AIR POLLUTION CONTROL DISTRICT
COUNTY OF SAN DIEGO

DATE: December 12, 2001

TO: San Diego County Air Pollution Control Board

SUBJECT: ADOPTION OF AMENDED RULE 67.0 – ARCHITECTURAL COATINGS (District: All)

SUMMARY:

Overview
Rule 67.0 was first adopted in 1977 to regulate volatile organic compounds (VOC) emissions from architectural coatings. The rule applies to the manufacture, sale, and use of architectural coating, which include a variety of residential, commercial, and industrial paints, stains, varnishes, and other coatings.

In an effort to develop an architectural coatings rule that could be implemented by all air districts in the state, a Suggested Control Measure (SCM) was developed by the districts, through the California Air Pollution Control Officers Association (CAPCOA), and the Air Resources Board (ARB) staff over a two-year period. The ARB adopted the SCM in June 2000. The SCM is based on work related to a similar rule adopted by the South Coast Air Quality Management District.

The proposed amendments also implement a state-mandated requirement for all feasible control measures, necessary because the District is not yet in attainment of the state ambient air quality standard for ozone. The 2001 Regional Air Quality Strategy Update adopted by the Air Pollution Control Board on August 8, 2001 (APCB #1), includes a commitment to adopt these revisions.

As part of this effort, the District utilized many of the analyses and documents prepared by ARB in support of the SCM after finding that these materials were applicable to San Diego. The proposed changes are consistent with the SCM provisions to provide for: consistent definitions and VOC limits to facilitate coating manufacturers' ability to comply, an optional, statewide VOC emissions averaging program, and avoiding possible litigation that might be brought by certain industry groups opposed to more stringent rules.

Similar rules have been adopted by other California air pollution control districts, including South Coast, Sacramento, Bay Area, Ventura, Santa Barbara, and the San Joaquin Valley. South Coast was sued over its more stringent rule. South Coast prevailed in the trial court, but the case is still on appeal. Sacramento, the first air district

to adopt ARB's SCM in May of this year, was not sued over its rule. Coating manufacturer representatives will likely attend the Rule 67.0 hearing to comment on the proposed amendments.

Nineteen (19) new coating categories have been added; the allowable VOC content limits for 18 coating categories decrease on January 1, 2003, and one coating category on January 1, 2004; container labeling specifications (e.g. date of manufacture code, VOC content, thinning recommendations) and manufacturer reporting requirements for selected coating categories have been added; and various definitions and test methods updated. Manufacturers may use a temporary emissions averaging program, operated statewide by the ARB, to comply with the new VOC content limits from January 2003 through 2005.

The amendments will reduce VOC emissions by approximately 1.5 tons per day (approximately 500 tons per year) when fully implemented in 2005. The estimated cost-effectiveness of the rule is $3.28 per pound of VOC emissions reduced, comparable to the cost-effectiveness of other District VOC regulations and control measures identified in the Regional Air Quality Strategy. Overall, adopting the amended rule is not expected to pose significant economic impacts on affected industry in San Diego County. Neither of two local architectural coating manufacturers objected to the amendments.

Pursuant to the California Environmental Quality Act (CEQA), an Environmental Impact Report (EIR) was prepared evaluating the potential environmental consequences resulting from the proposed amendments. No significant adverse environmental effects were identified. The Board must review and consider the information in the EIR and certify that the EIR reflects the Board's independent judgment and analysis of potential environmental consequences resulting from adopting the proposed amendments.

A public workshop was held on September 6, 2001. The workshop report is provided in Attachment VIII.

Issues

Two primary issues were raised by industry. Several manufacturers requested that the 2005 sunset provision contained in the VOC averaging program be deleted to ensure availability of the averaging provisions if coating technology does not evolve in time to allow the future VOC limits to be met. They also expressed concern that EPA might disapprove a future repeal or extension of the sunset date as a relaxation of the federal SIP.

The averaging provisions must sunset in 2005 to ensure that certain air districts (not San Diego) meet their 2005 SIP commitments. Since the averaging program will be a

statewide program, implemented by ARB, consistency among the California air districts is important. Consequently, it is not recommended that the sunset date for the averaging provision be extended at this time.

In San Diego, evolving technology can be addressed in two ways. First, ARB intends to reassess coating technologies prior to the effective dates of the future limits. ARB and the South Coast Air Quality Management District will be working jointly to identify any problems industry may have in meeting the proposed limits, which become effective in South Coast six months earlier than the effective date in Rule 67.0. The District will follow these efforts and, if necessary, recommend appropriate changes prior to the effective date of the future standards. Second, there is the flexibility to make future amendments because EPA will not be able to disapprove any such changes since the amended rule will not be submitted to EPA as part of the SIP. The amended rule reflects more stringent emission standards than required by federal regulations, and is not needed to attain the one-hour federal ozone standard. Were the amended rule included in the SIP, EPA could object to any necessary future rule changes.

Also, several coating manufacturers requested that EPA's National Architectural Coating Rule limits be used as the ceiling (upper) limits for the proposed VOC averaging program. This proposal is unacceptable because it would relax VOC content limits that have been in effect in California for over ten years.

- **Recommendation(s)**
  AIR POLLUTION CONTROL OFFICER

1. Consider the Final Environmental Impact Report (EIR) and adopt the associated Resolution: (a) finding that the Final EIR has been completed in compliance with the California Environmental Quality Act and that the Report reflects the independent judgment and analysis of the Board; and (b) certifying the Final EIR as a true and complete statement of environmental impacts of adopting the proposed amendments to Rule 67.0 and making findings that there is no substantial evidence in the entire record before the Board that the proposed amendments will have a significant adverse effect on the environment; and (c) finding that there is no evidence that adopting the proposed amendments will have potential for an adverse effect on wildlife resources or the habitat on which the wildlife depends, and, on the basis of substantial evidence, that the presumption of adverse effect in California Code of Regulations, Title 14, Section 753.5(d) has been rebutted.

2. Approve the Certificate of Fee Exemption for De Minimis Impact Finding exempting the District from payment of fees to the California Department of Fish and Game. (ii) that an analysis of existing requirements applicable to the source or category is not required by Section 40727.2 of the Health and Safety Code because the proposed amendments do not impose new or more stringent requirements;

3. After adopting the Resolution approving the Final Environmental Impact Report and Certificate of Fee Exemption, adopt the resolution adopting amended Rule 67.0 into the District Rules and Regulations and make appropriate findings:

   (i) of necessity, authority, clarity, consistency, non-duplication and reference as required by Section 40727 of the State Health and Safety Code;

   (ii) that adopting amended Rule 67.0 will alleviate a problem and will promote attainment of ambient air quality standards (Section 40001 of the State Health and Safety Code);

   (iii) that an assessment of the socioeconomic impacts of the proposed amendments has been prepared and that the socioeconomic impacts of the proposed new rule have been actively considered and the District has made a good faith effort to minimize adverse socioeconomic impacts; and

   (iv) that an analysis of the effectiveness of the proposed amended rule, including an analysis of the cost-effectiveness of the potential control options, has been prepared pursuant to Health and Safety Code Section 40920.6, and that the proposed rule emission limits represent cost-effective options.

Fiscal Impact
The recommended action will have no fiscal impact on the District.

Business Impact Statement
The proposed amendments are consistent with state guidance and adoption is mandated by state law. The regulated business community will be affected by more stringent VOC content limits for some architectural coatings. There are only two architectural coating manufacturers located in San Diego County. One company specializing in house paints already manufactures compliant coatings. The other company manufactures some specialty coatings subject to the rule and is in the process of reformulating their coatings to comply with the proposed standards. Neither company raised any objections to the proposed amendments.

Advisory Board Statement
The Air Pollution Control Advisory Committee recommended adopting amended Rule 67.0 at its November 14, 2001, meeting.

BACKGROUND:
Attachment I contains background information, information on compliance with Board policy on adopting new rules, and information on compliance with the California Environmental Quality Act and Health and Safety Code Sections 40727.2 and 40920.6.

Additional Information:
Attachment II contains the Resolution adopting the Environmental Impact Report.

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Attachment III contains the Environmental Impact Report prepared for the proposed amendments to Rule 67.0.

Attachment IV contains the Resolution and Change Copy adopting amended Rule 67.0 into the District's Rules and Regulations.

Attachment V contains the Socioeconomic Impact Assessment of Rule 67.0 prepared pursuant to Health and Safety Code Section 40728.5.

