

Agenda Date: October 18, 2007
Agenda Placement: Regular
Estimated Time: 60 Minutes
Continued Item: Yes

Board Agenda Item

TO: Air Pollution Control District Board

FROM: Terry Dressler, Air Pollution Control Officer

CONTACT: Tom Murphy, 961-8857

SUBJECT: Proposed New APCD Rule 213, Fees for Registration Programs

RECOMMENDATION

Hold the second public hearing to receive testimony on proposed new APCD Rule 213, Fees for Registration Programs and consider options A or B below.

- A. Adopt the attached Resolution (Attachment 1) which will result in the following actions:
1. Adoption of the California Environmental Quality Act (CEQA) findings given in Attachment 2.
 2. Adoption of the associated findings (Attachment 3) in support of adopting new Rule 213 pursuant to Health and Safety Code Section 40727 regarding authority, necessity, clarity and consistency. The findings acknowledge public comments on the new rule (Attachment 4) and staff's responses to these comments (Attachment 5).
 3. Adoption of new Rule 213 that establishes a new fee of \$200 for registration of each agricultural engine subject to the Rule (Attachment 6).
- B. Consider an alternative fee option for new Rule 213 (Attachment 7) which provides a range of fees to be applied to registration of agricultural engines from \$100 to \$243, provide any additional direction to staff regarding the alternative fee option, and set a public hearing date to consider adoption of new Rule 213 on December 20, 2007.

DISCUSSION

The California Air Resources Board recently adopted a State Airborne Toxic Control Measure (ATCM) for stationary diesel engines (California Code of Regulations Title 17, section 93115 as revised in April 2007). The Office of Administrative Law has approved the ATCM and filed it with the Secretary of State on September 18, 2007. The ATCM becomes effective on October 18, 2007.

Your Board adopted new APCD Rule 1201, Registration of Agricultural Diesel Engines, on August 16, 2007 to implement the registration requirements of the ATCM as it applies to diesel engines used in agricultural operations. At the August hearing, staff also presented proposed new APCD Rule 213, Fees for Registration Programs, which would require owners or operators of equipment subject to Rule 1201 registration provisions to pay an initial \$200 registration fee and an annual \$200 registration renewal fee in order for the APCD to partially recover the costs associated with implementing and enforcing the ATCM. As with all APCD fees, this fee may be adjusted annually based on the California Consumer Price Index. During discussion of this proposed new rule, the Board directed staff to double-check our original revenue/expenditure analysis and to evaluate alternatives for assessing fees on the new agricultural engine registration program. The original proposal as presented at the August hearing is called Option A, and the alternative fee proposal, which is discussed below, is called Option B.

Pursuant to Section 39666(d) of the California Health and Safety Code, the APCD is responsible under state law to enforce the stationary diesel engine ATCM. The ATCM, which applies to engines rated over 50 horsepower, has significant requirements for both existing and new diesel engines used in agricultural activities, including a requirement that all engines that are subject to the regulation be registered with the local air district. Existing engines greater than 50 horsepower are required to be registered by the APCD by March 1, 2008. New engines greater than 50 horsepower that are installed after January 1, 2005 must be registered with the APCD by November 14, 2007. New engines installed between August 18, 2007 and November 14, 2007 have 90 days after installation to apply for APCD registration.

Basis for Proposed New Rule 213 (Option A)

The ATCM provides for APCD cost recovery through fees and requires engine owners or operators to pay “any fees assessed by the District for the purpose of recovering the District’s cost of implementing and enforcing” the ATCM (California Code of Regulations, Title 17, section 93115.8(d)).

The proposed fee in new Rule 213 was developed jointly with San Luis Obispo County APCD and Ventura County APCD staff to facilitate **reciprocity** of the registration programs in all three counties. This means that an engine registered in one of the three counties can operate in any of the three counties without additional fees or paperwork. The basis for the fee was estimated by calculating the tasks and level of effort required to implement the ATCM for an assumed population of 300 engines in Santa Barbara County. The major tasks required to implement and enforce the ATCM include:

- Program development
- Program oversight
- Outreach
- Source identification
- Data entry
- Inspections and ongoing enforcement

- Air Toxic Hot Spots implementation, advertising and outreach

The level of effort for each of these tasks was estimated over a five-year span to account for the varying level of effort required for program start-up and longer-term implementation. Our revenue/expenditure analysis assuming 300 engines in Santa Barbara County found that the five-year annualized costs to implement and enforce the program are as follows:

- Annual revenue: \$60,000 per year
- Annual costs: \$65,500 per year
- Cost recovery: approximately 90 percent
- Annual level of effort: approximately one-third of a full time employee
- Level of effort per engine registered in the program: less than two hours per year

Since the ATCM is an unfunded mandate, the APCD does not receive any additional funding for this program; all un-recovered costs from implementing this ATCM and its requirements will be spread among other discretionary revenue sources.

