

State of California  
AIR RESOURCES BOARD

Resolution 06-45

December 7, 2006

Agenda Item No.: 06-11-6

WHEREAS, sections 39600 and 39601 of the Health and Safety Code authorize the Air Resources Board (ARB or the Board) 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 44109 of the Health and Safety Code directs Voluntary Accelerated Vehicle Retirement (VAVR) programs to use appropriate means to solicit vehicles owners that may include high emitting vehicles based on the use of smog check, remote sensing, or high-emitter profile information;

WHEREAS, section 44120 of the Health and Safety Code directs the Board that VAVR programs operating under ARB regulations shall be consistent with appropriate state board guidance;

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 VAVR 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, VAVR 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, amendments to the VAVR regulations were adopted by the Board on February 21, 2002, in Resolution 02-4, and promulgated in California Code of Regulations, title 13, division 3, chapter 13, article 1, sections 2600-2611, to harmonize the requirements and implementation of VAVR programs with the motor vehicle inspection program and provide for the recovery of non-emission control related parts from vehicles prior to dismantling;

WHEREAS, in March, June, and August of 2006, ARB staff held public workshops to present concepts and regulatory language and to accept public comment on additional proposed amendments to the VAVR regulations;

WHEREAS, in a Staff Report: Initial Statement of Reasons for Proposed Amendments to ARB's Regulations for Voluntary Accelerated Light-Duty Vehicle Retirement, released October 20, 2006 (the Staff Report), the staff has proposed amendments to the VAVR regulations to allow the option of using remote sensing devices to identify high emitting vehicles and provide for the generation of extra emission reduction credits for their retirement; the proposed amendments are set forth in Attachment A hereto;

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, in consideration of the Staff Report and the oral and written comments received from the air districts, interested parties, and the public, the Board finds:

1. The proposed regulatory amendments will provide air districts with more options to eliminate emissions from more polluting, on-road vehicles;
2. The proposed regulatory amendments will bring the regulation into harmony with the authorizing legislation;
3. The proposed amendments preserve the car collector provisions and retain the voluntary nature of VAVR programs;
4. The proposed amendments will clarify and consolidate responsibilities and requirements for administrators and operators of VAVR programs;
5. In response to comments from the public, the proposed amendments authorize the optional use technologies such as remote sensing devices and high emitter profile databases to identify high emitting vehicles and the generation of extra emission reduction credits for their retirement;
6. The proposed amendments require ARB-approved plans for administering a high emitting vehicle program prior to implementing the plan;
7. The proposed amendments replace the default emission reduction look up tables with the underlying equations for ease of updating;
8. The proposed amendments to the regulation provide the criteria for evaluating methodologies for calculating extra emission reductions;
9. Adoption of the proposed amendments will not have a significant adverse environmental impact and that the regulations are projected to have a positive air quality impact; and
10. No alternative considered by the Board would be more effective in carrying out the purpose for which the amendments are proposed or would be as effective and less burdensome to affected private persons.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts the amendments to title 13, California Code of Regulations, division 3, Air Resources Board, chapter 13, Voluntary Accelerated Vehicle Retirement Enterprises; article 1, Voluntary Accelerated Light-Duty Vehicle Retirement Enterprises, sections 2600-2611 and Appendices A (Vehicle Functional and Equipment Eligibility Inspection Form),

B (Emission/Drive Train-Related Parts List), C (Quality Control Checklist), and D (Calculation of Default Emission Reductions) as set forth in Attachment A hereto.

I hereby certify that the above is a true and correct copy of Resolution 06-45, as adopted by the Air Resources Board.

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Lori Andreoni, Clerk of the Board

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Identification of Attachment to the Resolution

**Attachment A:** Proposed amendments to title 13, California Code of Regulations, sections 2601-2611, Regulations for Voluntary Accelerated Light-Duty Vehicle Retirement, as set forth in Appendix A to the Staff Report: Initial Statement of Reasons for Rulemaking, released October 20, 2006