Attachment VI contains the Comparative Analysis of Rule 67.0 prepared pursuant to Health and Safety Code Section 40727.2.

Attachment VII contains the Incremental Cost-Effectiveness Analysis of Rule 67.0 prepared pursuant to Health and Safety Code Section 40920.6.

Attachment VIII contains the report on the public workshop held on September 6, 2001.

Attachment IX contains the Comments and Responses document addressing rule feasibility comments received during the Draft EIR public comment period.

Respectfully submitted,

ROBERT R. COPPER
Deputy Chief Administrative Officer

R. J. SOMMERVILLE
Air Pollution Control Officer

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AGENDA ITEM INFORMATION SHEET

CONCURRENCE(S)

COUNTY COUNSEL REVIEW	[X] Yes	11/27/01
Written disclosure per County Charter Section 1000.1 required	[] Yes	[X] No
GROUP/AGENCY FINANCE DIRECTOR	[] Yes	[X] N/A
CHIEF FINANCIAL OFFICER	[] Yes	[X] N/A
Requires Four Votes	[] Yes	[X] No
GROUP/AGENCY INFORMATION TECHNOLOGY DIRECTOR	[] Yes	[X] N/A
CHIEF TECHNOLOGY OFFICER	[] Yes	[X] N/A
DEPARTMENT OF HUMAN RESOURCES	[] Yes	[X] N/A

Other Concurrence(s): N/A

ORIGINATING DEPARTMENT: Air Pollution Control District, County of San Diego

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AUTHORIZED REPRESENTATIVE: _____

R. J. Sommerville, Air Pollution Control Officer

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AGENDA ITEM INFORMATION SHEET
(continued)

PREVIOUS RELEVANT BOARD ACTIONS:
August 8, 2001 (APCB #1) Approved adoption of 2001 RAQS Update.
May 15, 1996 (APCB #2) Approved adoption of amended Rule 67.0.

BOARD POLICIES APPLICABLE:
N/A

BOARD POLICY STATEMENTS:
N/A

CONTRACT NUMBER(S):
N/A

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ATTACHMENT I

BACKGROUND INFORMATION

Rule 67.0 regulates volatile organic compounds (VOC - ozone precursors) emissions from the manufacture, sale, and use of architectural coatings which include a variety of residential, commercial, and industrial paints, stains, varnishes, and other coatings. The California Clean Air Act requires the District adopt all feasible measures for reducing emissions at all existing stationary sources. The 2001 Regional Air Quality Strategy Update adopted by the Air Pollution Control Board on August 8, 2001 (APCB #1), includes a commitment to adopt these revisions.

Over the last two years, ARB, in cooperation with the California Air Pollution Control Officers Association's Architectural Coating Work Group and the architectural coatings industry, has been re-evaluating the 1989 Suggested Control Measure (SCM) for architectural coatings. The decision to revisit the control measure arose because of advances in coating technology and the need for additional emission reductions to attain the state's ozone standard in many areas of California. As a result, a new SCM has been developed to serve as a model for local architectural coating rules. The District participated on the Architectural Coatings Working Group during the development of the SCM.

The amendments are consistent with the SCM approved by the Air Resources Board on June 22, 2000. The District utilized many of the analyses and documents prepared by ARB in support of the SCM, including analyses of environmental and socioeconomic impacts, after finding that these materials were applicable to San Diego. Consistency with the SCM is important because consistent definitions and VOC limits facilitate coating manufacturers' ability to comply, the rule amendments include an optional, statewide VOC emissions averaging program, and the District is seeking to avoid litigation that might be brought by certain industry groups opposed to more stringent rules.

Similar rules have been adopted by several other California air pollution control districts, including South Coast, Sacramento, Bay Area, Ventura, Santa Barbara, and the San Joaquin Valley. South Coast was sued over its more stringent rule by members of the coating industry. South Coast prevailed in the trial court, but the case is still on appeal. The Sacramento air district was the first district to adopt ARB's SCM, which it did in late May of this year, and was not sued over its rule. Coating manufacturing representatives will likely attend the Rule 67.0 public hearing to make comments similar to those made at the public hearings held by other air districts, however.

There are two architectural coating manufacturers located in San Diego County. One specializes in house paints that already comply with the proposed new VOC limits. This company should incur few, if any, costs. The other manufacturer is owned by a national paint company which will likely absorb most of the reformulation costs, though they will be somewhat impacted by possible higher costs of raw materials. Neither of the two local coating manufacturers objected to the proposed amendments. Overall, adopting the amended rule is not expected to pose significant economic impacts on the affected industry sectors in San Diego County.

The proposed amendments will add 19 new coating categories that reflect the specialized nature of certain architectural coating applications. For 18 new and existing coating categories, the allowable VOC content limits will be decreased effective January 1, 2003. For one existing category, industrial maintenance coatings, the allowable VOC content limit will be decreased effective January 1, 2004. Table 1 of this attachment lists the new coating categories and the proposed changes to VOC content limits. The proposed amendments also add specific container labeling requirements (e.g. a code identifying the date of manufacture, the VOC content, and thinning recommendations). Various definitions and test methods are also updated.

A temporary (until January 1, 2005) compliance option has been added allowing manufacturers to average the VOC contents of specified coating categories to provide equivalent or lower emissions. This is important to coating manufacturers as a transition to fully compliant coating products across all categories. The rule requires sales reporting associated with the statewide averaging compliance option as well as for certain specialty coatings to allow ARB and the districts to monitor usage, emissions, and compliance progress.

The amendments will reduce VOC emissions in San Diego County by approximately 1.5 tons per day (approximately 500 tons per year) when fully implemented in 2005. The estimated cost-effectiveness of the amended rule is $3.28 per pound of VOC emissions reduced, comparable to the cost-effectiveness of other District VOC regulations and control measures identified in the Regional Air Quality Strategy.

Current Rule 67.0 has been approved as part of the federal State Implementation Plan (SIP). The amended rule is not being recommended to be included in the SIP because it reflects more stringent emission standards than required by federal regulations and is not needed to attain the one-hour federal ozone standard. This will give the District greater flexibility to make future rule changes should problems arise with coating technology development.

ISSUES

The following were the two primary issues raised during the public workshop on the proposed Rule 67.0 amendments. Other comments at the workshop were directed at specific specialty coating categories or sought clarification of rule requirements. These latter comments were addressed in the workshop report and in the proposed amendments.

Several coating manufacturers requested that the District delete the 2005 sunset provision in the VOC averaging program. They were concerned that if coating technology did not evolve to allow the VOC limits contained in the rule to be met, and compliance could only be achieved by using an averaging program, districts would need to repeal the sunset provisions prior to the sunset date. If EPA disapproved this repeal as a relaxation of the federal SIP, coating manufacturers could be in violation of the rule.

The averaging provisions must sunset in 2005 to be consistent with the SCM and ensure that certain air districts (not San Diego) meet their 2005 SIP commitments. Since the averaging program will be a statewide program, implemented by ARB, consistency among the California air districts is important. Consequently, it is not recommended that the sunset date for the averaging provision be extended at this time.

In San Diego, evolving technology can be addressed in two ways. First, ARB plans to conduct technology assessments for each coating category with a more stringent future VOC limit prior to the effective dates (2003 or 2004). In addition, ARB and the South Coast Air Quality Management District will jointly be identifying any problems industry may have in meeting the South Coast's VOC limits which become effective six months earlier than the effective date in Rule 67.0. The District will follow these efforts and, as necessary, recommend appropriate changes to Rule 67.0 prior to the effective date of the future standards. Second, there is the flexibility for the District to make future amendments because EPA will not be able to disapprove changes since the amended rule will not be submitted as part of the SIP.

Also, several coating manufacturers requested EPA's National Architectural Coating Rule limits be used as the ceiling (upper) VOC limits for the proposed VOC averaging program. This proposal is unacceptable because it would relax VOC content limits that have been in effect in California for over ten years. These limits prevent high VOC coating formulations, new or old, from being marketed in San Diego County.

Socioeconomic Impact Assessment

A Socioeconomic Impact Assessment was prepared to evaluate the effects of proposed amended Rule 67.0. The amendments would potentially impact paint, varnish, enamel, allied products manufacturers, users of architectural coatings, suppliers, sellers, and solicitors of architectural coatings. The cost of compliance was evaluated based on studies performed by ARB and SCAQMD. The District reviewed these studies and found they are applicable to San Diego County. The economic factors affecting architectural coating manufacturers, wholesalers, retailers, and painting contractors are similar to those in other areas of California.

