

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
LEGISLATIVE REPORT**

**FROM HOME RULE ADVISORY GROUP
MEETING OF JUNE 16, 2010**

REVISED

HRAG members present:

Dr. Elaine Chang (SCAQMD)
Elizabeth Adams, EPA (by phone)
Greg Adams, L.A. County Sanitation Districts
Enrique Chiock, Breathe L.A. (by phone from SCAG)
Bill LaMarr, California Small Business Alliance
Rongsheng Luo, SCAG (by phone)
Art Montez, AMA International
Bill Quinn, CCEEB (by phone)
Lee Wallace, So Cal Gas and SDG&E
Mike Wang, WSPA
Todd Wong, CARB (by phone)

LEGISLATIVE UPDATE

Philip Crabbe provided the Legislative Update. At the Legislative Committee meeting on, June 11, 2010, the following items were discussed.

Federal Update

There have been discussions with Senators and Committee staff to explain the problems and policy goals with regard to the Section 185 issue. The Senators have been receptive to the District's ideas and are willing to work with District staff on this issue.

District staff is also addressing marine vessel emissions with the EPW Committee. EPW is working with EPA in order to schedule an in-person meeting with senior staff to move the issue forward.

The District received \$5 million in DERA funding in 2010 and anticipates receiving another \$5 million in 2011, either through an appropriations request or through a continuing resolution.

There was a key vote on the Murkowski resolution. The resolution would have overturned EPA's endangerment finding which was previously required by the U.S. Supreme Court in order to allow EPA to regulate greenhouse gases. The resolution failed 47 to 53; therefore, EPA will be able to continue to regulate greenhouse gases. An energy and climate change debate is expected to be held in D.C. in either June or July 2010.

At the Legislative Committee meeting on June 11, 2010, there was a presentation on federal legislation regarding non-attainment areas. S. 3373 (Boxer) and H.R. 5296 (McNerney) are companion bills that would designate San Joaquin Valley as an "Air and

Health Quality Empowerment Zone” and would appropriate \$20 million to San Joaquin Valley for each fiscal year from 2011 through 2015 to address air quality and public health issues. District staff proposed to expand the bill to include the South Coast Air Basin and requested a \$20 million increase in funding. Although the Legislative Committee did not have a quorum, the members who were present concurred with staff’s recommendation to forward the language to the full Board for approval.

State

The Budget Conference Committee has begun working on the conference report, a follow up to the Governor’s May revise which included a \$20 billion deficit. The State Controller issued a letter to the Governor regarding the state’s ability to pay bills--IOUs will not need to be issued until October 2010.

At the Legislative Committee meeting on June 11, 2010, there was discussion on a proposal for intellectual property rights legislation. The proposal would allow AQMD to share revenues that are generated by intellectual properties developed with District funds. The Board recently expressed an interest in expending any such revenue to reduce air pollution or to prevent, mitigate or cure adverse health effects of air pollution. Although there was no quorum, the members who were present concurred with staff’s recommendation to forward the proposal to the full Board for approval.

There was a presentation on federal climate change legislation which compared the new Kerry-Lieberman bill to the Waxman-Markey bill.

The following issues were also discussed at the Legislative Committee meeting on June 11, 2010:

- AB 1955 (De La Torre) – Public officers: incompatible offices
- Status update on AQMD’s retirement system reforms
- Status update on state legislation previously considered by the Legislative Committee

Discussion

Mr. LaMarr asked if the District will use revenues received from intellectual property rights for air quality programs or consider giving rebates to fee payers. Ms. Baird responded that the legislation does not preclude the District from spending some of the royalty revenues on reducing fees but creates a greater authorization to use the money for air quality improvement and for mitigating health impacts. She added that the Governing Board will set the policy for how the funds will be spent. Mr. Wallace cautioned the HRAG and District staff not to expect large sums of monies from royalties. Mr. Montez expressed concern with the length of time needed by the agencies to take action on issues regarding funding. Dr. Chang urged the HRAG to forward concerns to District staff.

