WHEREAS, sections 39600 and 39601 of the Health and Safety Code authorize the Air Resources Board (ARB or 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, on October 20, 2005, the Board adopted Resolution 05-53, which approved amendments to sections 1956.1 and/or 1956.8, title 13, California Code of Regulations with the modifications described in Attachment C to the Resolution; these amendments retain the urban bus engine standard for oxides of nitrogen (NOx) in model years 2007 through 2009, but allow transit agencies to purchase model year 2007 through 2009 diesel urban bus engines not certified to the 0.2 gram per brake horsepower-hour (g/bhp-hr) NOx standard for urban bus engines, but meeting the California heavy-duty truck engine standards for model years 2007 through 2009, as long as any diesel path transit agency with 30 or more urban buses satisfies the conditions described in Attachment C to Resolution 05-53 in order to maximize NOx emission reductions;

WHEREAS, at the public hearing on October 20, 2005, the Board further directed staff to report to the Board at its public meeting on October 27, 2005, on the effect of the retention of the urban bus engine NOx standard at 0.2 g/bhp-hr for model years 2007 to 2009 on transit agencies’ access to external funding sources, and most specifically to report on the effect of the anticipated loss of funding under the Carl Moyer Program;

WHEREAS, the staff has presented its report to the Board as directed;

WHEREAS, based on the staff’s October 27, 2005, report to the Board, the Board finds that aligning California’s urban bus engine standards in the 2007 and subsequent model years with California’s heavy-duty truck engine standards – coupled with a requirement that transit agencies districts purchasing 2007 through 2009 model-year urban buses or engines certified to a NOx emission level greater than 0.2 g/bhp-hr must meet all of the applicable conditions identified in Attachment C to Resolution 05-53 in order to maximize the NOx emission reductions – would lessen any potential loss of funding under the Carl Moyer Program (Health and Safety Code section 44275 et seq.); and Attachment A hereto sets forth regulatory modifications consistent with this finding; and
WHEREAS, the Board finds that no alternatives considered by the Board would be more effective in carrying out the purposes of the regulations as noticed on July 29, 2005, and modified by the Board as specified in Attachment A hereto, have been proposed, nor are there alternatives that would be as effective and less burdensome to affected private persons.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby incorporates by reference Resolution 05-53 and its attachments, amends Resolution 05-53 by approving the modifications set forth in Attachment A hereto in place of the modifications set forth in Attachment C to Resolution 05-53, and reaffirms Resolution 05-53 in all other respects.

I hereby certify that the above is a true and correct copy of Resolution 05-61, as adopted by the Air Resources Board.

[Signature]
Lori Andreoni, Clerk of the Board

[Stamp]
Office of the Secretary

JUL 28 2006

Resources Agency of California
Resolution 05-61
Attachment A
Approved Modifications to the Original Proposal
(concepts)

1. Align the California urban bus engine standards for the 2007 and subsequent model years with the standards for heavy-duty truck engines as set forth in title 13, California Code of Regulations (CCR), section 1956.8.

2. Allow transit agencies to purchase urban buses containing model-year 2007 through 2009 diesel engines not certified to the 0.2 gram per brake horsepower-hour (g/bhp-hr) oxides of nitrogen (NOx) emission standard, but meeting the California heavy-duty truck engine emission standards for model years 2007 through 2009, as long as they meet the following conditions, as applicable, in order to maximize NOx emission reductions:

   - Any diesel path transit agency with 30 or more urban buses must retrofit an existing urban bus or transit fleet vehicle in its fleet with a level 3 particulate matter (PM) verified diesel emission control strategy that achieves a minimum NOx emission reduction of 40 percent or more, if available, for each new model year 2007 through 2009 diesel urban bus purchased with an engine that does not meet the 0.2 g/bhp-hr NOx standard.
   - If a level 3 PM diesel emission control strategy with a minimum of 40 percent NOx reduction is not available then an existing engine must be retrofitted with a level 3 PM diesel emission control strategy that achieves a minimum of 25 percent NOx reduction, if available.
   - The retrofit requirement applies on a one-to-one basis for each new model-year 2007 through 2009 diesel urban bus or diesel urban bus engine purchased that does not meet the 0.2 g/bhp-hr NOx standard until all diesel urban buses and transit fleet vehicles within the transit agency's fleet are either retrofitted or are unable to be retrofitted, subject to Executive Officer verification that all available retrofitting has been accomplished.
Notice of Decision and
Response to Significant Environmental Issues

Item: Public Hearing to Consider Proposed Amendments to the
Exhaust Emission Standards for 2007-2009 Model-Year
Heavy Duty Urban Bus Engines and the Fleet Rule for
Transit Agencies

Approved By: Resolutions 05-47, 05-53, and 05-61

Adopted By: Executive Order R-05-007

Agenda Item #: 05-8-6

Public Hearing Dates: September 15, 2005
October 20, 2005
October 27, 2005

Issuing Authority: Air Resources Board

Comment: The Air Resources Board received a few comments
asserting that adverse environmental impacts might result
from some aspects of this rulemaking action. These
comments are summarized and responded to in the Final
Statement of Reasons for this regulatory item, which is
incorporated by reference herein.

Response: N/A

Certified: Alexa Malik
Regulations Coordinator

Date: July 17, 2006