ARB concluded the cost of complying with the proposed VOC limits will not have a significant impact on employment or business creation, elimination, or expansion. ARB also concluded that the new standards would not adversely impact the competitiveness of California-based businesses. These conclusions are based on ARB's analysis of coating manufacturers' increased costs to reformulate coatings. ARB calculated that the financial impact on the coating manufacturers' profitability will be small; therefore, the manufacturers will likely absorb most if not all of the increased costs so that their products will remain competitive with already available compliant coatings.

ARB has estimated that architectural coating manufacturers, most of which are located outside San Diego County, will spend approximately $43 million to reformulate coatings to comply with the SCM's VOC limits, based on California sale volumes. The annualized cost to provide county customers with architectural coatings that comply with the proposed Rule 67.0 VOC limits will be about $3.6 million. ARB has estimated that the increased costs due to reformulation, and other one-time costs required to comply with the Rule 67.0 amendments and other similar rules throughout the state, would range from zero to $7.90 per gallon of coating depending on the coating category. For consumers using flat and non-flat house paints, there should be little price increase since there are already many compliant paints available. As a worst case, ARB has estimated that consumers may see increases of up to 20 percent in the retail price of non-flat coatings, primers, sealers, and stains. Again, such price increases are unlikely

since compliant coatings are already available and the competition among suppliers will likely constrain price increases.

Costs of specialty coatings used for industrial maintenance and other specialized, commercial coating uses could increase by up to an average of 12 percent. This may represent a worst case since there are already some compliant coatings available in many of the specialty coating categories. Even if coating manufacturers pass on a majority of these increased costs, they likely represent a small percentage of overall painting project costs, especially compared to labor costs.

ARB's economic analysis estimates the average change in the Return on Owners Equity (a standard for measuring profitability) for coating manufacturers will decline by an average 1.1 percent. This represents a minor change in the average profitability of coating manufacturers. ARB, EPA, and other government agencies typically use a predicted reduction of more than ten percent to indicate the potential for significant adverse economic impacts. Since overall profitability will decline only slightly, most manufacturing companies will absorb some or all of their increased costs in order to remain competitive with coatings already complying with the lower VOC content limits. Moreover, the option for coating manufacturers to use the temporary alternative averaging program in amended Rule 67.0 will afford manufacturers additional flexibility to moderate their costs.

There are two architectural coating manufacturers located in San Diego County. One specializes in house paints that already comply with the proposed new VOC limits. This company should incur few, if any, costs. The other manufacturer is owned by a national paint company which will likely absorb most of the reformulation costs, though they will be somewhat impacted by possible higher costs of raw materials. Neither of the two local coating manufacturers objected to the proposed amendments. Overall, adopting the amended rule is not expected to pose significant economic impacts on the affected industry sectors in San Diego County.

The VOC emission reductions are estimated to be 1.5 tons per day. The estimated cost-effectiveness of the proposed amendments is $3.28 per pound of VOC emissions reduced, comparable to the cost-effectiveness of other District VOC regulations.

The Socioeconomic Impact Assessment is presented in Attachment V.

Compliance with Board Policy on Adopting New Rules

On February 2, 1993, the Board directed that, with the exception of a regulation requested by business or a regulation for which a socioeconomic impact assessment is not required, no new or revised regulation shall be implemented unless specifically required by federal or state law. The adoption of amended Rule 67.0 is required by state law and is, therefore, consistent with this Board directive.

California Environmental Quality Act

Pursuant to the California Environmental Quality Act (CEQA), an Environmental Impact Report (EIR) has been prepared evaluating the potential environmental consequences resulting from the

proposed amendments to Rule 67.0. No significant adverse environmental effects were identified. Pursuant to CEQA, the Board must certify that it reviewed and considered the information in the EIR and that the EIR reflects the Board's independent judgment and analysis of potential environmental consequences resulting from implementing the proposed amendments.

A Certificate of Fee Exemption for De Minimis Impact Finding has been prepared pursuant to California Code of Regulations, Title 14, Section 753.5(c). The District will be exempted from payment of fees to the California Department of Fish and Game for reviewing the EIR if, after considering the record as a whole, the Board finds that there is no evidence that adopting the amendments to Rule 67.0 will have potential for an adverse effect on wildlife resources or the habitat on which the wildlife depends, and the Board finds, on the basis of substantial evidence, that the presumption of adverse effect in California Code of Regulations, Title 14, Section 753.5(d) has been rebutted. No significant adverse environmental effects were identified in the EIR.

The EIR is presented in Attachment III.

Comments were received during the Draft EIR comment period. The comments pertained to technical and feasibility aspects of the proposed amendments to Rule 67.0, but not to the environmental analyses contained in the EIR. The comments have been considered, and responses are provided in Attachment IX. No changes to the EIR are warranted.

Comparative Analysis of Existing Requirements

Prior to adopting, amending, or repealing a rule or regulation, California Health and Safety Code Section 40727 requires findings of necessity, authority, clarity, consistency, non-duplication, and reference. As part of the consistency finding to ensure proposed rule requirements do not conflict with or contradict other District or federal regulations, Health and Safety Code Section 40727.2 requires the District to perform a written analysis comparing the air pollution control standards and other provisions of proposed amended Rule 67.0 with existing or proposed District rules and guidelines, and with existing federal rules, requirements, and guidelines applying to the same source category.

The requirements of amended Rule 67.0 have been compared to the requirements of the federal National Architectural Coating Rule and the state Suggested Control Measure for Architectural Coatings. Rule 67.0 is consistent with the Suggested Control Measure and is more stringent but does not contradict the National Architectural Coating Rule. The analysis is presented in Attachment VI.

Incremental Cost-Effectiveness Analysis

Health and Safety Code Section 40920.6 requires the District to identify one or more potential control options which achieve the emission reduction objectives for the regulation, calculate the incremental cost-effectiveness for the potential control options, and consider and review in a public meeting the effectiveness of the proposed control option and the incremental cost-effectiveness between the potential control options. This analysis has been done.

One control option is to make no amendments to Rule 67.0. This would forego 1.5 tons per day of additional VOC emission reductions needed as part of efforts to comply with the state ambient air quality standard for ozone. Another control option is to adopt even more stringent VOC control requirements for architectural coatings similar to those in the South Coast Air Quality Management District's Rule 1113. This could result in greater emission reductions if all VOC limits prove to be technologically feasible. However, the incremental cost-effectiveness of this option versus the recommended amendments is more than $10 per additional pound of VOC emissions reduced. This is significantly greater than other VOC control measures adopted by the Board and, considering the uncertainty that the more stringent South Coast VOC limits will be achievable, is not recommended.

The analysis is presented in Attachment VII.

Table 1
New and Revised Rule 67.0 Coating Categories and VOC Content Limits[1]

Coating Categories	New (N) or Existing (E)[2]	Current Rule 67.0 (g/l)	Effective Upon Adoption (g/l)	Effective 1/1/2003 (g/l)	Effective 1/1/2004 (g/l)
Antenna Coatings	N	420	530		
Antifouling Coatings	N	420	400		
Bituminous Roof Coatings	N	300	300		
Bituminous Roof Primers	N	350	350		
Clear Wood Coatings:					
Clear Brushing Lacquer	N	680	680		
Lacquers	E	680	680	550	
Sanding Sealers	E	550	550	350	
Faux Finishing Coatings	N	350	350		
Fire Resistive Coatings	N	350	350		
Flat Coatings	N	250	250	100	
Floor Coatings	N	420	400	250	
Flow Coatings	N	420	420		
High Temperature Coatings	E	650	650	420	
Industrial Maintenance Coatings	E	420	420		250
Low-Solids Coatings[3]	N	250	120		
Nonflat Coatings	N	250	250	150	
Nonflat Coatings – High Gloss	N	250	250		
Magnesite Cement Coatings	E	600	600	450	
Multi-Color Coatings	E	580	580	250	
Pre-Treatment Wash Primers	E	780	780	420	
Primers, Sealers, and Undercoaters	E	350	350	200	
Quick-Dry Enamels	E	400	400	250	
Quick-Dry Primers, Sealers, Undercoaters	E	525	525	200	
Recycled Coatings	N	250	250		
Roof Coatings	E	300	300	250	
Rust Preventative Coatings	N	420	400		
Specialty Primers, Sealers, and Undercoaters	N	350	350		
Stains	E	350	350	250	
Swimming Pool Coatings	E	650	650	340	
Swimming Pool Repair & Maintenance Coatings	E	650	650	340	
Temperature-Indicator Safety Coatings	N	650	550		
Traffic Marking Coatings	E	250	250	150	
Waterproofing Sealers	E	400	400	250	
Waterproofing Concrete/Masonry Sealers	N	400	400		
Wood Preservatives *(Below Ground Wood Preservative deleted)*	E	350 (*600*)	350		

1. VOC content limits expressed in grams VOC per liter of coating, as applied, less water and exempt compounds.
2. Coatings in newly added categories previously were regulated as general coatings with a VOC content limit of 250 gm/liter or were included in an existing specialty coating category.
3. VOC content limits expressed in grams of VOC per liter of coating, as applied, including water and exempt compounds.