With Option A, staff recommends a fee of \$200/year for each engine registered in the program. This proposed fee is roughly equivalent to the Air Resources Board's annual portable engine registration fee of \$207. The proposed fee is lower than the permit costs for comparable engines subject to District permits which can average between \$300 - \$500 per year or more for larger engines. San Luis Obispo County APCD adopted a \$200 per engine per year registration fee on July 25, 2007 and Ventura County APCD adopted the same fee on September 11, 2007.

An important aspect of implementing and enforcing the ATCM is the need to conduct ongoing engineering, customer service support and compliance work and to account for those costs. We used a five year time horizon to estimate costs for ongoing work as the program transitions from program development to program implementation and enforcement. Estimating the costs to implement and enforce the ATCM beyond five years introduces significant uncertainty into the estimates and is not recommended. It is important to note, however, that the requirements are phased in over a ten year period between now and 2017. A detailed discussion of ongoing costs to implement and enforce the ATCM is provided in the next section.

Stakeholder and Board Member Feedback

Starting in February 2007, APCD staff held several meetings with affected stakeholders and provided three APCD Board briefings. We met with the Santa Barbara County Agricultural Advisory Committee (March 8 and August 1), the Santa Barbara APCD Agricultural Air Quality Coalition (February 22 and June 14), the Santa Barbara County Farm Bureau (May 31), and the Growers-Shippers Vegetable Association of Santa Barbara and San Luis Obispo Counties (August 14th). A synopsis of the comments and concerns that we heard regarding Rule 213 include the following points:

1. Emergency standby engines should pay reduced fees due to lower use.
2. Tier 3 engines should pay reduced fees because they are the cleanest engines currently available.
3. There should be a fee reduction for owners/operators of multiple engines.
4. Why are there ongoing tasks and costs associated with implementing and enforcing the ATCM?
5. Why are costs calculated over a five year period?

6. Review our expenditure analysis and double-check the costs to implement and enforce the ATCM.
7. What are the implications of not recovering 100 percent of the costs associated with implementing and enforcing the ATCM?

Items 1 and 2 above will be addressed in the next section that presents an alternative fee proposal (Option B) that will provide for reduced fees for emergency standby engines and less polluting Tier 3 and Tier 4 (future) engines. Staff considered item 3 and concluded that providing reduced fees for multiple engines was a difficult option to propose since we do not see significant cost reductions for compliance activities required to implement and enforce the ATCM on multiple engines, as each individual engine will need to be inspected periodically.

Item 4 requires a summary of the ongoing engineering and compliance work that we need to perform to implement and enforce the ATCM. Ongoing engineering work includes:

- Registration issuance— This involves the handling of the engine application, checking for completeness and preparing and issuing of the registration document. Staff involved includes the permit technician, office technician and Engineering Supervisor. Incomplete applications, which are quite common, result in additional work. This also requires the creation and updating/maintaining of application forms/materials and registration documents.
- Engineering evaluation assistance— Hands on phone and in-person technical support to businesses. Specifics include engine requirements, engine re-location issues, control device specifications, and assistance in engine selection.
- Customer service providing education and guidance on ATCM requirements— Hands-on phone and in-person regulatory support to businesses. This involves detailed explanations of the regulation, its requirements and how it applies to particular businesses in question. Given that ARB has not provided guidance, a significant level of ongoing assistance will be required.
- Database development, data input, maintenance, and reporting to ARB— Development of a database program to create engine registration documents and reports and to track program data. This involves upfront development cost and annual ongoing maintenance efforts, including programming fixes/updates, boilerplate document updates, and webpage creation and maintenance.
- GIS application for remote engines— Creation and ongoing maintenance and updating of a GIS program that allows for the tracking and identification of an estimated seventy percent of agricultural engines that qualify for the remote engine exemption in the ATCM. This program will provide businesses and the APCD a more efficient tool to identify whether specific engines comply with the exemption. This requires staff and ongoing training of an engineer to maintain the system.
- Engine replacement guidance— Provide hands-on technical and regulatory guidance to businesses over the course of the ATCM implementation period (2007 – 2017).
- Air Toxics evaluation assistance— Provide detailed air toxics health risk screening and (as needed) refined health risk analysis in determining compliance with AB-2588 requirements. This is an ongoing task, which will apply indefinitely to some engines.