Mr. Adams asked what the next steps are with respect to the Section 185 issue. Mr. Crabbe responded that a number of options are being discussed. Ms. Rubalcava (Alston & Bird) asked him to elaborate. Mr. Crabbe responded that he was not familiar with the

details and that talks were preliminary at this point, but offered to look into the issue further if Ms. Rubalcava wanted to pursue the matter. Ms. Rubalcava asked if this item could be agendaized for further discussion at the next HRAG meeting. Dr. Chang agreed but will check first with Public Affairs staff to see if there is any new information to discuss.

Kris Flaig (City of Los Angeles) asked what the District's position is on S. 3381 biomass legislation. Mr. Crabbe responded that this issue was brought up at the Legislative Committee meeting and he believed that the directive was for staff to look into the bill. Dr. Chang asked Mr. Flaig to forward to her any analysis that has been performed by the City of Los Angeles on S. 3381. Mr. Flaig responded that staff is still working on the analysis.

Mr. LaMarr reported that the Governing Board gave District staff approval to move forward on the vehicle licensing fee. He explained that Chairman Burke has historically been opposed to increasing property taxes and imposing other across-the-board type of charges. After performing research on traffic ticket fees, Mr. LaMarr prepared a document called "Surcharges on Traffic Tickets which have an Impact on the Environment" (Attachment 1). He proposed legislation that would tack on an additional surcharge to traffic ticket fines, rather than to ask the legislature to move a bill forward that would assess a fine on every person in the state, including good drivers. He said that he had discussed his suggestion with Public Affairs staff who seemed to like the idea. Dr. Chang asked that Mr. LaMarr's report be incorporated into the record and suggested that Mr. LaMarr bring this up for discussion at a future Legislative Committee meeting.

ATTACHMENT 1

PROPOSING AN ADDITIONAL SURCHARGE ON TRAFFIC TICKETS WHICH HAVE AN IMPACT ON THE ENVIRONMENT

No one knows how many traffic tickets are actually issued. Many local units of government deliberately hide this information so they don't have to split their traffic ticket revenue with the state. Not including parking tickets, we can estimate that somewhere between 25 and 50 million traffic tickets are issued each year. Assuming an average ticket cost of \$150.000, the total up front profit from tickets ranges from 3.75 to 7.5 billion dollars.

If just half of these tickets result in insurance surcharges (typically at least \$300 over a period of three years), you can add another 3.75 to 7.5 billion dollars in profit for insurance companies.

(Source: G:\TRAFFIC CITATIONS-CALIF\Traffic Tickets Are Big Business.mht. Article: National Motorists Assn-10/12/2007)

The reason why the fines have risen so much is because lawmakers in the State Legislature are seeing traffic tickets as an easy source of revenue during tough economic times, and add-on fees are being used to fund services that may have nothing to do with traffic violations, like collecting criminals' DNA. Legislators feel that people who are breaking the law should have to pay for the courts and administration of the system that deals with these issues, so they approve fees that make the tickets so expensive.

Legislators also seem to feel that increased finds will act as a deterrent. The thinking is that, if you have to pay more, then you will be less likely to engage in the prohibited behavior in the first place.

What really boosts the costs of the fines are the dozen or so fees and penalties that are tacked on to the base charge. Take a ticket with a \$100 base fine. There's a state penalty of 100 percent, which adds another \$100. Then there is a county penalty of 70 percent, adding \$70 more. There is also a state criminal surcharge of 20 percent, which is an additional \$20. Add on fees for DNA testing, emergency medical services, court construction and security costs, and the final amount is several hundred dollars. (DNA testing has absolutely nothing to do with driving badly, but 2004's Proposition 69 authorized the state to collect DNA samples from criminals and is paid for by imposing a surcharge on all fines to help fund the program. Emergency medical and other services are funded in the same way).

Something that most people don't realize is that most of the money from a traffic fine does not go to the local agency; most of it goes to Sacramento. For example, if a San Jose officer issues a ticket with a base fine of \$100, \$83 goes to Santa Clara County, \$87 to the City of San Jose, and most of the remaining \$300-plus in fees and penalties goes to the state.

Traffic laws are supposed to be in place to deter bad driving behavior and increase public safety.

