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**SENATE COMMITTEE ON ENVIRONMENTAL QUALITY**

**Senator Allen, Chair**

**2021 - 2022 Regular**

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**Bill No:** AB 2836  
**Author:** Eduardo Garcia  
**Version:** 5/19/2022  
**Urgency:** No  
**Consultant:** Evan Goldberg  
**Hearing Date:** 6/22/2022  
**Fiscal:** Yes

**SUBJECT:** Carl Moyer Memorial Air Quality Standards Attainment Program: vehicle registration fees: California tire fee

**DIGEST:** Extends the various fees that support the Carl Moyer Memorial Air Quality Standards Attainment Program (Moyer Program) and the Waste Tire Management Program until January 1, 2034.

**ANALYSIS:**

Existing law:

- 1) AB 1571 (Villaraigosa, Chapter 923, Statutes of 1999), established the Moyer Program, administered by the California Air Resources Board (ARB) and local air districts, to fund the incremental cost of cleaner-than-required vehicles, engines, and equipment. The primary objective of the program is to achieve air quality emission reductions that would not otherwise occur through regulations or other legal mandates. The Moyer Program is funded by vehicle registration surcharges adopted by local air districts in non-attainment areas. (Health and Safety Code (HSC) 44275)
- 2) AB 923 (Firebaugh, Chapter 707, Statutes of 2004), expanded the Moyer Program to cover additional pollutants and engines, impose a \$1 fee on tire sales to fund the Moyer Program and CalRecycle, and establish air quality improvement programs through local air districts. (HSC 41081, 44225, 44229, 44275, 44280, 44281, 44282, 44283, 44287, and 44299.1; Public Resources Code (PRC) 42885 and 42889; and Vehicle Code (VEH) 9250.2)
- 3) AB 8 (Perea, Chapter 401, Statutes of 2013), extended the temporary fees and surcharges that support the Moyer Program until January 1, 2024, including (HSC 41081, 44060.5, 44125, 44225, 44229, 44270.3, 44271, 44272, 44273, 44274, 44275, 44280, 44281, 44282, 44283, 44287, 44299.1, and 44299.2, PRC 42885 and 42889; and VEH 9250.1, 9250.2, 9261.1, and 9853.6):

- a) \$0.75 from the retail fee on new tires to the Air Pollution Control Fund for the Moyer Program and other air emission reduction efforts.
- b) A \$2 surcharge for local air districts on vehicle registrations to fund emission reduction programs, including the Moyer Program.

This bill extends until January 1, 2034:

- 1) The air pollution control and management districts' (air district) authority to increase the \$2 motor vehicle registration fee up to \$6 under certain circumstances.
- 2) The Sacramento air district board's authority to adopt a surcharge on motor vehicle registration fees up to \$6 to be collected by the Department of Motor Vehicles (DMV).
- 3) The San Joaquin Valley air district's authority to increase the motor vehicle registration fee up to \$30.
- 4) The new tire purchase fee of \$1.75 per tire, \$0.75 of which goes to the Air Pollution Control Fund (APCF) for programs that mitigate or remediate air pollution caused by tires. The remaining \$1 goes to CalRecycle's Tire Recycling Management Fund for oversight, enforcement and market development grants related to waste tire management and recycling.

## Background

- 1) *What is The Moyer Program?* It provides grants to private companies and public agencies to clean up their heavy-duty engines beyond what is required by law through retrofitting, repowering or replacing their engines with newer and cleaner ones. These grants are issued locally by air districts. Moyer's primary objective is to obtain cost-effective and surplus emission reductions to be credited toward California's obligations in the State Implementation Plan (SIP) – California's road map for attaining health-based national ambient air quality standards. Covered pollutants include oxides of nitrogen (NOx), reactive organic gases (ROG), and particulate matter (PM). Moyer is implemented as a partnership between ARB and California's 35 air districts working collaboratively with stakeholders to set guidelines and ensure the program reduces pollution and provides cleaner air for Californians.
- 2) *Show Me The Money.* The Moyer Program was established more than 24 years ago and since then nearly \$1.2 billion has been awarded for projects to replace various types of engines that are estimated to reduce emissions by 198,417 tons of NOx and ROGs and 7,343 tons of PM.

Chart 1. Percent of Funds by Source Category since Inception in 1998.

