

State of California
AIR RESOURCES BOARD

Resolution 02-4

February 21, 2002

Agenda Item No.: 02-1-5

WHEREAS, sections 39600 and 39601 of the Health and Safety Code authorize the Air Resources Board (the "Board" or "ARB") to adopt standards, rules, and regulations, and to do such acts as may be necessary for the proper execution of the powers and duties granted to and imposed upon the Board by law;

WHEREAS, in section 43000 of the Health and Safety Code, the Legislature has declared that the emission of air pollutants from motor vehicles is the primary cause of air pollution in many parts of the state, and in sections 39002 and 39003 of the Health and Safety Code, has charged the Board with the responsibility of systematically addressing the serious air pollution problem caused by motor vehicles;

WHEREAS, section 43018 of the Health and Safety Code directs the Board to endeavor to achieve the maximum degree of emission reductions possible from vehicular sources to accomplish the attainment of the state ambient air quality standards by the earliest practicable date;

WHEREAS, in section 44100 of the Health and Safety Code, the Legislature has declared that privately-operated emission reduction programs based on market principles have the potential to provide equivalent or superior environmental benefits, when compared to existing controls, at a lower cost to the citizens of California than traditional emission control requirements;

WHEREAS, section 44101 of the Health and Safety Code directs the Board to adopt regulations for a statewide program that provides for the creation, exchange, use, and retirement of light-duty vehicle mobile source emission reduction credits for use in satisfying emission reduction requirements through voluntary accelerated vehicle retirement;

WHEREAS, section 44102 of the Health and Safety Code directs the Board to harmonize the requirements and implementation of the various Voluntary Accelerated Vehicle Retirement (VAVR) programs with the motor vehicle inspection program and that insofar as practicable, these programs shall be seamless to the participants and the public;

WHEREAS, section 44120 of the Health and Safety Code directs the Board that Voluntary Accelerated Vehicle Retirement programs operating under ARB regulations shall be consistent with appropriate state board guidance and provisions of the Vehicle Code dealing with vehicle disposal and parts reuse, and shall allow for trading, sale, and resale of the vehicles between licensed auto dismantlers or other appropriate parties to maximize the salvage value of the vehicles through the recycling, sales, and

use of parts of the vehicles, consistent with the Vehicle Code and appropriate state board guidelines;

WHEREAS, section 44121 of the Health and Safety Code directs the Board to develop standards for the certification and use of mobile source emission reduction credits to ensure that the credits are real, surplus, and quantifiable after accounting for program uncertainties;

WHEREAS, the original Voluntary Accelerated Vehicle Retirement regulations adopted by the Board on October 22, 1999, in Resolution 98-64, and promulgated in California Code of Regulations, title 13, division 3, chapter 13, article 1, sections 2600 – 2610, January 6, 2000, sets forth the air districts' role in implementing voluntary accelerated vehicle retirement enterprises, vehicle eligibility requirements, voluntary accelerated vehicle retirement enterprise operator requirements, procedures to provide the general public with the opportunity to purchase desirable vehicles or vehicle components, mobile source emission reduction credit calculation methodologies, records, auditing, and enforcement requirements;

WHEREAS, in January and October of 2001, ARB staff held public workshops to accept public comment on the proposed amendments to the voluntary accelerated vehicle retirement regulations;

WHEREAS, the Board has received public comment that additional opportunities for parts recycling should be added into the present Voluntary Accelerated Vehicle Retirement regulations and that the Board finds it appropriate to allow recycling of non-emission-related and non-drive train parts;

WHEREAS, the California Environmental Quality Act and Board regulations require that no project having significant adverse environmental impacts be adopted as originally proposed if feasible alternatives or mitigation measures are available to substantially reduce or avoid such impacts;

WHEREAS, the Board has considered the impact of the proposed regulatory action on the economy of the state;

WHEREAS, a public hearing and other administrative proceedings have been held in accordance with the provisions of chapter 3.5 (commencing with section 11340), part 1, division 3, title 2 of the Government Code;

WHEREAS, the board finds that the ARB regulations for Voluntary Accelerated Vehicle Retirement (VAVR) programs should be harmonized with the Bureau of Automotive Repair (BAR) Voluntary Accelerated Vehicle Retirement program to minimize the differences between ARB VAVR regulations and BAR VAVR regulations per Health and Safety Code, section 44102, but that two exceptions, i.e., driving in reverse and the vehicle registration history are necessary to ensure that emission reductions are real;

WHEREAS, in response to comments from the public, the Board finds additional opportunities for parts recycling in the context of the VAVR program will enhance the program and that the proposed amendments accomplish this by allowing recycling of all

non-emission-related and non-drive train parts; WHEREAS, the Board finds that the adoption of the regulations approved herein will not have a significant adverse environmental impact and that the regulations are projected to have a positive air quality impact; and

WHEREAS, the Board further finds that no alternative considered by the Board would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected private persons.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the amendments to title 13, California Code of Regulations, chapter 13, Voluntary Accelerated Vehicle Retirement Enterprises; article 1, Voluntary Accelerated Light-Duty Vehicle Retirement Enterprises; sections 2600 - 2610, and the documents incorporated by reference entitled "Voluntary Accelerated Light-Duty Vehicle Retirement Program Emission Reductions" and "Voluntary Accelerated Vehicle Retirement Certificate of Functional and Equipment Eligibility Inspection Form," as set forth in the Staff Report, Initial Statement of Reasons for Proposed Amendments to Air Resources Board Voluntary Accelerated Vehicle Retirement Regulations – Minimize Differences Between ARB and VAVR Regulations and Allow Parts Recycling and Resale of Non-Emission-Related and Non-Drive Train Parts, Date of Release: November 30, 2001, set forth in Attachment A, hereto.

BE IT FURTHER RESOLVED that the Board requests staff to conduct additional public outreach to explore alternatives to the 7-day waiting period specified in Attachment A, hereto and to modify the regulatory language in response to comments received in this public outreach as the staff deems appropriate; and the Board requests that the staff report back to the Board on the results of this effort along with the final language of the regulation after it has been adopted.

BE IT FURTHER RESOLVED that the Board directs the Executive Officer to incorporate into the approved amendments the modifications described above, with such other conforming modifications as may be appropriate, and then to adopt the modified amendments, after making the modified regulatory language available for public comment for a period of 15 days, provided that the Executive Officer shall consider such written comments regarding the modified text as may be submitted during this period, shall make modifications as may be appropriate in light of the comments received, and shall present the regulations to the Board for further consideration if he determines that this is warranted.

I hereby certify that the above is a true and correct copy of Resolution 02-4, as adopted by the Air Resources Board.

Stacey Dorais, Clerk of the Board

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Identification of Attachment to the Resolution

Attachment A: Staff Report, Initial Statement of Reasons for Proposed Amendments to Air Resources Board Voluntary Accelerated Vehicle Retirement Regulations – Minimize Differences Between ARB and VAVR Regulations and Allow Parts Recycling and Resale of Non-Emission-Related and Non-Drive Train Parts, Date of Release: November 30, 2001