Resolution No. 01-359

Re Rules and Regulations of the)
Air Pollution Control District)
of San Diego County . . . . .)

RESOLUTION AMENDING RULE 67.0 OF REGULATION IV OF THE RULES AND REGULATIONS OF THE SAN DIEGO COUNTY AIR POLLUTION CONTROL DISTRICT

On motion of Member Roberts, seconded by Member Cox, the following resolution is adopted:

WHEREAS, the San Diego County Air Pollution Control Board, pursuant to Section 40702 of the Health and Safety Code, adopted Rules and Regulations of the Air Pollution Control District of San Diego County; and

WHEREAS, said Board now desires to amend said Rules and Regulations; and

WHEREAS, notice has been given and a public hearing has been had relating to the amendment of said Rules and Regulations pursuant to Section 40725 of the Health and Safety Code.

NOW THEREFORE IT IS RESOLVED AND ORDERED by the San Diego County Air Pollution Control Board that the Rules and Regulations of the Air Pollution Control District of San Diego County be and hereby are amended as follows:

Proposed amended Rule 67.0 is to read as follows:

RULE 67.0. ARCHITECTURAL COATINGS

(a) **APPLICABILITY**

(1) Except as provided in Section (b), this rule is applicable to any person who manufactures, supplies, sells, offers for sale, applies, or solicits the application of any architectural coating for use within San Diego County.

(2) Rule 66 shall not apply to any coating subject to this rule.

(b) **EXEMPTIONS**

(1) This rule shall not apply to:

(i) Any architectural coating that is sold or manufactured for use outside of San Diego County or for shipment to other manufacturers for reformulation or repackaging.

(ii) Any aerosol coating product.

(iii) Any architectural coating that is sold in a container with a volume of one liter (1.057 quart) or less.

(iv) Emulsion-type bituminous pavement sealers applied to roads.

(2) The provisions of Subsection (d)(1) shall not apply to lacquers applied on days with relative humidity greater than 70 percent and temperatures below 65°F. On such days, up to ten percent by volume of VOC may be added to a lacquer, to avoid blushing of the finish, provided that the lacquer contains acetone and no more than 550 grams of VOC per liter of lacquer, less water and exempt compounds, prior to the addition of VOC.

(c) **DEFINITIONS**

(1) "**Adhesive**" means any chemical substance that is applied for the purpose of bonding two surfaces together other than by mechanical means.

(2) "**Aerosol Coating Product**" means a pressurized coating product containing pigments or resins that dispenses product ingredients by means of a propellant, and is packaged in a disposable can either for hand-held application or use in specialized equipment for ground traffic/marking applications.

(3) "**Antenna Coating**" means a coating labeled and formulated exclusively for application to equipment and associated structural appurtenances that are used to receive or transmit electromagnetic signals.

(4) "**Antifouling Coating**" means a coating labeled and formulated for application to submerged stationary structures and their appurtenances to prevent or reduce the attachment of marine or freshwater biological organisms. To qualify as an antifouling coating, the coating must be registered with both the U.S. Environmental Protection Agency (EPA) under the Federal, Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. Section 136, et seq.) and with the California Department of Pesticide Regulation.

(5) "**Appurtenance**" means any accessory to a stationary structure coated at the site of installation, whether installed or detached, including but not limited to: bathroom and kitchen fixtures; cabinets; concrete forms; doors; elevators; fences; hand railings; heating equipment, air conditioning equipment, and other fixed mechanical equipment or stationary tools; lampposts; partitions; pipes and piping systems; rain gutters and down-spouts; stairways, fixed ladders, catwalks, and fire escapes; and window screens.

(6) "**Architectural Coating**" means coating to be applied to stationary structures and/or their appurtenances at the site of installation (stationary source), to portable buildings including mobile homes, at the site of installation, to pavement, or to curbs. Coatings applied in off-site shop applications or to non-stationary structures such as airplanes, ships, boats, railcars, and automobiles, and adhesives are not considered architectural coatings for the purposes of this rule.

(7) "**Bitumens**" means black or brown materials including, but not limited to, asphalt, tar, pitch, and asphaltite that are soluble in carbon disulfide, consisting mainly of hydrocarbons, and obtained from natural deposits or as residues from the distillation of crude petroleum or coal.

(8) "**Bituminous Roof Coating**" means a coating which incorporates bitumens that is labeled and formulated exclusively for roofing.

(9) "**Bituminous Roof Primer**" means a primer which incorporates bitumens that is labeled and formulated exclusively for roofing.

(10) "**Bond Breaker**" means a coating labeled and formulated for application between layers of concrete to prevent a freshly-poured top layer of concrete from bonding to the layer over which it is poured.

(11) "**Clear Brushing Lacquers**" mean clear wood finishes, excluding clear lacquer sanding sealers, formulated with nitrocellulose or synthetic resins to dry by solvent evaporation without chemical reaction and to provide a solid, protective film, which are intended exclusively for application by brush, and which are labeled as specified in Subsection (e)(1)(v).

(12) "**Clear Wood Coatings**" mean clear and semi-transparent coatings, including lacquers and varnishes, applied to wood substrates to provide a transparent or translucent solid film.

(13) "**Coating**" means a material applied onto or impregnated into a substrate for protective, decorative, or functional purposes. Such materials include, but are not limited to, paints, varnishes, sealers, and stains.

(14) "**Colorant**" means a concentrated pigment dispersion in water, solvent and/or binder that is added to an architectural coating after packaging in sale units to produce the desired color.

(15) "**Concrete Curing Compound**" means a coating labeled and formulated for application to freshly poured concrete to retard the evaporation of water.

(16) "**Dry Fog Coating**" means a coating labeled and formulated only for spray application such that overspray droplets dry before subsequent contact with incidental surfaces in the vicinity of the surface coating activity.

(17) "**Exempt Compound**" means the same as defined in Rule 2.

(18) "**Faux Finishing Coating**" means a coating labeled and formulated as a stain or glaze to create artistic effects including, but not limited to, dirt, old age, smoke damage, and simulated marble and wood grain.

(19) "**Fire-Resistive Coating**" means an opaque coating labeled and formulated to protect structural integrity by increasing the fire endurance of interior or exterior steel and other structural materials, and that has been fire tested and rated by a testing agency approved by building code officials for use in bringing assemblies of structural materials into compliance with federal, state, and local building code requirements. The fire-resistive coating and the testing agency must be approved by building code officials.

(20) "**Fire-Retardant Coating**" means a coating labeled and formulated to retard ignition and flame spread, and that has been fire tested and rated by a testing agency approved by building code officials for use in bringing building and construction materials into compliance with federal, state, and local building code requirements. The fire-retardant coating and the testing agency must be approved by building code officials.

(21) "**Flat Coating**" means a coating that is not defined under any other definition in this rule and that registers a gloss of less than 15 on an 85° meter, or less than 5 on a 60° meter.

(22) "**Floor Coating**" means an opaque coating that is labeled and formulated for application to flooring, including, but not limited to, decks, porches, steps, and other horizontal surfaces which may be subject to foot traffic.

(23) "**Flow Coating (Electrical Transformers)**" means a coating labeled and formulated exclusively for use by electric power companies or their subcontractors to maintain the protective coating systems present on utility transformer units.

(24) "**Form-Release Compound**" means a coating labeled and formulated for application to a concrete form to prevent the freshly-poured concrete from bonding to the form. The form may consist of wood, metal, or some material other than concrete.

(25) "**Graphic Arts Coating or Sign Paint**" means a coating labeled and formulated for hand application by artists using brush or roller techniques to indoor and outdoor signs (excluding structural components) and murals including lettering enamels, poster colors, copy blockers, and bulletin enamels.

(26) "**High-Temperature Coating**" means a high performance coating labeled and formulated for application to substrates exposed continuously or intermittently to temperatures above 400°F (204°C).

