporting. A webinar was conducted July 1, 2015, to inform industry of the updates and additional reporting instructions.

For more information on the Survey activities, please visit http://www.arb.ca.gov/consprod/regact/2013surv/2013main.htm.

Historically, CARB has conducted architectural coatings surveys every four or five years. Previous surveys were conducted in 1976, 1981, 1985, 1989, 1993, 1998, 2001, and 2005. The information collected in the surveys is used to help CARB and air districts track the VOC emissions from architectural coatings used in California. The surveys are also used in the development of regulations or rules to reduce the VOC emissions from these products. CARB has provided regulatory and policy guidance through the development of a Suggested Control Measure for Architectural Coatings that was first adopted in 1977, and was amended in 1985, 1989, 2000, and 2007.

In the second half of 2014, CARB staff received comments from air districts, U.S. EPA, and industry on our draft 2014 Architectural Coatings Survey. The survey is designed to collect product sales and ingredient information for architectural coatings sold in California. At the behest of the South Coast Air Quality Management District, the survey also included for the first time, data collection on colorants added to coatings at the point of sale. Comments from concerned parties were incorporated into the draft Survey and in October 2014, staff released a beta version of the 2014 Architectural Coatings Reporting Tool (ACRT) and ACRT instructions. The first webinar, designed to provide a forum for responding to questions related to the beta version of the ACRT, was held in October 2014. The second webinar, to demonstrate the use of the ACRT, was held in December 2014. In December 2014, the final version of the ACRT was released, with completion and submission of the survey due by May 1, 2015.

During the first half of 2015, CARB staff continued to modify the ACRT, provided assistance to companies completing the survey, and compiled data from completed survey submissions.

For more information on the Survey activities, please visit http://www.arb.ca.gov/coatings/arch/survey/2014/2014survey.htm

Modifications to the Consumer Products Regulations became legally effective on January 1, 2015. The new limits went into effect for Specialty Coatings (e.g., art fixative and sealant, high temperature coating, and wood stain coating) on January 1, 2015, and will go into effect for General Coatings and Specialty Coatings (e.g., auto body primer, flexible coating, and mold release coating) on January 1, 2017. The documents pertaining to this rulemaking are available at http://www.arb.ca.gov/regact/2013/cp2013/cp2013.htm.

Additionally, ongoing implementation of regulatory updates and consumer products program activities occurred. For example, staff reviewed and evaluated requests and

applications for product determinations, charcoal lighter material certifications, alternative control plans and compliance reports, and innovative product exemptions. Staff developed templates that are available on CARB's website to guide applicants through the process. Staff also responded to numerous inquiries from manufacturers, consultants, product certification/labeling programs, and other regulatory agencies.

As part of CARB's participation in the Leadership Council for the California Green Chemistry Initiative, staff continued to provide input on proposals released by the Department of Toxic Substances Control for its work on Safer Consumer Products Alternatives regulations. The Safer Consumer Products program strives to reduce harmful chemicals in products used by consumers in California.

Air Monitoring and Laboratory Analysis

Nonvehicular Sources

Air monitoring field operations and the laboratory played key roles in efforts used to measure progress towards attainment of the State and federal ambient air quality standards for criteria pollutants and reduction of toxic air contaminants. Field operations included real-time ambient air quality measurements of gaseous pollutants and PM. Analytical services provided by the laboratory supported PM mass analysis, PM chemical speciation, and toxic air contaminant analysis (e.g. metals, VOCs, and carbonyls) from samples collected throughout the State's air quality monitoring network. Air quality data generated by field and laboratory operations were submitted to U.S. EPA's Air Quality System (AQS) database for public record. Combined, the field and laboratory annually submits over two million hourly measurements and 425,000 sample results to AQS, respectively, from about 200 air monitoring stations located throughout California and Northern Mexico.

