I. GENERAL

On January 20, 2005, the Air Resources Board (ARB or Board) conducted a public hearing to consider amendments to the area designations for State ambient air quality standards (contained in title 17, California Code of Regulations (CCR), sections 60200 through 60210). The Staff Report: Initial Statement of Reasons for Rulemaking, entitled "Area Designations and Maps 2004" (staff report or ISOR), was made available to the public beginning December 3, 2004. The ISOR, which is incorporated by reference herein, contained a description of the rationale for the proposed amendments. The Final Statement of Reasons for Rulemaking, or FSOR, updates the ISOR by summarizing written and oral comments received during the 45-day public comment period.

Following the public hearing on January 20, 2005, the Board, by Resolution 05-1, adopted amendments to the area designation regulations. These regulations set forth designations of attainment, nonattainment, nonattainment-transitional, and unclassified for each area of the State with respect to the State standards. Health and Safety Code (H&SC) section 39608(c) requires the Board to conduct an annual review of the area designations and update them as warranted. The amendments to the area designation regulations affect title 17, CCR, sections 60201, 60202, 60205, 60210. Based on data collected during 2001 through 2003, the Board redesignated one area for carbon monoxide, one area for suspended particulate matter or PM10, and two areas for fine suspended particulate matter or PM2.5. The Board also amended the area designation regulations to reflect the ozone nonattainment-transitional designation for the North Central Coast Air Basin that took effect by operation of law under the provisions of H&SC section 40925.5. The designations the Board adopted are summarized in Table 1.
Update of Information Contained in the Initial Statement of Reasons (ISOR)

The ISOR was made available to the public on December 3, 2004. After its release, the staff found two nonsubstantive errors, as described below.

First, the second paragraph on page i of the ISOR Executive Summary references “... the ten pollutants with State standards listed in Health and Safety Code (H&SC) section 70200.” This reference should read “… the ten pollutants with State standards listed in title 17, California Code of Regulations, section 70200.”

Second, page B-1 of the ISOR Attachment B is titled “Proposed Amendments to the Area Designations, California Code of Regulations, Title 17, Sections 60200 through 60210.” Since the proposed amendments affected only four sections of the regulations, and only these four sections are included in the tables in Attachment B, the title on page B-1 should read “Proposed Amendments to the Area Designations, California Code of Regulations, Title 17, Sections 60201, 60202, 60205, and 60210.”

Fiscal Impacts

The Board has determined that this regulatory action will not result in a mandate to any local agency or school district the costs of which are reimbursable by the State pursuant to Part 7 (commencing with section 17500), Division 4, Title 2 of the Government Code. The Board has determined that this regulatory action will not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states, or on representative private persons.

In accordance with Government Code section 11346.3, the Board has determined that this regulatory action will not affect the creation or elimination of jobs within the State of California, the creation of new businesses or elimination of existing businesses within the State of California, or the expansion of businesses currently doing business within the State of California.

In addition, the Board has determined that there will be no, or an insignificant, potential cost impact, as defined in Government Code section 11346.53(e), on private persons or businesses directly affected resulting from this regulatory action.

Finally, the Board has determined, pursuant to title 1, CCR, section 4, that this regulatory action will not affect small businesses because the proposed regulatory action does not contain any requirements for action.
Consideration of Alternatives

H&SC section 39608 requires the Board to make and to annually review the area designations for State ambient air quality standards. The proposed area designations reflect the most current and complete ambient air quality data, those data collected during 2001 through 2003. The Board considered the potential alternatives to the proposed amendments, namely the no action alternative. However, based on the available data, the Board found that the proposed amendments are more appropriate than the no action alternative, which would not be consistent with State law. Furthermore, the no action alternative would not serve to inform the public about the healthfulness of air quality.

In summary, the Board determined that no alternative considered by the agency would be more effective in carrying out the purpose for which the regulatory action was proposed or would be as effective and less burdensome to affected private persons than the action taken by the Board.

Modifications to the Original Proposal

There were no modifications to the original proposal. The amended regulations the Board adopted are identical to those initially proposed by the staff and made available in the staff report released on December 3, 2004.

II. SUMMARY OF COMMENTS AND AGENCY RESPONSES

No comments were received during the 45-day comment period, which began on December 3, 2004. In addition, there was no public testimony at the public hearing on January 20, 2005.
TABLE 1

Amendments to the Area Designations for State Standards

Adopted by the Air Resources Board on January 20, 2005

<table>
<thead>
<tr>
<th>POLLUTANT</th>
<th>AREA</th>
<th>DESIGNATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbon Monoxide</td>
<td>Los Angeles County (South Coast Air Basin portion)</td>
<td>Attainment</td>
</tr>
<tr>
<td>PM10</td>
<td>Siskiyou County (Northeast Plateau Air Basin portion)</td>
<td>Attainment</td>
</tr>
<tr>
<td>PM2.5</td>
<td>Lake Tahoe Air Basin</td>
<td>Attainment</td>
</tr>
<tr>
<td></td>
<td>North Central Coast Air Basin</td>
<td>Attainment</td>
</tr>
<tr>
<td>Ozone</td>
<td>North Central Coast Air Basin</td>
<td>Nonattainment-Transitional*</td>
</tr>
</tbody>
</table>

* The ozone nonattainment-transitional designation occurs by operation of law, under the provisions of Health and Safety Code section 40925.5.