Ongoing compliance work includes:

- Pre-inspection registration review and scheduling— Determine which engines need to be inspected and when. Review engine registration file including all correspondence. Contact engine owner/operator and schedule inspection.
- Periodic inspections and reports— Travel to and from site. Meet/greet contact; discuss inspection plan and topics of interest to contact. Engine inspection includes verifying engine make model and

- Tracking remotely located engines— Coordinate with Engineering on registration information to ensure ongoing knowledge of engine locations and applicability of remote location exemption.
- Verification of engine replacements— Due to compliance dates in 2010, 2011, 2014, 2015, and 2017 periodic inspections will have to confirm that existing Tier 0, 1, and 2 engines have been replaced according to the ATCM.
- Locating un-registered engines— Conduct a reasonable level of surveillance to ensure that all applicable diesel agricultural engines have been registered and are in compliance with the ATCM.
- Compliance follow-up— Record inspection in APCD data base tracking program.

While ongoing engineering and compliance activities will vary depending on individual engines registered, we have reviewed our ongoing costs estimates with San Luis Obispo County APCD and Ventura County APCD staff and believe that we have estimated these costs to the best of our ability. It is very important to recognize that the ATCM has several compliance trigger dates for engine replacement, including 2010, 2011, 2014, 2015, and 2017. This range of compliance dates will necessitate continued effort by APCD staff to ensure compliance with the ATCM.

Item 5 was addressed in the previous section which presents the basis for the staff recommended Option A fee structure for Rule 213. We have reviewed our workload estimates in response to item 6, as discussed above. Item 7 is discussed in the next section.

Summary and Implications of Alternative Rule 213 (Option B)

To address comments relating to reduced fees for both emergency standby engines and Tier 3 engines, staff has developed an alternative fee option that the Board may consider. There are several important assumptions that have been made to provide this alternative, including:

- We assume a population of 300 agricultural engines and estimate numbers by age, location and use
- Fees are based on age, location and use
- Emergency standby and Tier 3 (Tier 4 in the future) engines pay less due to Board direction to reduce compliance costs (fewer staff resources) to implement and enforce the ATCM for cleaner engines
- all other engines (Tier 0, 1, and 2) pay more for registration due to higher costs associated with implementing the ATCM for dirtier, more polluting engines
- Fees recover 90% of district's estimated annual costs (\$60,000 revenue vs. \$65,500 annual cost)

Importantly, this option also **precludes** having a **reciprocal** registration program with San Luis Obispo County and Ventura County. Thus, operators using engines in more than one county will need to register those engines in the counties in which they are used resulting in higher costs for those engines than would occur under Option A.

On average over the next five years, we estimate that there will be approximately 15 standby engines, 25 Tier 3 engines, and 240 Tier 0, Tier 1, or Tier 2 engines registered with the APCD. To maintain a 90 percent revenue recovery rate and provide a reduced fee for emergency standby engines and Tier 3 engines

(or Tier 4 in the future) of \$100 per engine per year, the fees for all remaining higher-polluting engines must be set at \$243 per engine per year. As we are still attempting to recover only 90 percent of the costs to implement and enforce the ATCM, all unrecovered costs will be spread among other discretionary revenue sources. The implication of not recovering 100 percent of our costs is that the costs of the ATCM will have to be subsidized by other discretionary sources of revenue (e.g., penalties, state subvention, interest, etc.).

Written Comments

All written comments received on proposed new Rule 213 by September 28, 2007 are included in Attachment 4, responded to in Attachment 5, and summarized here for your Boards consideration. We received comment letters from Jan Evans representing the Santa Barbara County Flower & Nursery Growers Association, Andy Caldwell representing COLAB, and Craig Reade representing Bonipak.