These data also support air quality emergency response for events such as wildfires and industrial releases. This includes Today's Air Quality Index forecast, which monitors conditions by zip code or states. In addition, CARB's Office of Emergency Response (OER) provides a wide selection of specialized equipment for use in emergency events. This equipment includes monitors for PM, as well as gas analyzers, meteorological sensors, and plume modeling software. These are all utilized to aid both first responders and the surrounding community in the event of an air emergency.

During this fiscal year, monitoring equipment was provided to air districts and other public agencies to assist during fourteen wildfires, as shown on CARB's webpage at https://www.arb.ca.gov/aaqm/erp/deployments.htm. This included deployment of monitors to measure PM2.5 and helped the public to better understand their exposure to PM2.5. The data are reported on a real time basis during emergencies to the U.S. EPA AirNow database (https://www.airnow.gov) and are available, along with regulatory data, to inform the public during wildfire emergencies. The mobile website Breathe Well was also developed by CARB staff for smartphones and tablets to display real-time levels of ozone and fine particle pollution. Breathe Well displays

color-coded ozone and fine particle readings near the user's current location and can be found at: http://mobile.arb.ca.gov/breathewell/. Users can navigate through near real-time air quality readings at over 150 locations and find helpful tips on how to adjust outdoor activities given hourly air readings from a smart phone or tablet. Staff also provides assistance to air districts for ongoing programs such as "Check Before You Burn," and collaborates with other public agencies and CARB divisions to evaluate ambient air quality issues.

Consumer Products and Architectural Coatings

As part of consumer products implementation, the laboratory plays a large role in compliance and enforcement of consumer products regulations. CARB staff conducted laboratory analyses of products submitted for determination of compliance with applicable VOC and reactivity limits and used the test results to support enforcement efforts. In response to several external inquiries/requests, laboratory staff conducted special studies involving: (1) evaluation of solvents with respect to low vapor pressure VOC criteria; (2) analysis of hydrocarbon solvents; (3) evaluation of test method applicability for analysis of several new and proposed categories of consumer products; (4) analytical method development for new and proposed categories; (5) analytical method development for lower standards set for existing categories; and (6) extensive analyses and consultation with the California Office of the Attorney General to resolve enforcement cases involving consumer products.

Enforcement

Nonvehicular Sources

CARB's enforcement programs and activities include training on regulations and their implementation, assisting air districts with inspections of stationary sources, investigating complaints, issuing notices of violations, evaluating air district variances for compliance with statutory requirements, obtaining and analyzing evidence to determine the date of onset, cause, and extent of violations of air pollution regulations, and reviewing air district rules for enforceability. Key programs and activities involved providing enforcement assistance to air districts and other local and regional environmental agencies; responding to air pollution complaints, conducting investigations, and referring them to other agencies when appropriate; reviewing all air district hearing board orders for compliance with HSC requirements; enforcing the composite wood products regulations; gathering and analyzing data from emission monitoring devices required by air districts at stationary sources; reviewing air district rules for enforceability, compliance with State laws, clarity, and accuracy; and developing a variety of practical, rule-specific publications that describe source processes and emission control equipment, clarify rule requirements, identify compliance issues, and promote self-regulation.

Consumer Products and Architectural Coatings

During fiscal year 2014-2015, CARB enforcement staff collected over 1,700 samples of household and institutional consumer products. Sample selections focused on

automotive specialty products, hair styling products, lubricants, paint thinners, solvents, and imported products. The laboratory results for approximately 450 samples indicated that the products may have exceeded the VOC limits. As a result of these investigations, CARB issued 58 notices of violation during the fiscal year. After conducting office conferences, CARB staff worked to resolve the enforcement cases through administrative or civil actions. During the fiscal year, staff settled 47 cases involving hair styling products, air fresheners, nail polish removers, and general purpose degreasing products. The $1,210,420 in penalties collected helped to mitigate more than 80 tons of excess VOC emissions resulting from these violations. Some significant cases involved substantial sales of non-compliant general purpose cleaners, glass cleaners, hair styling products, and astringents. Enforcement Division staff worked alongside CARB attorneys to settle each case.