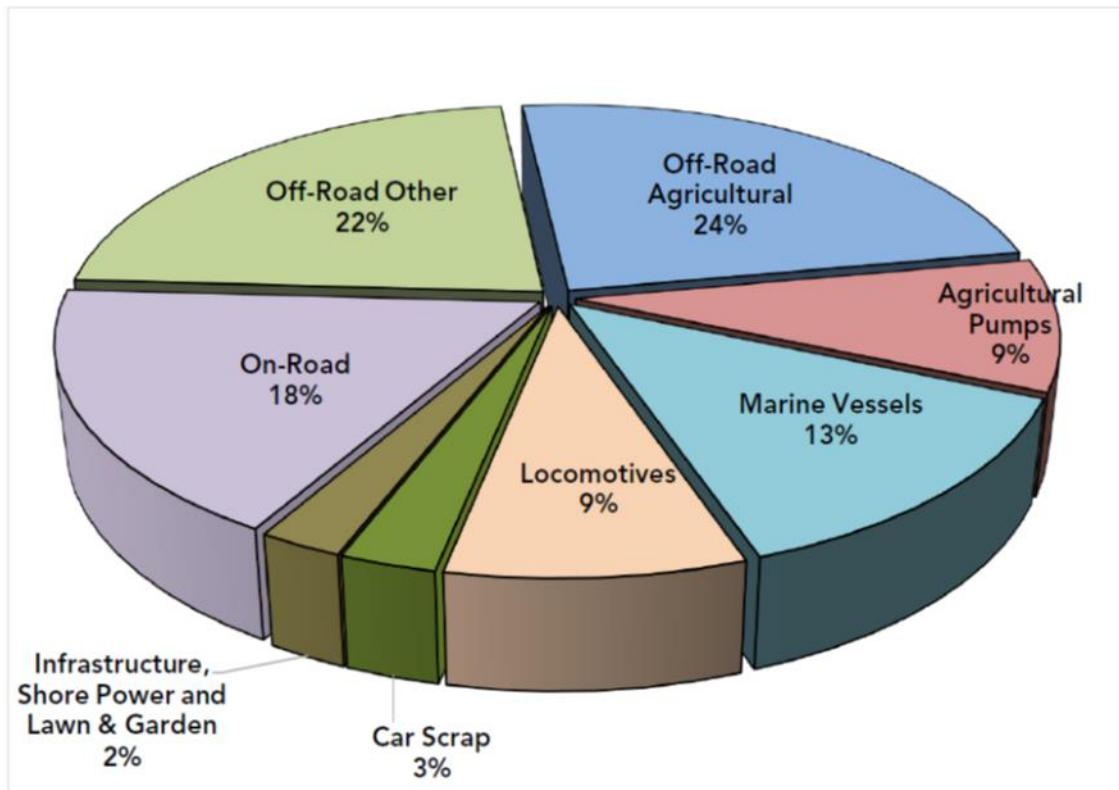


Chart 2. Moyer Funding Years 1022 by General Source Category – Since Inception in 1998

General Source Category	Count	Life NOx+ROG (tons)	Life PM (tons)	Funds Executed
On-Road	7,894	25,493	680	\$213,087,465
Off-Road other	3,273	41,307	1,441	\$272,454,503
Off-Road	4,472	24,619	1,071	\$290,266,921
Agricultural Pumps	7,838	61,685	2,378	\$113,885,117
Marine Vessels	2,189	31,826	1,462	\$160,978,023
Locomotives	232	9,579	277	\$103,081,763
Car Scrap	31,223	3,275	17	\$33,479,337
Lawn and Garden	11,485	69	3	\$1,665,252
Shore Power	7	564	14	\$11,112,779
Infrastructure	84	N/A	N/A	\$16,345,173
<b>Total</b>	<b>66,696</b>	<b>198,417</b>	<b>7,343</b>	<b>\$1,216,356,334</b>

**Comments**

- 1) *Purpose of Bill.* According to the author, “The Carl Moyer Memorial Air Quality Standards Attainment Program provides an opportunity for the state to

incentivize the purchase of cleaner-than-required engines, equipment, and emission reduction technologies through grants. Extending the Carl Moyer Program to 2034 is necessary in order to continue improving our air quality throughout the state.”

- 2) *Keep On Keepin’ On.* This bill extends various fees that fund the Moyer Program and the Waste Tire Management Program which are set to expire at the end of 2023. These fees include a surcharge on motor vehicle registration fees and a new tire purchase fee. The bill makes no programmatic changes to the Moyer Program or to the Waste Tire Management Program.
- 3) *Success.* Cars, trucks, trains, and other mobile equipment produce more than 70% of California’s air pollution and to meet federal and state clean air goals and mandates, that pollution needs to be cut by up to 80% by the mid-2030s.

As the charts in the “Background” section note, the Moyer Program has paid to replace, scrap, or repower over 68,000 engines resulting in reduction of more than 198,000 tons of Nitrogen Oxides and Reactive Organic Gases since its inception in 1998.

The Moyer Program helps provide local air districts with the money needed to pay for school bus replacements, agricultural equipment, light-duty vehicle scrapping programs and other qualifying projects.