(27) "**Industrial Maintenance Coating**" means a high performance architectural coating, including primers, sealers, undercoaters, intermediate coats, and topcoats, formulated for application to substrates exposed to one or more of the following extreme environmental conditions and labeled as specified in Subsection (e)(1)(iv):

(i) Immersion in water, wastewater, or chemical solutions (aqueous and non-aqueous solutions), or chronic exposure of interior surfaces to moisture condensation;

(ii) Acute or chronic exposure to corrosive, caustic, or acidic agents, or to chemicals, chemical fumes, or chemical mixtures or solutions;

(iii) Repeated exposure to temperatures above 250°F (121°C);

(iv) Repeated (frequent) heavy abrasion, including mechanical wear and repeated (frequent) scrubbing with industrial solvents, cleansers, or scouring agents; or

(v) Exterior exposure of metal structures and structural components.

(28) "**Lacquer**" means a clear or opaque wood coating, including clear lacquer sanding sealers, formulated with cellulosic or synthetic resins to dry by evaporation without chemical reaction and to provide a solid, protective film.

(29) "**Low-Solids Coating**" means a coating that contains one pound or less of solids per gallon (120 grams or less of solids per liter) of coating material.

(30) "**Magnesite Cement Coating**" means a coating labeled and formulated for application to magnesite cement decking to protect the magnesite cement substrate from erosion by water.

(31) "**Manufacturer's Maximum Thinning Recommendation**" means the maximum recommended thinning ratio that is indicated on the label or lid of the coating container.

(32) "**Mastic Texture Coating**" means a coating labeled and formulated to cover holes and minor cracks and to conceal surface irregularities, and is applied in a single coat of at least 0.010 inch (10 mils) dry film thickness.

(33) "**Metallic Pigmented Coating**" means a coating containing at least 0.4 pounds of elemental metallic pigment per gallon (48 grams of elemental metallic pigment per liter) of coating as applied.

(34) "**Multi-Color Coating**" means a coating that is packaged in a single container and exhibits more than one color when applied in a single coat.

(35) "**Nonflat Coating**" means a coating that is not defined under any other definition in this rule, and that registers a gloss of 15 or greater on an 85° meter or 5 or greater on a 60° meter.

(36) "**Nonflat-High Gloss Coating**" means a nonflat coating that registers a gloss of 70 or above on a 60° meter.

(37) "**Non-Industrial Use**" means any use of architectural coatings except in the construction or maintenance of any of the following: facilities used in the manufacturing of goods and commodities; transportation infrastructure, including highways, bridges, airports, and railroads; facilities used in mining activities, including petroleum extraction; and utilities infrastructure, including power generation and distribution, and water treatment and distribution systems.

(38) "**Post-Consumer Coating**" means a finished coating that would have been disposed of in a landfill, having completed its usefulness to a consumer. Post-consumer coating does not include manufacturing wastes.

(39) "**Pre-Treatment Wash Primer**" means a primer that contains a minimum of 0.5 percent acid, by weight, and is labeled and formulated for application directly to bare metal surfaces to provide corrosion resistance and to promote adhesion of subsequent topcoats.

(40) "**Primer**" means a coating labeled and formulated for application to a substrate to provide a firm bond between the substrate and subsequent coats.

(41) "**Quick-Dry Enamel**" means a nonflat coating that is labeled as specified in Subsection (e)(1)(viii) and that is formulated to have the following characteristics:

(i) Capable of being applied directly from the container under normal conditions at ambient temperatures between 60 and 80°F (16 and 27°C);

(ii) When tested in accordance with ASTM Designation D 1640-95, sets to touch in two hours or less, is tack free in four hours or less, and dries hard in eight hours or less by the mechanical test method; and

(iii) Has a dried film gloss of 70 or above on a 60° meter.

(42) "**Quick-Dry Primer, Sealer, and Undercoater**" means a primer, sealer, or undercoater that is dry to the touch in 30 minutes and can be recoated in two hours.

(43) "**Recycled Coating**" means an architectural coating formulated such that not less than 50 percent of the total weight consists of secondary and post-consumer coating, with not less than ten percent of the total weight consisting of post-consumer coating.

(44) "**Roof Coating**" means a non-bituminous coating labeled and formulated exclusively for application to roofs for the primary purpose of preventing penetration of the substrate by water or reflecting heat and ultraviolet radiation. Roof coatings, which qualify as metallic pigmented coating shall not be considered to be in this category, but shall be considered to be in the metallic pigmented coating category.

(45) "**Rust Preventative Coating**" means a coating formulated for non-industrial use to prevent the corrosion of metal surfaces and labeled as specified in Subsection (e)(1)(vi).

(46) "**Sanding Sealer**" means a clear or semi-transparent wood coating labeled and formulated for application to bare wood to seal the wood and to provide a coat that can be abraded to create a smooth surface for subsequent applications of coatings. A sanding sealer that also meets the definition of a lacquer is not included in this category, but is included in the lacquer category.

(47) "**Sealer**" means a coating labeled and formulated for application to a substrate for either of the following purposes: to prevent subsequent coatings from being absorbed by the substrate or to prevent harm to subsequent coatings by materials in the substrate.

(48) "**Secondary Coating (Rework)**" means the fragment of a finished coating or the finished coating from a manufacturing process that has converted resources into a commodity of real economic value, but does not include excess virgin resources of the manufacturing process.

(49) "**Shellac**" means a clear or opaque coating formulated solely with the resinous secretions of the lac beetle (*Laccifer lacca*), thinned with alcohol, and formulated to dry by evaporation without a chemical reaction.

(50) "**Shop Application**" means application of a coating to a product or a component of a product in or on the premises of a factory or a shop as part of a manufacturing, production, or repairing process (e.g., original equipment manufacturing coatings).

(51) "**Solicit**" means to require for use or to specify, by written or oral contract.

(52) "**Specialty Primer, Sealer, and Undercoater**" means a coating that is labeled as specified in Subsection (e)(1)(vii) and formulated for application to a substrate to seal fire, smoke, or water damage; to condition excessively chalky surfaces, or to block stains. An excessively chalky surface is one that is defined as having a chalk rating of four or less.

(53) "**Stain**" means a clear, semitransparent, or opaque coating labeled and formulated to change the color of a surface but not conceal the grain pattern or texture.

(54) "**Swimming Pool Coating**" means a coating labeled and formulated to coat the interior of swimming pools and to resist swimming pool chemicals.

(55) "**Swimming Pool Repair and Maintenance Coating**" means a rubber-based coating labeled and formulated to be used over existing rubber-based coatings for the repair and maintenance of swimming pools.

(56) "**Temperature-Indicator Safety Coating**" means a coating labeled and formulated as a color-changing indicator coating for the purpose of monitoring the temperature and safety of the substrate, underlying piping, or underlying equipment, and for application to substrates exposed continuously or intermittently to temperatures above 400°F (204°C).

(57) "**Tint Base**" means an architectural coating to which colorant is added after packaging to produce a desired color.

(58) "**Traffic Marking Coating**" means a coating labeled and formulated for marking and stripping streets, highways, or other traffic surfaces including, but not limited to, curbs, berms, driveways, parking lots, sidewalks, and airport runways.

(59) "**Undercoater**" means a coating labeled and formulated to provide a smooth surface for subsequent coats.

(60) "**Varnish**" means a clear or semi-transparent wood coating, excluding lacquers and shellacs, formulated to dry by chemical reaction on exposure to air. Varnishes may contain small amounts of pigment to color a surface, or to control the final sheen or gloss of the finish.

(61) "**Volatile Organic Compound (VOC)**" means the same as defined in Rule 2.

(62) "**VOC Content Per Volume of Coating, Less Water and Exempt Compounds**" means the same as defined in Rule 2 and calculated as specified in Subsection (e)(2).

(63) "**VOC Content Per Volume of Material**" means the same as defined in Rule 2 and calculated as specified in Subsection (e)(2).

(64) "**Waterproofing Concrete/Masonry Sealer**" means a clear or pigmented film-forming coating that is labeled and formulated for sealing concrete and masonry to provide resistance against water, alkalis, acids, ultraviolet light, and staining.

(65) "**Waterproofing Sealer**" means a coating labeled and formulated for application to a porous substrate for the primary purpose of preventing the penetration of water.

(66) "**Wood Preservative**" means a coating labeled and formulated to protect exposed wood from decay or insect attack, that is registered with both the U.S. EPA under the Federal Insecticide, Fungicide, and Rodenticide Act (7 United States Code Section 136, *et seq.*) and with the California Department of Pesticide Regulation.

