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**SENATE COMMITTEE ON ENVIRONMENTAL QUALITY**

**Senator Allen, Chair**

**2019 - 2020 Regular**

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**Bill No:** AJR 10  
**Author:** Reyes, et al.  
**Version:** 6/17/2019  
**Urgency:** No  
**Consultant:** Eric Walters

**Hearing Date:** 8/21/19  
**Fiscal:** No

**SUBJECT:** Federal Clean Air Act

**DIGEST:** This resolution makes findings regarding the impacts of and necessity for California's exemptions exceeding federal air quality standards. It also urges the Legislature to take actions necessary to minimize the weakening of those standards by withdrawing California's air quality standard waivers and freezing fuel economy and greenhouse gas emission standards.

**ANALYSIS:**

Existing federal law:

- 1) Sets, through the Federal Clean Air Act (FCAA) and its implementing regulations, National Ambient Air Quality Standards (NAAQS) for six criteria pollutants, designates air basins that do not achieve NAAQS as nonattainment, allows only California to set vehicular emissions standards stricter than the federal government, and allows other states to adopt either the federal or California vehicular emissions standards. (42 U.S.C. §7401 et seq.)
- 2) Mandates, through the Federal Clean Air Act (FCAA), among other things, regulations regarding the use and production of chemicals that harm the Earth's stratospheric ozone layer. (42 U.S.C. §7401 et seq.)
- 3) Sets, under the Corporate Average Fuel Economy (CAFE) regulations, increasing congressionally mandated fuel economy standards for cars and light trucks. (49 U.S.C. § 32919)

Existing state law:

- 4) Establishes the Air Resources Board (ARB) as the air pollution control agency in California and requires the ARB, among other things, to control emissions from a wide array of mobile sources and implement the FCAA. (Health and Safety Code (HSC) §39500 et seq.)

This resolution:

- 1) Briefly describes the 50-plus year history of the FCAA and California's consistently-granted waivers to apply more stringent standards.
- 2) Outlines how, in the past decade, agreements between California, automakers, and the federal government have led to higher fuel economy and greenhouse gas emission standards, while creating jobs and improving environmental outcomes.
- 3) States that, even in spite of higher standards, California is still uniquely challenged by major air quality shortfalls leading to tangible health detriments.
- 4) Describes the National Highway Traffic Safety Administration and federal Environmental Protection Agency's (U.S. EPA's) 2018 draft rule, the Safer Affordable Fuel-Efficient (SAFE) Vehicles Proposed Rule for Model Years 2021-2026, which would freeze fuel economy targets at 2020 levels, and withdraw California's beyond-FCAA air quality standards waivers.
- 5) States that California's waivers to the FCAA would cause a considerable increase in pollution and oil consumption, and have been opposed in a joint statement between some automobile manufacturers.
- 6) Calls upon the state Legislature to:
  - a) Support existing fuel economy and greenhouse gas emission standards.
  - b) Preserve California's leadership and existing authority under FCAA waivers to enact stricter air quality standards.
  - c) Consider actions to enact health-protective emission standards.
  - d) Support voluntary agreements to partner with relevant industries to implement health and environmental protections.
  - e) Urge the federal government to reject the SAFE proposed rule.

## **Background**

- 1) *Air quality standards.* The Federal Clean Air Act (FCAA) passed in 1963 and has been revised many times thereafter. The FCAA and its implementing regulations are intended to protect public health and environmental quality by

limiting and reducing pollution from various sources. Under the FCAA, the United States Environmental Protection Agency (US EPA) establishes National Ambient Air Quality Standards (NAAQS) that apply to outdoor air throughout the country.

In 1969 and 1971, ARB set the first air quality standards for ozone, Particulate Matter (PM), oxides of nitrogen (NO<sub>x</sub>), oxides of sulfur (SO<sub>x</sub>), and carbon monoxide due to their negative impacts on public health above specified concentrations.

The federal government followed suit and set NAAQS for six “criteria pollutants.” These included ground-level ozone, PM, NO<sub>x</sub>, SO<sub>x</sub>, and carbon monoxide, and added lead. Now, the US EPA reviews each NAAQS at five-year intervals to ensure that the standards are based on the most recent scientific information.

Regions that do not meet the national standards for any one of the standards are designated “nonattainment areas.” The FCAA sets deadlines for attainment based on the severity of nonattainment and requires states to develop comprehensive plans, known as the state implementation plan (SIP), to attain and maintain air-quality standards for each area designated nonattainment for NAAQS.

- 2) *SAFE and responses.* On August 2, 2018, the US Department of Transportation (DOT) and Environmental Protection Agency (US EPA) proposed to withdraw California’s 2013 waiver of FCAA preemption. This proposal was made on the grounds that California did not need its greenhouse gas emission or zero-emission vehicle standards to meet compelling or extraordinary conditions. Alongside this, the 2020 emission standards would, instead of increasing year over year, be frozen until model year 2025 vehicles. This was above and beyond requests made from automakers to evaluate and relax the standards.

On June 6, 2019, 17 US and foreign firms, include automakers, sent a letter to both President Trump and Governor Newsom, urging them to resurrect talks to avoid harming the industry and American consumers. They also said that only a nationally agreed-upon set of rules would avert “an extended period of litigation and instability, which could prove as untenable as the current program.”

On July 24, 2019, the California Air Resources Board (CARB) alongside Ford Motor Company, Volkswagen AG, Honda Motor Company Ltd., and BMW of North America agreed to increase vehicle fuel economy of their fleets 3.7

percent year over year between model year 2022 and model year 2026. This compromise represents a relaxation from the original 4.7 percent increase, but still ensures fleet emissions continue to improve. The agreement also includes conditions for promoting zero-emission technologies, simplifying emissions accounting, increasing innovation, streamlining improvements, and recognizing the value and necessity of maintaining California's unique relation to FCAA standards.

### Comments

- 1) *Purpose of Bill.* According to the author, "AJR-10 makes clear the Legislature's rejection of the proposed so called "Safer and Affordable Fuel Efficient Vehicles Proposal" and instead voices strong support for California's efforts to clean our air. This includes a recent agreement between the California Air Resources Board and automobile manufacturers to continue the progress that California has achieved. By continuing California's leadership in setting aggressive air quality standards, AJR 10 ensures the preservation of longstanding protections of public health, California residents, and the economy."

**SOURCE:** Author

### **SUPPORT:**

350 Bay Area Action  
Environmental Defense Fund  
Fossil Free California

### **OPPOSITION:**

None received

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