

Board Administration and Regulatory Coordination Unit

Division 3. Air Resources Board

Chapter 1. Air Resources Board

Subchapter 8.5 Consumer Products

Article 5. Hairspray Credit Program

§ 94563. Application Process to Request Hairspray Emission Reduction Credits.

(a) A responsible party for a hairspray product who is requesting HERCs for a specified credit generation period must submit a written, two-part application to the Executive Officer. Any information in the custody of the California Air Resources Board that has been submitted as confidential by a responsible party (or by a person acting on behalf of the responsible party) pursuant to this section shall be handled by the Air Resources Board in accordance with the procedures specified in sections 91000-91022 (Disclosure of Public Records), Title 17, California Code of Regulations, provided that such information is clearly identified as being confidential.

(b) *Application Requirements: Part One.* The first part of an application to request HERCs must be submitted in accordance with the following requirements:

(1) *Timing of Application Submittal.* For a hairspray product initially manufactured for sale in California on or after July 1, 1998, or a hairspray product reformulated after June 1, 1999, the first part of the application must be submitted before the start of the credit generation period, and no later than six months after the product's initial date of manufacture for sale in California. For all other hairspray products, the first part of the application must be submitted before the mid-point of the credit generation period;

(2) *Application Contents.* The first part of the application must include the following information:

(A) the responsible party's company name, street and mailing address, telephone number, and designated contact person for the application;

(B) a list of the hairspray products for which the responsible party is requesting HERCs (i.e., the applicable hairspray products);

(C) a list of all stock keeping units for each applicable hairspray product, including any product identification numbers used by the responsible party to identify the stock keeping units;

(D) the credit generation period (in days) for which the responsible party is requesting HERCs for the applicable hairspray product, including the dates on which the credit generation period will begin and end (If the responsible party is requesting HERCs to be issued in more than one installment, the application must include the number of installments and the ending date of each installment period.);

(E) product labels for each stock keeping unit for each applicable hairspray product;

(F) speciated formulation data for the applicable hairspray product, and for the product prior to its reformulation, if applicable, (aggregated data may be submitted for the different stock keeping units) including percent by weight values to the nearest 0.1 percent for the following:

1. VOC content (for aggregated data, the applicant shall submit the highest VOC content or a sales-weighted average VOC content) and

2. each compound present in the formulation, except compounds that amount to a combined concentration of one percent by weight;

(G) the approximate date on which sales in California began (or will begin) for each applicable hairspray product; (H) the list of contact persons, telephone numbers, and street and mailing addresses of all persons and businesses who will provide information that will be used to determine documented sales for the applicable hairspray products;

(I) a demonstration, which will be subject to Executive Officer approval, of the validity of the methodology that will be used to calculate documented sales, based on the documented sales records, that will be provided pursuant to section 94563(c)(2)(A);

(J) for a hairspray product initially manufactured for sale in California on or after July 1, 1998, or a hairspray product reformulated after June 1, 1999, a statement that the hairspray product is formulated for the primary purpose of generating emission reductions for credits;

(K) for a credit generation period greater than 365 days, a proposed schedule for the annual submittal of test results required pursuant to section 94563(c)(2)(B); and

(L) a signed declaration as specified in section 94563(e).

(c) *Application Requirements: Part Two.* The second part of an application to request HERCs must be submitted in accordance with the following requirements:

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(1) *Timing of Application Submittal.* The second part of the application must be submitted after the conclusion of the credit generation period, and any installment period, if applicable.

(2) *Application Contents.* The second part of the application must include the following information for each applicable hairspray product:

(A) documented sales for the installment period or credit generation period, as applicable, and supporting documentation that shows how sales were calculated using documented sales records and a methodology previously approved by the Executive Officer;

(B) test results, using a method(s) specified in section 94515, Title 17, California Code of Regulations, that verify the VOC content information provided for the applicable hairspray product in the first part of the application; the units that were tested must come from three different batches that were manufactured during the credit generation period (If the credit generation period is greater than 365 days, such verification shall be performed at least annually and the test results submitted to the Executive Officer);

(C) the responsible party's own calculation of the quantity of HERCs for each applicable hairspray product for the credit generation period, or installment period, if applicable, calculated by using the protocol specified in section 94564; and

(D) a signed declaration as specified in section 94563(e).

(d) *Applicable Time Periods and Procedures for Review and Approval of Application.* The following time periods and procedures shall apply to the Executive Officer's review of Parts One and Two of the application:

(1) *Application Completeness Determination.* Within 30 days after receiving either a Part One or Part Two application submittal, the Executive Officer shall inform the applicant in writing that the submittal is complete, or that it is deficient and shall identify the specific information required to make the submittal complete.

(2) *Application Completeness Determination After Receiving Additional Information.* Within 15 days after receiving additional information submitted in response to a determination by the Executive Officer that Part One or Part Two of the application is deficient, the Executive Officer shall inform the applicant in writing, either that the new information is sufficient to make the application complete, or that the application is deficient and shall identify the specific information required to make it complete.

(3) *Approval Determination for Part One of Application.* Within 45 days after determining that Part One of the application is complete, the Executive Officer shall inform the applicant in writing whether the information provided in Part One is approved for the purposes of calculating HERCs in accordance with the protocol specified in section 94564. The Executive Officer's determination, through an Executive Order, shall include, but not be limited to the following:

(A) whether the VOC content for each applicable hairspray product is verified by the speciated formulation data submitted pursuant to section 94563(b)(2)(F), and

(B) whether the applicant's proposed methodology for calculating documented sales is approved.

(4) *Approval Determination for Part Two of Application.* Within 90 days of determining that Part Two of the application (or the information required by this part of the application for installment issuance of HERCs) is complete, the Executive Officer shall determine whether to issue and certify the HERCs in accordance with section 94565.

(5) *Extension of Time Periods.* For any of the time periods specified in this subsection (d), the Executive Officer and the applicant may agree to a longer time period for the Executive Officer to make a decision.

(e) *Declaration by Responsible Party.* Parts One and Two of the application, and any additional information submitted, must include a declaration, signed by a legal representative of the responsible party, that the submittal contains true, accurate, and complete information based on information and belief formed after reasonable inquiry. Any person submitting information directly (i.e., the information is not reviewed by or submitted through the responsible party) to the Executive Officer on behalf of the responsible party must also make such a declaration.

(f) *Specified VOC Limit for a Hairspray Product in the Hairspray Credit Program.* No applicable hairspray product manufactured during a credit generation period shall exceed the VOC content for the product specified in the Executive Order approving the application to request HERCs and issuing the HERCs.

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NOTE: Authority cited: Sections 39600, 39601 and 41712, Health and Safety Code. Reference: Sections 39002, 39600, 40000 and 41712, Health and Safety Code.

REFERENCE