

Assembly Bill 1209 (Karnette)
State Air Resources Board: emission reduction projects and measures.

Summary: This bill would require the state board to develop guidelines meeting specified requirements for the allocation of the \$1,000,000,000 in funding. The bill would, upon appropriation by the Legislature, require the state board to allocate funds on a competitive basis to projects and measures that are shown to achieve the greatest emission reductions from activities related to freight movement along California's trade corridors. The projects and measures would be required to result in emission reductions not otherwise required by law or regulation in effect as of November 8, 2006. The bill would specify that the funds only be used to implement strategies described in a required emissions reduction plan included in funding applications. The bill would require the state board to report annually to the appropriate fiscal and policy committees of the Legislature in writing and at scheduled legislative informational hearings on the status of the projects and measures being funded. The bill would require the administrative costs of the state board to be paid in an appropriation in the annual Budget Act and limit those costs to \$15,000,000 for the duration of program funding.

Background: Existing law creates the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 to authorize \$19.925 billion of state general obligation bonds for specified purposes. The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 requires \$3,100,000,000 of these funds to be deposited in the California Ports Infrastructure, Security, and Air Quality Improvement Account within the Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006, and requires \$1,000,000,000 of these funds to be made available, upon appropriation by the Legislature, to the State Air Resources Board for emissions reductions, not otherwise required by law or regulation, from activities related to the movement of freight along California's trade corridors.

Status: 5/31/2007 Appropriations Committee – Do pass

Specific Provisions: This bill requires the Air Resources Board (ARB) to develop guidelines for the allocation of the \$1 billion worth of the proceeds of state general obligation (G.O.) bonds authorized by Prop 1B earmarked for air pollutant emissions reductions from activities related to the movement of freight along the state's trade corridors. Specifically, this bill requires the ARB to:

- 1) Allocate these funds on a competitive basis to projects that achieve the greatest emission reductions not otherwise required by law or regulations in effect on November 8, 2006.
- 2) Consider benefits to public health, cost-effectiveness, technological feasibility, long-term benefits and the availability of matching funds.
- 3) Annually report to the Legislature on the status of projects funded by the above allocation process.

Recommended Position: Support

Justification: The bill establishes appropriate criteria consistent with the air quality needs of this region.

Support:

City of Los Angeles (co-sponsor)
Port of Los Angeles (co-sponsor)

Opposition:

Unknown