

Richard Polanco  
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*From the Desk of  
Senator Richard Polanco (ret.)  
Former Senate Majority Leader  
Remarks ARB  
November 18, 2010*

Madam Chairwoman Mary Nichols, Commissioners and Staff, I am delighted to be here this morning.

For the record, my name is Richard Polanco. I served sixteen years in the Legislature, my last four years as the Senate Majority Leader.

I am here today representing Rypos Inc, a clean technology company that manufactures emission control measure to clean the air we breathe.

They manufacture and operate a very successful program using ARB diesel retrofit verification requirements in California and elsewhere in North America.

We are working in tandem with MECA, the Manufactures of Emission Controls Association and its members who have a proven record in developing and manufacturing emission control technologies.

During my tenure in the legislature, I authored the bill which became law requiring all state regulatory agencies like ARB to conduct an economic impact study and a report with public hearings prior to adopting the rule.

We commend ARB staff for its continued efforts to providing California with healthy air quality and for demonstrating leadership in holding this hearing.

However, what is becoming clear and a common theme in our state regulatory frame work, is to blame the recession and use the recession as a means to delay, defer, extended or stop rules and regulations from being enforced.

We must not allow for that slipper slop to happen. The public is not aligning with that notion and it is evidence in the result of the November 2<sup>nd</sup> election in the defeat of Prop 23.

Prop 23 called to “Suspend Implementation of Air Pollution Control Law (AB 32) requiring Major Sources of Emissions to Report and Reduce Greenhouse Gas Emissions that Cause Global Warming, Until Unemployment Drops to 5.5% or For a Full Year” and the voters said NO!

The voters said no to the question of suspending the law, and today the ARB Board should follow suit.

Less than 50% of the Transport Refrigeration Units (TRUs) operating in or travelling into California is compliant at this time. Further enforcement is required to ensure all operators are treated equally.

Changing the compliance schedule would delay or eliminate implementation of the best available technologies for reducing emissions from stationary, transport refrigeration and off-road equipment.

This will result in increased emission and serve no purpose other than extending the time for older engines to continue polluting the air.

Delays equal more pollution and particulate matter. Particulate causes health problems and premature death.

Delays or extensions will create significant setback. Delays are not merited and delays will bring into question regulatory reliability and stability.

We believe any delay would be unnecessary and counter-productive to ARB’s mission of reducing particulate matter emissions in order to protect public health and the environment.

The stability of the regulations and the certainty of their enforcement are paramount in determine whether to invest in further clean air technology development.

More than 100 million dollars from the private sector has gone into Research and Development for emission control measures and other clean technologies. For every million dollars spent on replacing older vehicles and equipment with newer clean diesel vehicles creates or preserves about 15 jobs.

Here in our state more than 50 dealerships have been created for providing retrofit emission control measures. These are small businesses located up and down California including the central valley.

There has been no price escalation and there are plenty of products available to service the market.

Our own California Pension Fund "CalPERS" has allocated \$500 million for "Clean Technology" and Rypos is one of the many emerging companies that are creating economic growth and jobs from these allocations.

This Board has created the regulatory framework for businesses in this space and it's been successful.

Reliability & Stability of Regulations coupled with Certainty of enforcement and resources will advance this emerging clean technology sector of our economy and in so doing will move towards a cleaner air quality and environment.

On behalf of my client and our partners MECA and all those who voiced their opposition to Prop 23, we are requesting the ARB Board to adopt the proposed amendments without any delay or extensions, second that the Board provide the resources necessary for enforcement and implementation, and third that staff be directed not to open this issue for discussion next year in 2011.

Let us all implement the will of the people who spoke loud and clear on November 2<sup>nd</sup>.

I thank you for the opportunity to address you this morning on this very important issue.