(d) STANDARDS

(1) VOC CONTENT LIMITS

Except as provided in Subsections (b)(2), (d)(2), (d)(3), and (d)(5), no person shall:

(i) manufacture, blend, or repackage for sale within San Diego County;

(ii) supply, sell, or offer for sale within San Diego County; or

(iii) solicit for application or apply within San Diego County, any architectural coating with a VOC content in excess of the corresponding limits specified in Table I after the specified effective dates.

Table I - VOC Standards

Coating Categories	Effective *(Date of Adoption)* Limit[1,2] lb/gal	(g/l)	Effective 1/1/2003 Limit[1,2] lb/gal	(g/l)	Effective 1/1/2004 Limit[1,2] lb/gal	(g/l)
General Coatings:						
Flat Coatings	2.1	(250)	0.8	(100)		
Nonflat Coatings	2.1	(250)	1.3	(150)		
Nonflat Coatings – High Gloss	2.1	(250)				
Specialty Coatings:						
Antenna Coatings	4.4	(530)				
Antifouling Coatings	3.3	(400)				
Bituminous Roof Coatings	2.5	(300)				
Bituminous Roof Primers	2.9	(350)				
Bond Breakers	2.9	(350)				
Clear Wood Coatings:						
Clear Brushing Lacquer	5.7	(680)				
Lacquers (including lacquer sanding sealers)	5.7	(680)	4.6	(550)		
Sanding Sealers (other than lacquer sanding sealers)	4.6	(550)	2.9	(350)		
Varnishes	2.9	(350)				
Concrete Curing Compounds	2.9	(350)				
Dry Fog Coatings	3.3	(400)				
Faux Finishing Coatings	2.9	(350)				
Fire Resistive Coatings	2.9	(350)				
Fire Retardant Coatings:						
Clear	5.4	(650)				
Opaque	2.9	(350)				
Floor Coatings	3.3	(400)	2.1	(250)		
Flow Coatings	3.5	(420)				
Form-Release Compounds	2.1	(250)				
Graphic Arts Coatings (Sign Paints)	4.2	(500)				
High Temperature Coatings	5.4	(650)	3.5	(420)		
Industrial Maintenance Coatings	3.5	(420)			2.1	(250)
Low-Solids Coatings[3]	1.0	(120)				
Magnesite Cement Coatings	5.0	(600)	3.8	(450)		
Mastic Texture Coatings	2.5	(300)				
Metallic Pigmented Coatings	4.2	(500)				
Multi-Color Coatings	4.8	(580)	2.1	(250)		
Pre-Treatment Wash Primers	6.5	(780)	3.5	(420)		
Primers, Sealers, and Undercoaters	2.9	(350)	1.7	(200)		
Quick-Dry Enamels	3.3	(400)	2.1	(250)		
Quick-Dry Primers, Sealers, Undercoaters	4.4	(525)	1.7	(200)		
Recycled Coatings	2.1	(250)				

Table I - VOC Standards - Continued

Coating Categories	Effective *(Date of Adoption)* Limit[1,2] lb/gal	(g/l)	Effective 1/1/2003 Limit[1,2] lb/gal	(g/l)	Effective 1/1/2004 Limit[1,2] lb/gal	(g/l)
Roof Coatings	2.5	(300)	2.1	(250)		
Rust Preventative Coatings	3.3	(400)				
Shellacs:						
Clear	6.1	(730)				
Opaque	4.6	(550)				
Specialty Primers, Sealers, and Undercoaters	2.9	(350)				
Stains	2.9	(350)	2.1	(250)		
Swimming Pool Coatings	5.4	(650)	2.8	(340)		
Swimming Pool Repair & Maintenance Coatings	5.4	(650)	2.8	(340)		
Temperature-Indicator Safety Coatings	4.6	(550)				
Traffic Marking Coatings	2.1	(250)	1.3	(150)		
Waterproofing Sealers	3.3	(400)	2.1	(250)		
Waterproofing Concrete/Masonry Sealers	3.3	(400)				
Wood Preservatives	2.9	(350)				

[1] Remains in effect unless revised limits are indicated in subsequent columns. The VOC content limits take into account the "Manufacturer's Maximum Thinning Recommendation," if any.

[2] Expressed in pounds VOC per gallon (or grams VOC per liter) of coating, as applied, less water, exempt compounds, and colorant added to tint bases.

[3] VOC content limits are expressed in pounds of VOC per gallon (or grams of VOC per liter) of coating, as applied, including water and exempt compounds.

(2) COATINGS NOT LISTED IN TABLE I

For any coating that does not meet any of the definitions for the specialty coatings categories listed in Table I, the VOC content limit shall be determined by classifying the coating as a flat coating or a nonflat coating, based on its gloss, as defined in Subsections (c)(21), (c)(35) and (c)(36) and the corresponding flat or nonflat VOC content limit shall apply.

(3) MOST RESTRICTIVE VOC LIMITS

If anywhere on the container of any architectural coating, or any label or sticker affixed to the container, or in any sales, advertising, or technical literature supplied by a manufacturer or anyone acting on their behalf, any representation is made that indicates that the coating meets the definition of or is recommended for use for more than one of the coating categories listed in Table I, then the most restrictive VOC content limit shall apply. This provision does not apply to the coating categories specified below:

(i) Antenna coatings,
(ii) Antifouling Coatings,
(iii) Bituminous roof primers,
(iv) Fire-retardant coatings,
(v) Flow coatings (Electrical Transformers),
(vi) High-temperature coatings,

(vii) Industrial maintenance coatings,
(viii) Lacquers (including lacquer sanding sealers),
(ix) Low-solids coatings,
(x) Metallic pigmented coatings,
(xi) Pre-treatment wash primers,
(xii) Shellacs,
(xiii) Specialty primers, sealers, and undercoaters,
(xiv) Temperature-indicator safety coatings, or
(xv) Wood preservatives.

(4) SELL-THROUGH OF COATINGS

(i) A coating manufactured prior to the January 1, 2003, or January 1, 2004, effective date specified for that coating in Table I may be sold, supplied, or offered for sale for up to three years after the specified effective date. In addition, a coating manufactured before the effective date specified for that coating in Table I may be applied at any time, both before and after the specified effective date, so long as the coating complied with the standards in effect at the time the coating was manufactured. This Subsection does not apply to any coating that does not display the date or date-code required by Subsection (e)(1)(i).

(ii) A coating included in an approved Averaging Program that does not comply with the specified limit in Table I may be sold, supplied, or offered for sale for up to three years after the end of the compliance period specified in the approved Averaging Program. In addition, such a coating may be applied at any time, both during and after the compliance period. This Subsection does not apply to any coating that does not display on the container either the statement: "This product is subject to architectural coating averaging provisions in California" or a substitute symbol specified by the Executive Officer of the CARB. This Subsection shall remain in effect until January 1, 2008.

(5) RUST PREVENTIVE COATINGS

After January 1, 2004, a person shall only apply or solicit the application of a rust preventative coating for non-industrial uses, unless the rust preventative coating complies with the industrial maintenance coating VOC limit specified in Table I.

(6) STATEWIDE AVERAGING COMPLIANCE OPTION

On or after January 1, 2003, in lieu of compliance with the limits specified in Table I for floor coatings; industrial maintenance coatings; primers, sealers, and undercoaters; quick-dry primers, sealers, and undercoaters; quick-dry enamels; roof coatings; bituminous roof coatings; rust preventative coatings; stains; waterproofing sealers, as well as flats and nonflats (excluding recycled coatings), manufacturers may average designated coatings such that their actual cumulative emissions from the averaged coatings are less than or equal to the cumulative emissions that would have been allowed under those limits over a compliance period not to exceed one year. Such manufacturers must also comply with the averaging provisions contained in Appendix A, as well as maintain and make available for

inspection records for at least three years after the end of the compliance period. This Subsection and Appendix A shall cease to be effective on January 1, 2005, after which averaging will no longer be allowed.

(7) THINNING

No person who applies or solicits the application of any architectural coating shall apply a coating that is thinned to exceed the applicable VOC limit specified in Table I.

(8) PAINTING PRACTICES

Any person who stores, transfers, applies or otherwise uses architectural coatings, thinners, cleanup solvents, or other materials which contain volatile organic compounds shall comply with the requirements of Rule 67.17 – Storage of Materials Containing Volatile Organic Compounds.