Research

CARB's research program activities included research into the causes and effects of, and possible solutions to, the air pollution problems in California. Activities undertaken to address air pollution included investigating the reactivity of VOCs and the atmospheric processes that contribute to ozone and PM formation, conducting vulnerable populations and children's exposure and health studies, and conducting research to support future updating of ambient air quality standards. These studies support CARB's consumer products and stationary source regulation programs by providing scientific and technical information needed to develop reductions in air pollutants and their precursor emissions. In addition, research efforts also evaluate the interaction between greenhouse gases and criteria pollutants to understand the benefits of policies and programs addressing these pollutants. Highlighted below are several examples of VOC related research projects funded through CARB:

- The University of California, Riverside initiated a study entitled "Air Quality Impacts of Low Vapor Pressure-Volatile Organic Compounds (LVP-VOCs)" in September 2013. Most of the laboratory and environmental chamber experiments were conducted in 2014 to develop key parameters for the evaluation of the potential for LVP-VOCs used in consumer products to form ozone and secondary organic aerosol. Additional experiments for LVP-VOC mixtures and data analyses are being conducted, and the project is scheduled to be completed in September 2016.

- In conjunction with the project described above, the University of California, Davis, initiated in 2013 an LVP-VOC project entitled "Environmental Fate of Low Vapor Pressure-Volatile Organic Compounds from Consumer Products: A Modeling Approach." This study developed and evaluated modeling tools to determine the potential of LVP-VOCs that will remain in the atmosphere to form ozone, and the portion of LVP-VOCs disposed down the drain to subsequently form ozone. This project was completed in July 2015.

- The University of California, Davis, in collaboration with the California Institute of Technology, initiated a study entitled "Improving Chemical Mechanisms for

Ozone and Secondary Organic Carbon" in February 2013. The two most relevant objectives were 1) to extend the Statewide Air Pollution Research Center chemical mechanisms to allow for prediction of secondary organic aerosol, and 2) to update the VOC reactivity values for the consumer products regulation. The project is scheduled to be completed in February 2017.

Status of Program Activities

The following sections discuss the status of activities related to specific areas outlined in HSC Section 39612.

Updating the Emissions Inventories

CARB compiles and maintains a detailed and comprehensive inventory of air pollution sources and their emissions. Emission inventories form the basis for air quality planning and regulatory development processes. Emission estimates are refined on an ongoing basis, and must be updated regularly to reflect improvements in estimation methodologies and the impact of new regulations. CARB routinely publishes the inventory for all California air basins, conducts air district training, and implements website improvements to facilitate access to the inventory data. In fiscal year 2014-2015, some of the major activities CARB completed related to emission inventories included the following:

8-Hour Ozone SIP Emission Inventories: CARB staff continued the development of emission inventories used in SIPs for the federal 8-hour ozone standard of 0.075 parts per million (ppm). CARB emission inventory staff led a group, which included air district staff, in the development of future year emissions projections. This review entailed critical tasks such as evaluating and updating the growth factors to ensure they reflect the latest socioeconomic forecasts associated with specific source categories and incorporating other emissions data that may have changed since the previous inventory update.

Emission Inventory for San Joaquin Valley 2008 PM2.5 SIP Revision: In late 2014, CARB staff completed an emission inventory in support of the San Joaquin Valley Air Pollution Control District revision of their 2008 PM2.5 air quality plan. This inventory reflects the most current emission estimates available at the time from facility reports, areawide methodologies, and mobile source models, as well as growth and control profile updates that were also being incorporated into the 8-hour ozone SIP inventories. This plan was approved by the air district governing board in April 2015, CARB's Board in May 2015, and submitted to U.S. EPA in June 2015.

Identifying, Assessing, and Mitigating the Transport of Air Pollutants

Pursuant to State law, the identification, assessment, and mitigation of transport of air pollutants from one region to another are important elements of CARB's efforts to attain State and federal air quality standards. Consideration of transport is integrated into a broad spectrum of activities, including the characterization of transport impacts,

development of mitigation requirements, and updates to designations, and attainment plans and control strategy development.