Jan Evans polled the Board of Directors and members of the Flower & Nursery Growers Association and all responses received were for the Alternative Option B in that the older engines would prompt the higher fee and the newer engines would be subject to the lower fee. There was a universal feeling among her Board and members that this was a fairer method of applying the fees. The issue of reciprocity did not appear to be a factor at all, even though some of the members farm in the neighboring counties.

Andy Caldwell consulted with the COLAB Board of Directors and members of the agricultural community and found that some members preferred the reciprocity agreement; others wanted lower fees once they replace their engines. Andy recommends that the Board adopt Rule 213 as provided in Option A and requests that the Board send a letter to their counterparts in Ventura County and San Luis Obispo County asking them to amend their Rules to provide lower fees to growers who replace their engines.

Craig Reade felt that Option A was the best way to move forward and, if needed, work on changes at a later date.

SUMMARY OF STAFF RECOMMENDATION

Staff recommends that the Board adopt Option A, proposed new Rule 213 as presented today and at the August 16, 2007 hearing. We believe that it is important to have a program that is reciprocal with San Luis Obispo County and Ventura County and that the proposed fee is reasonable, fair, and represents our best estimate of the costs to implement and enforce the ATCM. If the Board wishes instead to consider the alternative Option B fee approach, an additional hearing will be necessary, which would be set for December 20, 2007.

COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

To comply with the California Environmental Quality Act (CEQA), the APCD prepared a Notice of Exemption (Attachment 8) pursuant to CEQA Guidelines section 15307. The APCD analyzed the proposed Rule and found no potential for reasonably foreseeable environmental impacts from the method of compliance. The Rule is an action taken by a regulatory agency as authorized by state law to assure clean air and protect public health.

Attachments:

1. Board Resolution
2. CEQA Findings
3. Rule Findings
4. Public Comments
5. Response to Comments
6. Proposed Rule 213
7. Alternative Option for Proposed Rule 213
8. CEQA Notice of Exemption

ATTACHMENT 1
BOARD RESOLUTION

PROPOSED RULE 213
FEES FOR REGISTRATION PROGRAMS

OCTOBER 18, 2007

Santa Barbara County Air Pollution Control District

260 San Antonio Road, Suite A
Santa Barbara, California 93110

(805) 961-8800

**RESOLUTION OF THE AIR POLLUTION
CONTROL DISTRICT BOARD OF THE COUNTY OF
SANTA BARBARA, STATE OF CALIFORNIA**

| | | |
|--------------------------|---|----------------------------|
| In the Matter of |) | APCD Resolution No. |
| |) | |
| Adopting Rule 213 |) | |
| _____ |) | |

RECITALS

1. The Air Pollution Control District Board of the County of Santa Barbara (“Board”) is authorized to adopt, amend, or repeal rules and regulations pursuant to Health and Safety Code section 40725 *et seq.*

2. Pursuant to Health and Safety Code section 39666(d), districts shall implement and enforce state Airborne Toxic Control Measures or Boards shall adopt rules and regulations to enact the implementation and enforcement of the Airborne Toxic Control Measures. The Board has elected to implement and enforce the state Airborne Toxic Control Measure for Stationary Compression Ignition Engines rather than adopting a rule for the Airborne Toxic Control Measure.

3. On August 16, 2007, the Board adopted Rule 1201 (Registration of Agricultural Diesel Engines) to facilitate the implementation and enforcement of the aforementioned Airborne Toxic Control Measure. Rule 1201 requires equipment subject to the aforementioned Airborne Toxic Control Measure to be registered with the Air Pollution Control District.

4. Pursuant to Title 17, California Code of Regulations §93115.8(d), the Board may require owners or operators of engines subject to the aforementioned state Airborne Toxic Control Measure to pay fees to recover costs of implementing and enforcing the aforementioned Airborne Toxic Control Measure.

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT:

1) This Board has held a hearing and accepted public comments in accordance with the requirements of Health and Safety Code section 40725 *et seq.*

2) The California Environmental Quality Act (“CEQA”) findings set forth in Attachment 2 of the Board Package dated October 18, 2007 (herein after “Board Letter”) are hereby adopted as findings of this Board pursuant to CEQA and the CEQA guidelines.

3) The general rule findings, as set forth in Attachment 3 of the Board Letter, are hereby adopted as findings of this Board pursuant to Health and Safety Code section 40727.

