State of California AIR RESOURCES BOARD

Resolution 00-1

January 27, 2000

Agenda Item No.: 00-1-1

WHEREAS, sections 39600 and 39605 of the Health and Safety Code authorize the Air Resources Board (ARB or "the Board") to act as necessary to execute the powers and duties granted to and imposed upon the Board and to provide assistance to the local air pollution control and air quality management districts (districts);

WHEREAS, section 43018 of the Health and Safety Code directs the Board to achieve the maximum degree of emission reduction possible from vehicular and other mobile sources to attain state ambient air quality standards at the earliest practicable date;

WHEREAS, Measure M4 of the State Implementation Plan for Ozone adopted by the Board on November 15, 1994 calls for incentives for the early introduction of lower-emission technologies for heavy-duty vehicles to achieve near-term emission reductions of nitrogen oxides (NOx);

WHEREAS, sections 44275-44299 of the Health and Safety Code, added by AB 1571 (ch. 923, Stats. 1999) establish the Carl Moyer Memorial Air Quality Standards Attainment Program (the Carl Moyer Program), to be administered by the ARB;

WHEREAS, section 44297(b) of the Health and Safety Code establishes the Carl Moyer Program Advisory Board (Advisory Board) for purposes of assessing implementation of the program and determining whether the program should continue to be funded;

WHEREAS, the Governor and the Legislature appropriated \$44 million (\$25 million for 1998/1999 and \$19 million for 1999/2000) in project funding to the ARB for implementation of the Carl Moyer Program;

WHEREAS, the Governor and the Legislature appropriated an additional \$4 million to the California Energy Commission to implement an infrastructure and advanced technology program in support of the Carl Moyer Program;

WHEREAS, section 44297(a) of the Health and Safety Code requires the Board to submit a report on the status of the Carl Moyer Program funded under the Budget Act of 1998 to the Governor, Legislature, and Advisory Board no later than January 15, 2000:

WHEREAS, section 44297(a) of the Health and Safety Code declares the Board's status report must: describe the districts' efforts to implement the existing program; discuss the types of project applications the districts received; assess the need for emission reductions and incentive programs according to the state implementation plan; assess the continuation of the program and the need for additional funding for the program, and identify, inventory, and assess related funding information; and

WHEREAS, the Board finds that:

The emission reductions from the Carl Moyer Program are critical for California to fulfill obligations in the State Implementation Plan, and to attain state and federal air quality standards;

The Carl Moyer Program cost-effectively reduces in-use emissions from diesel engines, promotes the use of alternative fuels, and encourages the development and introduction of new technology;

The Carl Moyer Program Status Report included as Attachment A to this resolution describes state and local efforts to implement the program, and assesses the need for program continuation as required in section 44297 of the Health and Safety Code;

The first year implementation of the Carl Moyer Program has been successful due to collaborative efforts of industry, districts, and the ARB. District staff worked quickly and diligently to establish the program and solicit project applications. Businesses took a leadership role in utilizing cleaner technology. ARB issued guidelines and continues to provide technical guidance and oversight to ensure air quality benefits are achieved.

The demand for the program has exceeded requests for project funding more than three times the funding available; and

Continued funding for the Carl Moyer Program would enable California to achieve comparable, cost-effective emission reductions in the years ahead and would greatly facilitate attainment of state and federal standards.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the Carl Moyer Program Status Report, prepared and noticed on December 29, 1999 and included as Attachment A, and directs staff to submit the report to the Governor, Legislature, and Advisory Board.

BE IT FURTHER RESOLVED that the Board directs the staff to work with the Advisory Board to identify the appropriate funding level and appropriate sources of continued funding for the Carl Moyer Program through 2005 with a re-evaluation of the need for additional funding beyond 2005.

> I hereby certify that the above is a true and correct copy of Resolution 00-1, as adopted by the Air Resources Board

Pat Hutchens, Clerk of the Board

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Identification of Attachments to the Resolution

Attachment A: The Carl Moyer Program Status Report, December 29, 1999