(e) ADMINISTRATIVE REQUIREMENTS

(1) CONTAINER LABELING REQUIREMENT:

Each manufacturer of any architectural coating subject to this rule shall display the information listed in Subsections (e)(1)(i) through (e)(1)(ix) on the coating container (or label) in which the coating is sold or distributed.

(i) **Date Code:** The date the coating was manufactured, or a date code representing the date, shall be indicated on the label, lid, or bottom of the container. If the manufacturer uses a date code for any coating, the manufacturer shall file an explanation of each code with the Executive Officer of the CARB.

(ii) **Thinning Recommendations:** A statement of the manufacturer's recommendation regarding thinning of the coating shall be indicated on the label or lid of the container. This requirement does not apply to the thinning of architectural coatings with water. If thinning of the coating prior to use is not necessary, the recommendation must specify that the coating is to be applied without thinning.

(iii) **VOC Content:** Each container of any coating subject to this rule shall display either the maximum or the actual VOC content of the coating, as supplied, including the maximum thinning as recommended by the manufacturer. VOC content shall be displayed as grams of VOC per liter of coating. VOC content displayed shall be calculated using product formulation data or determined using the test methods in Subsection (f)(2). The equations in Subsection (e)(2) shall be used to calculate VOC content.

(iv) **Industrial Maintenance Coatings**: In addition to the information specified in Subsections (e)(1)(i), (e)(1)(ii), and (e)(1)(iii), each manufacturer of any industrial maintenance coating subject to this rule shall display on the label or lid of the container in which the coating is sold or distributed one or more of the descriptions listed in Subsections (e)(1)(iv)(A) through (e)(1)(iv)(C).

(A) "For industrial use only."
(B) "For professional use only."
(C) "Not for residential use" or "Not intended for residential use."

(v) **Clear Brushing Lacquers:** Effective January 1, 2003, the labels of all clear brushing lacquers shall prominently display the statements "For brush application only," and "This product must not be thinned or sprayed."

(vi) **Rust Preventative Coatings:** Effective January 1, 2003, the labels of all rust preventative coatings shall prominently display the statement "For Metal Substrates Only."

(vii) **Specialty Primers, Sealers, and Undercoaters:** Effective January 1, 2003, the labels of all specialty primers, sealers, and undercoaters shall prominently display one or more of the descriptions listed in Subsections (e)(1)(vii)(A) through (e)(1)(vii)(E).

(A) For blocking stains.
(B) For fire-damaged substrates.
(C) For smoke-damaged substrates.
(D) For water-damaged substrates.
(E) For excessively chalky substrates.

(viii) **Quick-Dry Enamels:** Effective January 1, 2003, the labels of all quick-dry enamels shall prominently display the words "Quick Dry" and the dry hard time.

(ix) **Nonflat–High Gloss Coatings:** Effective January 1, 2003, the labels of all nonflat–high gloss coatings shall prominently display the words "High Gloss."

(2) CALCULATION OF VOC CONTENT

For the purpose of determining compliance with the VOC content limits in Table I, the VOC content of a coating shall be determined by using the procedures described in Subsections (e)(2)(i) or (e)(2)(ii), as appropriate. The VOC content of a tint base shall be determined without colorant that is added after the tint base is manufactured.

(i) With the exception of low-solids coatings, determine the VOC content in grams of VOC per liter of coating thinned to the manufacturer's maximum thinning recommendation, excluding the volume of any water and exempt compounds. Determine the VOC content using the following equation:

$$\text{VOC Content} = (W_s - W_w - W_{ec}) / (V_m - V_w - V_{ec})$$

Where:
VOC content = grams of VOC per liter of coating
W_s = weight of all volatiles, in grams
W_w = weight of water, in grams
W_{ec} = weight of exempt compounds, in grams

V_m = volume of coating, in liters
V_w = volume of water, in liters
V_{ec} = volume of exempt compounds, in liters

(ii) For low-solids coatings, determine the VOC content in units of grams of VOC per liter of coating thinned to the manufacturer's maximum recommendation, including the volume of any water and exempt compounds. Determine the VOC content using the following equation:

$$\text{VOC Content}_{ls} = (W_s - W_w - W_{ec}) / (V_m)$$

Where: VOC content_{ls} = the VOC content of a low solids coating in grams of VOC per liter of coating

W_s = weight of all volatiles, in grams
W_w = weight of water, in grams
W_{ec} = weight of exempt compounds, in grams
V_m = volume of coating, in liters

(f) MONITORING AND RECORDS

(1) REPORTING REQUIREMENTS

(i) **Clear Brushing Lacquers:** Each manufacturer of clear brushing lacquers shall, on or before April 1 of each calendar year beginning in the year 2004, submit an annual written report to the Executive Officer of the CARB. The report shall specify the number of gallons of clear brushing lacquers sold in California during the preceding calendar year, and shall describe the method used by the manufacturer to calculate State sales.

(ii) **Rust Preventative Coatings:** Each manufacturer of rust preventative coatings shall, on or before April 1 of each calendar year beginning in the year 2004, submit an annual written report to the Executive Officer of the CARB. The report shall specify the number of gallons of rust preventative coatings sold in California during the preceding calendar year, and shall describe the method used by the manufacturer to calculate State sales.

(iii) **Specialty Primers, Sealers, and Undercoaters:** Each manufacturer of specialty primers, sealers, and undercoaters shall, on or before April 1 of each calendar year beginning in the year 2004, submit an annual written report to the Executive Officer of the CARB. The report shall specify the number of gallons of specialty primers, sealers, and undercoaters sold in California during the preceding calendar year, and shall describe the method used by the manufacturer to calculate State sales.

(iv) **Toxic Exempt Compounds:** For each architectural coating that contains perchloroethylene or methylene chloride, the manufacturer shall, on or before April 1 of each calendar year beginning in the year 2004, report in writing to

the Executive Officer of the CARB the following information for products sold in California during the preceding year:

(A) the product brand name and a copy of the product label with legible usage instructions;

(B) the product category listed in Table I to which the coating belongs;

(C) the total sales in California during the calendar year to the nearest gallon; the volume percent, to the nearest 0.10 percent, of perchloroethylene and methylene chloride in the coating.

(v) **Recycled Coating:** Manufacturers of recycled coatings must submit a letter to the Executive Officer of the CARB certifying their status as a Recycled Paint Manufacturer. The manufacturer shall, on or before April 1 of each calendar year beginning in the year 2004, submit an annual written report to the Executive Officer of the CARB. The report shall include, for all recycled coatings, the total number of gallons distributed in California during the preceding year, and shall describe the method used by the manufacturer to calculate California's distribution.

(vi) **Bituminous Coatings:** Each manufacturer of bituminous roof coatings or bituminous roof primers shall, on or before April 1 of each calendar year beginning in the year 2004, submit an annual written report to the Executive Officer of the CARB. The report shall specify the number of gallons of bituminous roof coatings or bituminous roof primers sold in California during the preceding calendar year, and shall describe the method used by the manufacturer to calculate California's sales.

(2) **TESTING PROCEDURES**

(i) **VOC Content:** To determine the physical properties of a coating in order to perform the Subsection (e)(2)calculations, the reference method for VOC content is U.S. EPA Method 24, incorporated by reference in Subsection (f)(2) (iv)(K), except as provided in Subsections (f)(2)(ii) and (f)(2)(iii). An alternative method to determine the VOC content of coatings is SCAQMD Method 304-91 (Revised February 1996), incorporated by reference in Subsection (f)(2)(iv)(L). The exempt compounds content shall be determined by South Coast Air Quality Management District (SCAQMD) Method 303-91 (Revised August 1996), incorporated by reference in Subsection (f)(2)(iv)(J). To determine the VOC content of a coating, the manufacturer may use U.S. EPA Method 24, or an alternative method as provided in Subsection (f)(2)(ii), formulation data, or any other reasonable means for predicting that the coating has been formulated as intended (e.g. quality assurance checks, recordkeeping). However, if there are any inconsistencies between the results of a Method 24 test and any other means for determining VOC content, the Method 24 test results will govern, except when an alternative method is approved as specified in Subsection (f)(2)(ii). The Air Pollution Control Officer may require the manufacturer to conduct a Method 24 analysis.

(ii) **Alternative Test Method:** Other test methods demonstrated to provide results that are acceptable for purposes of determining compliance with Subsection (f)(2)(i), after review and approval in writing by the staffs of the District, the CARB, and the U.S. EPA, may also be used.