- 4) *Play It Again, Sam, Only Shorter This Time.* There was trailer bill language proposed last year to extend the December 31, 2023, sunsets covered by this bill, as well as to re-examine the priorities of the Clean Transportation Program and other programs. That effort was not successful, so AB 2836 simply extends the life of the existing Moyer Program and the waste tire program until January 1, 2034, without making any other programmatic changes.

### **Double Referral**

This bill was approved by the Senate Transportation Committee on a 14-0 vote on June 14, 2022.

### **Related/Prior Legislation**

SB 726 (Gonzalez) of 2021 revises the priorities of the Clean Transportation Program. This bill is pending on the Assembly Floor’s inactive file.

AB 1389 (Reyes) of 2021 revises the priorities of the Clean Transportation

Program. This bill is pending on the Senate Floor's inactive file.

SB 513 (Beall, Chapter 610, Statutes of 2015) updates Carl Moyer Program including recognizing GHG reductions so that funded projects can achieve both criteria pollutant and GHG emissions reductions, adjusting the cost-effectiveness formula, streamlining program administrative requirements.

AB 8 (Perea, Chapter 401, Statutes of 2013) extends Carl Moyer, as amended by AB 923, until January 1, 2024, including the 75-cent per tire fee on tire sales to fund Carl Moyer.

AB 2522 (Arambula, Chapter 677, Statutes of 2008) authorizes the San Joaquin Valley Unified Air Pollution Control District to increase the motor vehicle registration fee surcharge to up to, but not exceeding, \$30 for incentive-based programs to achieve surplus emissions reductions.

AB 923 (Firebaugh, Chapter 707, Statutes of 2004) expanded Carl Moyer to cover additional pollutants and engines and imposed a 75-cent per tire fee on tire sales to fund Carl Moyer. Its provisions sunset January 1, 2015.

AB 1571 (Villaraigosa, Chapter 923, Statutes of 1999) establishes Carl Moyer through which CARB provides grants to offset the incremental costs of purchasing or retrofitting engines in order to reduce specified air emissions. Carl Moyer originally received General Fund appropriations.

**SOURCE:****SUPPORT:**

African American Farmers of California  
American Lung Association in California  
American Pistachio Growers  
Bay Area Air Quality Management District  
California Agricultural Aircraft Association  
California Air Pollution Control Officers Association  
California Apple Commission  
California Association of Port Authorities  
California Association of Winegrape Growers  
California Blueberry Association  
California Blueberry Commission  
California Business Properties Association  
California Business Roundtable  
California Citrus Mutual

California Cotton Ginners and Growers Association  
California Environmental Voters (formerly Clcv)  
California Farm Bureau Federation  
California Fresh Fruit Association  
California Natural Gas Vehicle Coalition  
California Railroads Association  
California Trucking Association  
California Walnut Commission  
Center for Climate Change & Health  
Central California Asthma Collaborative  
Clean Energy  
Coalition for Clean Air  
Construction Industry Air Quality Coalition  
County of Fresno  
Environmental Defense Fund  
Harbor Trucking Association  
Inland Empire Economic Partnership (IEEP)  
Los Angeles County Sanitation Districts  
Majestic Realty Co.  
Mojave Desert Air Quality Management District  
Naiop Social Chapter  
Nisei Farmers League  
Olive Growers Council of California  
Orange County Business Council  
Physicians for Social Responsibility - San Francisco Bay Area Chapter  
Public Health Institute  
Regional Asthma Management and Prevention (RAMP)  
San Gabriel Valley Economic Partnership  
San Joaquin Valley Air Pollution Control District  
Sierra Club  
South Coast Air Quality Management District  
UPS  
Western Agricultural Processors Association  
Western Growers Association  
Western Plant Health Association  
Western States Trucking Association

**OPPOSITION:**

None received

**ARGUMENTS IN SUPPORT:**

The California Air Pollution Control Officers (CAPCO) writes in support:

“The Carl Moyer and the local AB 923 clean air incentives programs are the gold standard of incentives programs in California. These popular and effective programs have historically enjoyed broad statewide support from public health, environmental, business, and agricultural communities. If these fiscally sound programs are not extended, substantial opportunities to achieve much needed emission reductions ahead of current regulatory deadlines will be lost and public health will suffer.

“Reauthorizing these programs, which are efficient, effective, and primarily locally operated and address local conditions and priorities, is essential to meeting California’s clean air goals. They are critical to attaining both health-based National (federal) and California (state) Ambient Air Quality Standards and for cutting emissions of diesel exhaust particulate matter (PM), a toxic air contaminant which causes cancer, respiratory, other health problems, and premature death with children and the elderly being especially vulnerable. Cars, trucks, trains, and other mobile equipment produce more than 70% of California’s air pollution. To meet federal and state clean air standards and protect public health, this pollution must be cut by up to 80% by the mid-2030s.”

**ARGUMENTS IN OPPOSITION:**

None on file.

**-- END --**