(Source: G:\TRAFFIC CITATIONS-CALIF\California's Traffic Tickets Cost Too Much<<AdnanShahab_com.mht)

TYPES OF VIOLATIONS/CITATIONS THAT SHOULD BE CONSIDERED BECAUSE THEY HAVE AN IMPACT ON THE ENVIRONMENT

Speeding

Speeding Ticket Statistics

There are about 196 million licensed drivers in the United States. Statistics show that over one hundred thousand people receive speeding tickets per day across the country. That is about 41 million speeding tickets each year, meaning one in every six drivers will receive a speeding ticket in one year. Only 5% of the people receiving speeding tickets will try to contest it. They, with the help of traffic ticket attorneys, usually manage to either dismiss the case, or reduce the charge to one that does not appear on their DMV record. It is good to know that there is a 10-20% chance that the citing officer fails to show up in court for the trial. The other 95% just pay the fine and never try to contest it. Considering that a speeding ticket costs around \$150, government receives over 9 billion dollars each year just for speeding ticket fines. Each officer makes the city an average of \$300,000 in traffic ticket fines per year, and only costs \$75,000 in salary, bonuses, and benefits. On the other hand, every speeding ticket adds points to the convicted driver's DMV record and those points will stay on it for 3 to 7 years. Speeding ticket convictions raise insurance premiums as well, meaning about \$2000 over 3-7 years and adding up to over \$56.9 million extra insurance money for insurance companies each year. Just think of the number of other traffic tickets for DUI/DWI, red light offenses, reckless driving, hit and run and other misdemeanors and money they make for the government!

It is interesting to know that men are more prone to receiving speeding tickets than women, and women tend to contest these traffic tickets more than men. Most speeding offenses are committed by the age group of 17 to 24. Among the professions, doctors receive the most speeding tickets.

Speeding tickets, combined with other traffic violations such as DUI/DWI, reckless driving, red light offenses, hit and run and other misdemeanors, cause a lot of fatal accidents. More than a million people die in traffic accidents each year, and another 25 million, including kids, are permanently disabled. Men are involved in 73% of fatal accidents compared to women who only cause 27% of them. According to researches, traffic tickets actually reduce the chance of involvement in fatal accidents by about 35%. Unfortunately the effect of traffic tickets last no longer than 3-4 months. For the few weeks after that pricey traffic ticket, people drive more cautiously to avoid getting more tickets, but the effect gradually wears off and they go back to their driving habits prior to the citation.

(Source: G:\TRAFFIC CITATIONS-CALIF\Speeding Ticket Statistics-Mr_Ticket.mht)

- Driving Below the Minimum Speed
- Drag Racing
- Overweight Violations
- HOV Lane Violations
- Driving with an Invalid Vehicle Registration

- Having an Invalid or Missing License Plate
- Leaving a Vehicle Unattended or Running
- Suspended Drivers License
- Reckless Driving – (Fines from \$500 to \$5,000 + possibility of jail time, license suspension)
- Reckless Driving Resulting in Bodily Injury – (Fines from \$1,000 - \$10,000 + all of the above)

(Source: G:\TRAFFIC CITATIONS-CALIF\Traffic Tickets and Violations in California DMV.mht)

Here's how a typical speeding ticket (in this case **a ticket from Indiana** that we paid through our Traffic Justice Program) is divvied up:

State Courts: \$49.00

County Courts: \$18.90

City Courts: \$2.10

Law Enforcement Fee: \$4.00

Jury Fee: \$2.00

Highway Work Zone: \$0.50 (??)

Auto Record Keeping Fee: \$7.00

Document Storage Fee: \$2.00

Infractional Judgments: \$99.50 *The fine!*

Public Defense Administration Fee: \$3.00

Judicial Insurance Adjustment: \$1.00

Judicial Salaries Fee: \$18.00: *Do you think murderers and rapists pay this fee too?*

DNA Sample Processing Fee: \$2.00: *Very common service for traffic tickets.*

Court Administration Fee: \$5.00

Total Cost of Ticket: \$214.00

(Source: G:\TRAFFIC CITATIONS-CALIF\Where Does The Money From A Speeding Ticket Go.mht. Article: National Motorists Assn-03/10/2009)