CARB is responsible for assessing the relative transport contribution of ozone and/or ozone precursors by air districts and for establishing mitigation requirements. CARB first adopted transport mitigation requirements for air districts in 1990 based on an analysis of transport relationships between districts. These relationships have subsequently been updated several times. The regulations identified transport couples consisting of an upwind area (source of transported emissions) and a corresponding downwind area (receptor of transported emissions) and the required mitigation requirements. Air districts have been implementing the mitigation requirements for over two decades and submit for CARB review their State triennial ozone plan updates.

The ability to address transport impacts has improved significantly in the last few years due to the use of new highly sophisticated photochemical models, new data analysis techniques, and state of the art air quality studies conducted by the National Aeronautics and Space Administration (NASA) and other researchers that cover both upwind and downwind areas. In November 2014, CARB staff made an informational presentation to the Board that highlighted regional field studies that have improved our understanding of the sources and atmospheric processes, including regional transport, that lead to persistent ozone air quality problems in California. These studies, undertaken in collaboration with the National Oceanic and Atmospheric Administration (NOAA), NASA, and academic researchers, continue to expand our understanding of the role of transport in both central and southern California.

CARB staff submitted to the U.S. EPA in February 2015 a revised infrastructure SIP that demonstrated that CARB had sufficient resources, funding, and programs in place to implement new federal air quality standards. This demonstration included a finding that CARB has sufficient modeling and analytical resources to address transport impacts as new federal standards are implemented in the future.

In 2015, CARB worked with the San Joaquin Valley Air Pollution Control District on development of an updated SIP for meeting the annual average PM2.5 standard of 15 $\mu g/m^3$. CARB staff conducted air quality modeling to support the attainment demonstration and partnered with District staff in conducting additional corroborative analyses. The updated SIP was approved in May 2015.

CARB also continued to work extensively with the South Coast Air Quality Management District to develop emission inventories, conduct air quality modeling, update transportation conformity budgets, and implement statewide mobile measures to meet federal Clean Air Act requirements.

Identifying Indicators to Assess Air Quality Progress

State law directs CARB to develop air quality indicators that can be used to measure progress towards the attainment of State ozone air quality standards. CARB developed indicators for assessing peak ozone concentration and exposure. These

indicators are used for assessing progress in State triennial ozone plans developed by air districts. Because 8-hour ozone concentrations drive the State attainment status, CARB developed a calculation procedure and is now providing 8-hour population-weighted and area-weighted exposure indicators for State triennial ozone plan updates. CARB staff provided updated indicators to air districts in June 2015. CARB also made a presentation to the Board on January 29, 2015, utilizing state of the art indicators to summarize progress towards the federal ozone and PM2.5 standards and upcoming challenges with SIPs that are under development. Air quality data can be viewed at http://www.arb.ca.gov/adam/. A real-time air quality database is also available, which is an important tool that allows the public and air districts to continually track and measure progress. Real-time air quality data are available at: http://www.arb.ca.gov/aqmis2/aqmis2.php.

CARB staff has developed other indicators to illustrate and evaluate progress towards both State and federal standards. These include air quality contour maps, which have been used to evaluate how the spatial extent of elevated concentrations has been reduced over time. In addition, CARB staff completes weight of evidence assessments to corroborate air quality modeled responses to emission reductions in the SIP. Finally, CARB staff conducted in-depth assessments of air quality trends in the South Coast and San Joaquin Valley in order to evaluate progress and better understand future emission control needs.

