

**NOTICE OF EXEMPTION FROM THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

To: Governor's Office of Planning and Research – State Clearinghouse 1400 Tenth St, Suite 222 Sacramento, CA 95814-5502	From: South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765
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Project Title: Proposed Amended Regulation III – Fees, which includes Proposed Amended Rule (PAR) 301 – Permitting and Associated Fees, PAR 303 – Hearing Board Fees, PAR 304 – Equipment, Materials and Ambient Air Analyses, PAR 304.1 – Analyses Fees, PAR 306 – Plan Fees, PAR 307.1 – Alternative Fees for Air Toxics Emissions Inventory, PAR 308 – On-Road Motor Vehicle Mitigation Options Fees, PAR 309 – Fees for Regulation XVI and Regulation XXV, PAR 311 – Air Quality Investment Program (AQIP) Fees, PAR 313 – Authority to Adjust Fees and Due Dates, PAR 314 – Fees for Architectural Coatings, PAR 315 – Fees for Training Classes and License Renewal, PAR 316 – Fees for Rule 2305, and PAR 320 – Automatic Adjustment Based on Consumer Price Index for Regulation III Fees

Project Location: The proposed project is located within the South Coast Air Quality Management District's (South Coast AQMD) jurisdiction, which includes the four-county South Coast Air Basin (all of Orange County and the non-desert portions of Los Angeles, Riverside, and San Bernardino counties), and the Riverside County portion of the Salton Sea Air Basin and the non-Palo Verde, Riverside County portion of the Mojave Desert Air Basin.

Description of Nature, Purpose, and Beneficiaries of Project: Regulation III establishes the fee rates and schedules to recover South Coast AQMD's reasonable costs of regulating and providing services, primarily to permitted sources. Amendments to Regulation III are proposed which include: 1) an increase of most fees by 5.6 percent consistent with the Consumer Price Index (CPI) pursuant to Rule 320; 2) an increase to permit processing, annual renewal, and plan processing fees of two percent in fiscal year 2023-24 and an additional two percent increase in fiscal year 2024-25; 3) clarification on the applicability of fees subject to an automatic CPI adjustment; and 4) administrative changes in Regulation III that include clarifications, deletions, insertions, or corrections of existing rule language, which have no fee impact. The proposed project will ensure that the South Coast AQMD will have the necessary resources to provide cost recovery while implementing rule requirements through issuance and implementation of permits.

Public Agency Approving Project:
South Coast Air Quality Management District

Agency Carrying Out Project:
South Coast Air Quality Management District

Exempt Status:

CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption

CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges

Reasons why project is exempt: South Coast AQMD, as lead agency, has reviewed the proposed project pursuant to: 1) CEQA Guidelines Section 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines Section 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. The proposed amendments to Regulation III are statutorily exempt from CEQA requirements pursuant to CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges, because the proposed new and increased fees involve charges by public agencies for the purpose of meeting operating expenses and financial reserve needs and requirements. In addition, the proposed amendments to Regulation III which have no fee impact and are strictly administrative in nature are exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption, because it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment.

Date of Project Approval: South Coast AQMD Governing Board Public Hearing: May 5, 2023

NOTICE OF EXEMPTION FROM CEQA (concluded)

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Proposed Amended Regulation III Contact Person: Britney Gallivan	Phone Number: (909) 396-2792	Email: bgallivan@aqmd.gov	Fax: (909) 396-3982

Date Received for Filing: _____

Signature: _____

 *May 5, 2023*

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Implementation