4) The Responses to Public Comments, as set forth in Attachment 5 of the Board Letter, are hereby adopted as findings of this Board.

5) Rule 213 as set forth in Attachment 6 is hereby adopted as a new rule of the Santa Barbara County Air Pollution Control District pursuant to Health and Safety Code section 40725 *et seq.*

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PASSED AND ADOPTED by the Air Pollution Control District Board of the County of Santa Barbara, State of California, this ____ day of _____, 200_, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

TERENCE E. DRESSLER
CLERK OF THE BOARD,

By _____
Deputy

Chair, Air Pollution Control
District Board of the County of
Santa Barbara

APPROVED AS TO FORM:

STEPHEN SHANE STARK
SANTA BARBARA COUNTY COUNSEL

By _____
Deputy

Attorneys for the Santa Barbara County
Air Pollution Control District

ATTACHMENT 2

CEQA FINDINGS

PROPOSED RULE 213

FEEES FOR REGISTRATION PROGRAMS

OCTOBER 18, 2007

Santa Barbara County Air Pollution Control District

260 San Antonio Road, Suite A
Santa Barbara, California 93110

(805) 961-8800

CEQA FINDINGS

The project consists of proposed new Rule 213, Fees for Registration Programs. New Rule 213 is being proposed to recover costs associated with Rule 1201 which implements and enforces the recently adopted State Airborne Toxic Control Measures (ATCM) for stationary diesel engines (California Code of Regulations, §93115) and as revised in April 2007. No construction activities will occur.

The Santa Barbara County APCD prepared a Notice of Exemption (Attachment 8 of the Board Package dated October 18, 2007) for the project.

The Board finds that:

- Pursuant to § 15307 of the State CEQA Guidelines, the project is exempt because it does not have the potential for causing a significant effect on the environment.
- Pursuant to Public Resources Code (PRC) § 21084, no environmental document is required because the project is exempt from CEQA.

The APCD will prepare and file a Notice of Exemption with the County Clerk of the Board in compliance with State CEQA Guidelines § 15062 (a).

ATTACHMENT 3

RULE FINDINGS

PROPOSED RULE 213
FEES FOR REGISTRATION PROGRAMS

October 18, 2007

Santa Barbara County Air Pollution Control District

260 San Antonio Road, Suite A
Santa Barbara, California 93110

(805) 961-8800

RULE FINDINGS FOR PROPOSED RULE 213

Pursuant to California Health and Safety Code section 40727, the Board makes the following findings for adopting proposed Rule 213 (Fees for Registration programs).

Necessity

The Board determines that it is necessary to adopt proposed Rule 213 (Fees for Registration Programs) for the purposes of recovering costs for implementing and enforcing the state Airborne Toxic Control Measure for Stationary Compression Ignition Engines.

Authority

The Board is authorized under state law to adopt, amend, or repeal rules and regulations pursuant to Health and Safety Code section 40000, and 40725 through 40728 which assigns to local and regional authorities the primary responsibility for the control of air pollution from all sources other than exhaust emissions from motor vehicles. In addition, Health and Safety Code section 40702 requires the District Board to adopt rules and regulations and to do such acts as necessary and proper to execute the powers and duties granted to it and imposed upon it by state law.

Clarity

The Board finds that proposed Rule 213 is sufficiently clear. The District publicly noticed the proposed revisions to proposed Rule 213. The rule is written or displayed so that its meaning can be easily understood by persons directly affected by it.

Consistency

The Board determines that proposed Rule 213 is consistent with, and not in conflict with or contradictory to, existing federal or state statutes, court decisions, or regulations.

The neighboring air pollution control districts include the Ventura County Air Pollution Control District and San Luis Obispo County Air Pollution Control District. In July 2007, San Luis Obispo County APCD adopted a rule similar to Rule 213 and the Ventura County APCD adopted a rule similar to Rule 213 in September 2007. Based on this evidence, the Board finds that the rule is consistent with neighboring air pollution control districts.

Nonduplication

The Board finds that proposed Rule 213 does not impose the same restrictions as any existing state or federal regulation, and the proposed rule revision is necessary and proper to execute the powers and duties granted to, and imposed upon, the APCD.

