

AMENDED IN SENATE JUNE 30, 2004
AMENDED IN SENATE MAY 24, 2004
AMENDED IN SENATE JULY 15, 2003
AMENDED IN SENATE JUNE 30, 2003
AMENDED IN ASSEMBLY MAY 14, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1468

**Introduced by Assembly Member Kehoe
(Principal coauthor: Assembly Member Pavley)
(Coauthors: Assembly Members Goldberg, Levine, Lieber, and
Oropeza)
(Coauthor: Senator Kuehl)**

February 21, 2003

An act to add Section 25370 to the Public Resources Code, relating to motor vehicle fuel conservation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1468, as amended, Kehoe. California on the Move-Petroleum Demand Reduction Act.

Existing

(1) *Existing* law requires the State Energy Resources Conservation and Development Commission and the State Air Resources Board to implement and administer various laws governing motor vehicle fuel conservation and emission reduction in this state.

This bill would enact the California on the Move-Petroleum Demand Reduction Act, which would require the commission and the state board, not later than January 1, 2010, to jointly adopt and implement measures to achieve a petroleum demand reduction goal that would limit on-road petroleum fuel demand to a level not exceeding 2004 demand levels, and maintain or reduce demand levels for the years from 2010 to 2020, inclusive, as provided. The bill would specify that the measures adopted and implemented by the commission and the state board shall not require the imposition by those agencies of any new or additional taxes *or fees* on motor vehicles, petroleum fuel, or vehicle miles traveled; *but, the commission and the state board would be required to implement measures and make recommendations regarding ways to make up for the reduced gasoline tax revenues that are lost as a result of these measures.* The bill would authorize the commission and the state board to work with other states, members of the United States Congress, and other federal agencies that are responsible for the administration and implementation of federal laws governing vehicle fuel economy to assist in the development of new standards and regulations designed to increase on-road light-duty vehicle fuel economy for new vehicles. The bill would require the commission and the state board, not later than January 1, 2008, to jointly prepare and submit to the Legislature a report containing specified information on the progress achieved in meeting the petroleum demand reduction goals prescribed in the act.

(2) This bill would provide that it shall become operative only if AB 2685 of the 2003–04 Regular Session is also enacted and becomes operative on or before January 1, 2005.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 25370 is added to the Public Resources
- 2 Code, to read:
- 3 25370. (a) This section shall be known, and may be cited, as
- 4 the California on the Move-Petroleum Demand Reduction Act.
- 5 (b) The Legislature finds and declares all of the following:
- 6 (1) California’s gasoline and diesel fuel prices have historically
- 7 far exceeded the national average and, with the exception of
- 8 Hawaii, have been the highest in the nation. This trend is expected



1 to continue as, among other influences, a combination of limited
2 supply, growing demand, and global conditions work to increase
3 petroleum costs.

4 (2) California’s forecasted demand for gasoline and diesel to
5 fuel cars and trucks far exceeds California’s refinery capacity.

6 (3) Unless the demand trend changes, California may continue
7 to experience periodic onroad fuel spikes, which subjects the
8 state’s economy and business climate to instability as a result of
9 those spikes.

10 (4) Cost-effective options exist today that can lessen the
11 economic instability caused by high fuel prices and price spikes,
12 reduce environmental degradation caused by increased petroleum
13 fuel use, and reduce dependence on petroleum fuels by lowering
14 overall onroad demand for gasoline and diesel, and increasing fuel
15 diversity.

16 (5) Significantly reducing onroad petroleum fuel demand
17 through the year 2020 is feasible.

18 (c) It is the intent of the Legislature to enact measures with the
19 goal of reducing California’s onroad petroleum *fuel* demand by 15
20 percent below 2003 levels, by the year 2020.

21 (d) Not later than January 1, 2010, the commission and the
22 State Air Resources Board shall jointly adopt and implement
23 measures to achieve a petroleum demand reduction goal that
24 would limit on-road petroleum fuel demand to a level not
25 exceeding 2004 demand levels, and maintain or reduce demand
26 levels for the years from 2010 to 2020, inclusive.

27 (e) The measures adopted and implemented by the commission
28 and the State Air Resources Board pursuant to subdivision (d) shall
29 not require the imposition by those agencies of any new or
30 additional taxes *or fees* on motor vehicles, petroleum fuel, or
31 vehicle miles traveled.

32 ~~(f) The measures adopted and implemented by the commission~~
33 ~~and the State Air Resources Board pursuant to subdivision (d) may~~
34 ~~include, but need not be limited to, public education about the~~
35 ~~petroleum demand reduction benefits of all of the following:~~

- 36 ~~(1) Proper vehicle maintenance.~~
- 37 ~~(2) Proper tire inflation.~~
- 38 ~~(3) Selecting low rolling resistance tires when replacing tires.~~
- 39 ~~(4) Selecting fuel efficient and alternative fuel vehicles when~~
40 ~~selecting vehicles.~~



1 ~~(5) Planning ahead and combining vehicle trips or eliminating~~
2 ~~trips when possible.~~

3 ~~(6) Practicing fuel efficient driving habits.~~

4 ~~(7) Reducing vehicle payload.~~

5 ~~(8) Using public transit for longer trips and alternative means~~
6 ~~of transportation such as walking and bicycling for shorter trips~~
7 ~~around the neighborhood.~~

8 *(f) Notwithstanding subdivision (e), to the extent that the*
9 *commission and the State Air Resources Board implement*
10 *measures to reduce gasoline and diesel fuel consumption pursuant*
11 *to this section, the commission and the state board shall also*
12 *implement measures and make recommendations regarding ways*
13 *to make up for the reduced gasoline tax revenues that are lost as*
14 *a result of those measures.*

15 (g) The commission and the State Air Resources Board may
16 work with vehicle manufactures, representatives of the oil
17 industry, other states, and the United States Congress to increase
18 awareness of the increased petroleum dependence and economic
19 burdens imposed in California by lax federal fuel economy
20 requirements including, but not limited to, fuel price instability.

21 (h) The commission and the State Air Resources Board may
22 work with other states, Members of the United States Congress and
23 other federal agencies responsible for the administration and
24 implementation of federal laws governing vehicle fuel economy,
25 to assist in the development of new standards and regulations
26 designed to increase on-road light-duty vehicle fuel economy for
27 new vehicles.

28 SEC. 2. Not later than January 1, 2008, the State Energy
29 Resources Conservation and Development Commission and the
30 State Air Resources Board shall jointly prepare and submit to the
31 Legislature a report on all of the following:

32 (a) Progress achieved toward meeting the petroleum reduction
33 goals established pursuant to Section 25370 of the Public
34 Resources Code.

35 (b) Other efforts necessary to maintain or further reduce
36 California’s petroleum fuel demand.

37 (c) Any state or federal statutory or administrative limitations
38 that impede the ability of the commission or the state board to
39 achieve the goals of Section 25370 of the Public Resources Code.



1 *SEC. 3. This act shall become operative only if AB 2685 of the*
2 *2003–04 Regular Session is enacted and becomes operative on or*
3 *before January 1, 2005.*

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