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# California State Senate

SENATOR  
**JOSH NEWMAN**

TWENTY-NINTH SENATE DISTRICT



## COMMITTEES

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JOINT LEGISLATIVE COMMITTEE  
ON EMERGENCY MANAGEMENT

April 19, 2021

Mr. Richard Corey  
Executive Officer  
California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

RE: Proposed Mobile Source Certification and Compliance Fees

Dear Mr. Corey:

On April 22, the California Air Resources Board (CARB) will consider adopting a series of fees on the manufacturers of certain products sold in California. Included in the proposed regulatory package is an application fee on manufacturers of aftermarket and performance automotive parts. In discussing the proposed regulation with representatives from the aftermarket and performance parts industry, it's my opinion that while the fees proposed for Executive Order applications are a reasonable starting place, a significant amount of uncertainty persists, for both the Board and industry, stemming from recent changes to the application process.

As the state senator for California's 29<sup>th</sup> District, I'm proud to represent the Specialty Equipment Market Association (SEMA), which is headquartered in the city of Diamond Bar. I do appreciate CARB's recent, admirable efforts at working collaboratively on this regulation with SEMA and its members. Since my first years in the Senate, I have been working with SEMA to improve the process for approving Executive Orders at CARB for the benefit of both CARB staff and the aftermarket auto parts industry. Toward that end, in 2017 I introduced SB 660, which would have provided a legislative basis for enabling industry to fund additional staff at CARB to better address the workload for EO applications. Ultimately, this legislation was set aside and instead I worked the Administration and my colleagues in the Legislature to secure through the state budget process the additional staff needed to accelerate the issuance of Executive Orders.

Recognizing that the new CARB positions required financial support, I again worked with stakeholders to provide a mechanism for funding these new positions at the Board. Consequently, additional budget action was taken to allow the Board to impose a nominal fee on Executive Order applications in exchange for improved processing times. In reviewing the fee proposal and discussing it with SEMA, I appreciate CARB's acknowledgement that the fee be appropriate while not unduly harming small businesses recovering from the pandemic or undermining compliance with California's air quality standards.

Further, in my recent conversations with manufacturers and industry representatives, they are encouraged that the improvements in application processing times resulting from the new procedures recently approved by CARB will provide enhanced certainty with respect to timely processing. In recognition of the productive relationship CARB has forged with the aftermarket and performance parts industry, I request that CARB maintain an open dialogue

with the industry in the near-term, while ensuring that the new fee structure is reasonable and applicants benefit from improved processing times.

Given the uncertainties surrounding the new procedures and the fee itself, re-assessing both the fee and procedures regulations in the near future will be important. I want to be mindful that if the application process is allowed to be too lengthy, expensive, or unpredictable, it will unfortunately have the net effect of deterring compliance for manufacturers while creating a costly enforcement burden for CARB and also harming California's air quality in the long run.

I very much appreciate your consideration and the ongoing important work at CARB. If you have any questions, please contact Alina Evans in my office at [alina.evans@sen.ca.gov](mailto:alina.evans@sen.ca.gov).

Sincerely,

A handwritten signature in black ink, appearing to read 'Josh Newman', with a long horizontal flourish extending to the right.

Josh Newman  
State Senator, 29th District