Reference

The Board finds that we have authority under State law to adopt proposed Rule 213 pursuant to Health and Safety Code section 39002, which assigns to local and regional authorities the primary responsibility for the control of air pollution from all sources other than exhaust emissions from motor vehicles. Additionally, pursuant to Health and Safety Code section 40702, the Board is required to adopt rules and regulations and to do such acts as necessary and proper to execute the powers and duties granted to it and imposed upon it by state law.

Additional Findings: Public Comment

Response to Comments

The Board has reviewed the public comments included in Attachment 4 and hereby approves the responses to comments set forth as Attachment 5 as findings.

ATTACHMENT 4

PUBLIC COMMENTS

PROPOSED RULE 213

FEEES FOR REGISTRATION PROGRAMS

OCTOBER 18, 2007

Santa Barbara County Air Pollution Control District

260 San Antonio Road, Suite A
Santa Barbara, California 93110

(805) 961-8800

COMMENT 1.

From: JANICE EVANS [mailto:janicevans@verizon.net]
Sent: Monday, September 17, 2007 4:43 PM
To: Terry E. Dressler
Subject: Registration of Agricultural Diesel Engines

Hi Terry ~

My Board of Directors and members of the Santa Barbara County Flower & Nursery Growers Association were polled last week as to their preference of the Registration and Fee Schedule for ag diesel and emergency generator engines.

All responses received were for the Alternative Proposal in that the older engines would prompt the higher fee and the newer engines would be subject to the lower fee. There seemed to be a universal feeling that this was the fairer method of applying the fees. The issue of reciprocity did not appear to be a factor at all, even though some of my members do farm in the neighboring counties.

Hope that this information can be factored into the updated report that will go back to your Board of Directors in October. Again, I want to thank you and your staff for your willingness to work with us and hope that we can come to an agreeable accommodation on this issue.

Regards,

Jan Evans, Executive Director
Santa Barbara County Flower & Nursery Growers Association
Phone/Fax: 805-966-0720
E-mail: janicevans@verizon.net

COMMENT 2.

From: Andy Caldwell [mailto:andy@colabsbc.org]
Sent: Friday, September 21, 2007 9:01 PM
To: Terry E. Dressler; 'Richard Quandt'; 'JANICE EVANS'
Cc: 'Carbajal, Salud'; jwolf@sbcbos2.org; Joe Centeno; 'Gray, Joni'; bfirestone@co.santa-barbara.ca.us
Subject: RE: Rule 213

Dear Terry,

After having consulted with my board and other folks in ag, I am torn!

Some of our members want the reciprocity agreement, others want lower fees once they replace their engines.

I think Richard Quandt came up with the best compromise.

Go with the \$200 fee and the reciprocity agreement for now.

But, as soon as possible, ask your Board to send a letter to their counterparts in Ventura and SLO asking them to amend the agreement to grant the incentive/discount to the growers who replace their engines.

We believe creating the incentive to replace is win/win for both the environment and our economy.

Thank you for reaching out to us and being proactive.

We appreciate it.

Andy Caldwell
COLAB

COMMENT 3.

From: Craig Reade [mailto:craig@bonipak.com]

Sent: Monday, September 24, 2007 11:00 AM

To: 'Andy Caldwell'; Terry E. Dressler; 'Richard Quandt'; 'JANICE EVANS'

Cc: 'Carbajal, Salud'; jwolf@sbcbos2.org; 'Joe Centeno'; 'Gray, Joni'; bfirestone@co.santa-barbara.ca.us

Subject: RE: Rule 213

Good morning to all,

I feel Richards's suggestion (compromise) is the best way to move forward.

I understood this to be the original agreement. Lets stay with it and if needed work on changes at a later date.

ATTACHMENT 5

RESPONSE TO COMMENTS

PROPOSED RULE 213

FEEES FOR REGISTRATION PROGRAMS

OCTOBER 18, 2007

Santa Barbara County Air Pollution Control District

260 San Antonio Road, Suite A
Santa Barbara, California 93110

(805) 961-8800

APCD Responses to Written Comments

1. Thank you for your comment. We have summarized your comment in the Board letter and have attached it (Attachment 4) to the Board package. The Board will consider your input during their consideration of Options A or B for Rule 213.
2. Thank you for your comment. We have summarized your comment in the Board letter and have attached it (Attachment 4) to the Board package. The Board will consider your input during their consideration of Options A or B for Rule 213.
3. Thank you for your comment. We have summarized your comment in the Board letter and have attached it (Attachment 4) to the Board package. The Board will consider your input during their consideration of Options A or B for Rule 213.