Ranking Control Measures for Stationary Sources

A provision of the California Clean Air Act requires air districts to adopt reasonably available control technology and best available retrofit control technology rules to reduce emissions from existing stationary sources when air districts are in nonattainment for State air quality standards. Since enactment of the California Clean Air Act in 1988, CARB has developed stationary source control measures for direct administration by CARB or for adoption and implementation by air districts. All of these programs have assessed and incorporated metrics of cost-effectiveness in selecting appropriate levels of emission control. The studies and programs include a resource document that was developed in direct response to requirements of the California Clean Air Act. The document identifies source categories and the most stringent performance standards adopted by air districts, as well as information on the most stringent PM emission reduction regulations adopted by CARB and air districts for a spectrum of stationary, area, and mobile source categories. CARB and the California Air Pollution Control Officers Association maintain a database of the best available control technology decisions for use in the permitting of new stationary sources. These control equipment and emission limit specifications serve as the basis for identifying new stationary source regulations to be considered by air districts when air quality plans are upgraded to meet State air quality standards.

These requirements are periodically updated through the collaborative efforts of CARB and air districts via the rule review process using cost-effectiveness and emission reduction analyses of current emission control technologies.

For more information on the program activities, please visit https://www.arb.ca.gov/ractbarc/ractbarc.htm or https://www.arb.ca.gov/bact/docs/ssrcalifornia.htm.

History of the Fee Program

The Legislature enacted HSC Section 39612 as part of the California Clean Air Act of 1988. The California Clean Air Act requires attainment of State ambient air quality standards by the earliest practicable date. As part of that mandate, the California Clean Air Act also requires CARB and the air districts to take various actions to reduce air pollution from motor vehicles, industrial facilities, and other sources of emissions.

As originally enacted, HSC Section 39612 authorized CARB to assess fees on nonvehicular sources (i.e., facilities) that were allowed by air district permits to emit 500 tons or more per year of any air pollutant that forms ozone or PM.
In 1989, the Board approved the California Clean Air Act Nonvehicular Source Fee Regulation (Nonvehicular Source Fee Regulation). The original regulation included the fee rate and amounts to be remitted to CARB by the air districts for the first year of the program, fiscal year 1989-1990. In subsequent years, the Board approved amendments to the Nonvehicular Source Fee Regulation identifying the amount of fees to be collected by each air district for the following fiscal year. To streamline the process, in 1998 the Board approved amendments that established a process whereby CARB's Executive Officer assesses the fees administratively.

In 2003, the Legislature enacted Assembly Bill 10X (AB 10X), which amended HSC Section 39612 and added HSC Section 39613. The changes to HSC Section 39612 included: (1) increasing the cap on facilities fees from $3 million to $13 million, and allowing the fees to be adjusted annually thereafter for inflation; (2) expanding the universe of facilities subject to the fees by specifying that the fees are to be collected from facilities authorized by air district permits to emit 250 tons (instead of the previous 500 tons) or more per year of any air pollutant that forms ozone or PM; and (3) authorizing CARB to collect the fees directly from all sources subject to the fees. In addition, new HSC Section 39613 required CARB to assess fees on manufacturers of consumer products and architectural coatings sold in California. The fees are assessed on manufacturers whose total California sales of consumer products or architectural coatings result in VOC emissions of 250 tons or more per year. CARB must use the fees collected pursuant to Section 39613 solely to mitigate or reduce air pollution in the State created by consumer products and architectural coatings. In July 2003, the Board approved amendments to the Nonvehicular Source Fee Regulation to collect the fees authorized by AB 10X.

In 2004, the Legislature authorized CARB to assess an additional $2.6 million on facilities for a total of $20 million. In November 2004, the Board approved amendments to the Nonvehicular Source Fee Regulation, renamed Nonvehicular Source, Consumer Products, and Architectural Coatings Fee Regulation, to establish a procedure to collect the additional $2.6 million for fiscal year 2004-2005 and onward from facilities. The amendments also provided for collection from facilities of any legislatively-approved

fees in fiscal years beyond fiscal year 2004-2005 that are in excess of $17.4 million. The full text version of the Nonvehicular Source Fee Regulation can be found on CARB's website at http://www.arb.ca.gov/ei/nscpac_fees/comprehensive_fee_reg.pdf.