

Department of Planning and Budget 2020 Fiscal Impact Statement

1. **Bill Number:** HB577

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. **Patron:** Keam

3. **Committee:** Appropriations

4. **Title:** State Air Pollution Control Board; low emissions vehicle program.

5. **Summary:** Directs the State Air Pollution Control Board to implement a low-emissions motor vehicle program based on the motor vehicle standards authorized by Section 177 of the Federal Clean Air Act.

6. **Budget Amendment Necessary:** Yes. HB/SB 30. Item 378 (Department of Environmental Quality)

7. **Fiscal Impact Estimates:** Preliminary. See item 8.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2020	N/A	N/A	N/A
2021	\$165,500	-	General fund
2022	\$135,500	-	General fund
2023	\$135,500	-	General fund
2024	\$135,500	-	General fund
2025	\$135,500	-	General fund
2026	\$135,500	-	General fund

8. **Fiscal Implications:** This bill directs the State Air Pollution Control Board to implement a low-emissions motor vehicle (LEV) program based on the motor vehicle standards authorized by Section 177 of the Federal Clean Air Act. Section 177 specifically allows a state to adopt all or part of California's LEV standards via regulation. Currently, DEQ does not have the authority to develop and implement state-specific motor vehicle emissions standards.

To carry out tasks as described in the proposed bill, DEQ estimates that it will require \$115,000 annually to support an Environmental Specialist II position. This position will implement the new program, including developing and enforcing the necessary regulations. DEQ also anticipates a need of \$50,000 in FY 2021 for development of an online registration platform, and \$20,000 annually for its ongoing maintenance.

HB30/SB30, as introduced, includes \$31 million in general fund support over the biennium to restore and enhance DEQ's capacity for water protection, solid waste, and biosolids permitting; community outreach; air and water monitoring; and protection of the Chesapeake Bay. As introduced, HB30/SB30 does not include additional support for the activities described in the proposed bill, so a budget amendment is necessary.

Any fiscal impact to other agencies' purchasing of vehicles would depend on the regulations adopted by the Board and would be indeterminate at this time.

9. Specific Agency or Political Subdivisions Affected: Department of Environmental Quality; State Air Pollution Control Board;.

10. Technical Amendment Necessary: No.

11. Other Comments: None.