ATTACHMENT 6

PROPOSED RULE 213
FEES FOR REGISTRATION PROGRAMS

OCTOBER 18, 2007

Santa Barbara County Air Pollution Control District

260 San Antonio Road, Suite A
Santa Barbara, California 93110

(805) 961-8800

RULE 213. FEES FOR REGISTRATION PROGRAMS (Adopted [*date of adoption*])

A. Applicability

Effective [*date of adoption*], this rule applies to diesel engines registered pursuant to Rule 1201.

B. Fee

The fee for registering and renewing registration of any diesel engine subject to Rule 1201 is set forth in Schedule 213-A.

C. Annual Adjustment in Fees

Any fee prescribed in this Rule may be adjusted annually by the Control Officer based on the change in the California Consumer Price Index (CPI) for the preceding year, as determined pursuant to Section 2212 of the Revenue and Taxation Code. All other revisions of this Rule require approval of the District's Board of Directors.

APPROVED AS TO FORM:

STEPHEN SHANE STARK
SANTA BARBARA COUNTY COUNSEL

By _____
Deputy

Attorneys for the Santa Barbara County
Air Pollution Control District

SCHEDULE 213-A

| | |
|--|-------|
| Registration and registration renewal of agricultural diesel engines | \$200 |
|--|-------|

ATTACHMENT 7

ALTERNATIVE OPTION FOR PROPOSED RULE 213

FEEES FOR REGISTRATION PROGRAMS

OCTOBER 18, 2007

Santa Barbara County Air Pollution Control District

260 San Antonio Road, Suite A
Santa Barbara, California 93110

(805) 961-8800

RULE 213. FEES FOR REGISTRATION PROGRAMS (Adopted [*date of adoption*])

A. Applicability

Effective [*date of adoption*], this rule applies to diesel engines registered pursuant to Rule 1201.

B. Fee

The fee for registering and renewing registration of any diesel engine subject to Rule 1201 is set forth in Schedule 213-A.

C. Annual Adjustment in Fees

Any fee prescribed in this Rule may be adjusted annually by the Control Officer based on the change in the California Consumer Price Index (CPI) for the preceding year, as determined pursuant to Section 2212 of the Revenue and Taxation Code. All other revisions of this Rule require approval of the District's Board of Directors.

SCHEDULE 213-A

| | |
|--|-------|
| Registration and registration renewal of emergency standby agricultural diesel engines | \$100 |
| Registration and registration renewal of Tier 3 agricultural diesel engines | \$100 |
| Registration and registration renewal of Tier 0, 1, or 2 agricultural diesel engines | \$243 |

NOTICE OF EXEMPTION

TO: Clerk of the Board
County of Santa Barbara
105 East Anapamu Street
Santa Barbara, CA 93101

FROM: Santa Barbara County
Air Pollution Control District
260 N. San Antonio Road, Suite A
Santa Barbara, CA 93110

Project I.D.: RULE 213.

Project Title: FEES FOR REGISTRATION PROGRAMS

Location: Santa Barbara County, California

Project Description: This new Rule establishes fees and applies to diesel engines registered pursuant to Rule 1201. Registration must be renewed annually and fees are required to be paid annually. The Rule allows the APCD to adjust fees annually based on the Consumer Price Index.

Exempt Status: (Check One)

- _____ Ministerial (Section 21080 (b)(1); 15268)
 _____ Declared Emergency (Section 21080(b)(3); 15269(a))
 _____ Emergency Project (Section 21080(b)(4); 15269(b)(c))
 _____ Categorical Exemption
 CEQA Section(s):
 x **Statutory Exemption**
 Code Number: 15273
 _____ General Exemption under CEQA Section 15061(b)(3)
 _____ APCD CEQA Guidelines, Appendix A ("APCD List of Exempt Projects")

Reasons Why Project is Exempt: The Rule is an action taken by a regulatory agency to establish a fee as authorized by state law to assure clean air and protect public health.

Contact Person: Ron Tan

Telephone: (805) 961-8812

Bobbie Bratz
Technology and Environmental Review Division

Date: September 28, 2007

Clerk of the Board Date and Time Stamp

Terry Dressler
Air Pollution Control Officer