(iii) **Methacrylate Traffic Marking Coatings:** Analysis of methacrylate multi-component coatings used as traffic marking coatings shall be conducted according to a modification of U.S. EPA Method 24 (Appendix A), incorporated by reference in Subsection (f)(2)(iv)(M). This method has not been approved for methacrylate multi-component coatings used for purposes other than as traffic marking coatings or for other classes of multi-component coatings.

(iv) **Test Methods:** The following test methods are incorporated by reference herein, and shall be used to test coatings subject to provisions of this rule:

(A) Flame Spread Index: The flame spread index of a fire-retardant coating shall be determined by ASTM Designation E 84-99, "Standard Test Method for Surface Burning Characteristics of Building Materials" (see Subsection (c)(20), Fire-Retardant Coating).

(B) Fire Resistance Rating: The fire resistance rating of a fire-resistive coating shall be determined by ASTM Designation E 119-98, "Standard Test Methods for Fire Tests of Building Construction Materials" (see Subsection (c)(19), Fire-Resistive Coating).

(C) Gloss Determination: The gloss of a coating shall be determined by ASTM Designation D 523-89 (1999), "Standard Test Method for Specular Gloss" (see Subsections (c)(21), (c)(35), (c)(36), and (c)(41), Flat Coating, Nonflat Coating, Nonflat-High Gloss Coating, and Quick-Dry Enamels).

(D) Metal Content of Coatings: The metallic content of a coating shall be determined by SCAQMD Method 318-95, "Determination of Weight Percent Elemental Metal in Coatings by X-Ray Diffraction," SCAQMD "Laboratory Methods of Analysis for Enforcement Samples" (see Subsection (c)(33), Metallic Pigmented Coating).

(E) Acid Content of Coatings: The acid content of a coating shall be determined by ASTM Designation D 1613-96, "Standard Test Method for Acidity in Volatile Solvents and Chemical Intermediates Used in Paint, Varnish, Lacquer, and Related Products" (see Subsection (c)(39), Pre-Treatment Wash Primers).

(F) Drying Times: The set-to-touch, dry-hard, dry-to-touch, and dry-to-recoat times of a coating shall be determined by ASTM Designation D 1640-95, "Standard Test Methods for Drying, Curing, or Film Formation of Organic Coatings at Room Temperature" (see Subsections (c)(41) and (c)(42), Quick-Dry Enamel and Quick-Dry Primer, Sealer, and Undercoater). The tack-free

time of a quick-dry enamel coating shall be determined by the Mechanical Test Method of ASTM Designation D 1640-95.

(G) Surface Chalkiness: The chalkiness of a surface shall be determined using ASTM Designation D 4214-98, "Standard Test Methods for Evaluating the Degree of Chalking of Exterior Paint Films" (see Subsection (c)(52), Specialty Primer, Sealer, and Undercoater).

(H) Exempt Compounds – Siloxanes: Exempt compounds that are cyclic, branched, or linear completely methylated siloxanes, shall be analyzed as exempt compounds (for compliance with Subsection (e)(2)) by Bay Area Air Quality Management District (BAAQMD) District Method 43, "Determination of Volatile Methylsiloxanes in Solvent-Based Coatings, Inks, and Related Materials," BAAQMD Manual of Procedures, Volume III, adopted 11/6/96, (see Subsection (c)(61), Volatile Organic Compounds and Subsection (e)(2)(i)).

(I) (Exempt Compounds – Parachlorobenzotrifluoride PCBTF): The exempt compound parachlorobenzotrifluoride, shall be analyzed as an exempt compound for compliance with Subsection(f)(2) by BAAQMD Method 41, "Determination of Volatile Organic Compounds in Solvent-Based Coatings and Related Materials Containing Parachlorobenzotrifluoride," BAAQMD Manual of Procedures, Volume III, adopted 12/20/95, (see Subsection (c)(61), Volatile Organic Compound and Subsection (f)(2)(i)).

(J) Exempt Compounds: The content of compounds exempt under U.S. EPA Method 24 shall be analyzed by SCAQMD Method 303-91 (August 1996), "Determination of Exempt Compounds," SCAQMD "Laboratory Methods of Analysis for Enforcement Samples," (see Subsection (c)(61), Volatile Organic Compound and Subsection (f)(2)(i)).

(K) VOC Content of Coatings: The VOC content of a coating shall be determined by U.S. EPA Method 24 as it exists in appendix A of 40 Code of Federal Regulations (CFR) part 60, "Determination of Volatile Matter Content, Water Content, Density, Volume Solids, and Weight Solids of Surface Coatings" (see Subsection (f)(2)(i)).

(L) Alternative VOC Content of Coatings: The VOC content of coatings may be analyzed either by U.S. EPA Method 24 or SCAQMD Method 304-91 (February 1996), "Determination of Volatile Organic Compounds (VOC) in Various Materials," SCAQMD "Laboratory Methods of Analysis for Enforcement Samples" (see Subsection (f)(2)(i)).

(M) Methacrylate Traffic Marking Coatings: The VOC content of methacrylate multi-component coatings used as traffic marking coatings shall be analyzed by the procedures in 40 CFR Part 59, Subpart D, Appendix A, "Determination of Volatile Matter Content of Methacrylate Multicomponent Coatings Used as Traffic Marking Coating" (September 11,1998), (see Subsection (f)(2)(i)).

Appendix A

A.1 AVERAGING PROVISION

The manufacturer shall demonstrate that actual emissions from the coatings being averaged are less than or equal to the allowable emissions, for the specified compliance period using the following equation:

$$\sum_{i=1}^{n} GiMi \leq \sum_{i=1}^{n} GiViLi$$

Where:

$\sum_{i=1}^{n} GiMi$ = Actual Emissions

$\sum_{i=1}^{n} GiViLi$ = Allowable Emissions

Gi = Total Gallons of Product (i) subject to Averaging;

Mi = Material VOC Content of Product (i), in pounds per gallon;

$$Mi = \frac{Ws - Ww - Wec}{Vm}$$

Vi = Percent by Volume Solids and VOC in Product (i);

$$Vi = \frac{Vm - Vw - Vec}{Vm}$$

Where: Ws, Ww, Wec, Vm, Vw, and Vec are defined in Subsection (e)(2), except that in this Appendix weights are in pounds and volumes are in gallons.

For Non-Zero VOC Coatings:

$$Vi = \frac{\text{Material VOC (also known as VOC Actual)}}{\text{Coating VOC (also known as VOC Regulatory)}}$$

Where: $\text{Coating VOC} = \frac{Ws - Ww - Wec}{Vm - Vw - Vec}$

For Zero VOC Coatings:

Vi = Percent Solids by Volume

Li = Regulatory VOC Content Limit for Product (i), in pounds per gallon (as listed in Table I)

The averaging is limited to coatings that are designated by the manufacturer. Any coating not designated in the averaging Program shall comply with the VOC limit in

Table I. The manufacturer shall not include any quantity of coatings that it knows or should have known will not be used in California, if statewide coatings data are used. If district-specific coatings data are used, the manufacturer shall not include any quantity of coatings that it knows or should have known will not be used in the District.

A.1.1 In addition to the requirements specified in Section A.1, manufacturers shall not include in an Averaging Program any coating with a VOC content in excess of the following maximum VOC content, for the applicable categories.

Averaging Categories and VOC Ceiling (Maximum VOC Allowed)				
Category	VOC Limit Effective 1/1/2003		Averaging VOC Ceiling (Maximum)	
	lb/gal	g/l	lb/gal	g/l
Flat Coating	0.8	100	2.1	250
Nonflat Coating	1.3	150	2.1	250
Floor Coatings	2.1	250	3.3	400
Industrial Maintenance Coatings	2.1*	250*	3.5	420
Primers, Sealers, and Undercoaters	1.7	200	2.9	350
Quick-Dry Primers, Sealers, & Undercoaters	1.7	200	3.8	450
Quick-Dry Enamels	2.1	250	3.3	400
Roof Coatings	2.1	250	2.1	250
Bituminous Roof Coatings	2.5	300	2.1	300
Rust Preventative Coatings	3.3	400	3.3	400
Stains	2.1	250	2.9	350
Waterproofing Sealers	2.1	250	3.3	400

*Effective 1/1/2004

A.2 AVERAGING PROGRAM (PROGRAM)

At least six months prior to the start of the compliance period, manufacturers shall submit an Averaging Program to the Executive Officer of the Air Resources Board. As used in this Appendix A, "Executive Officer" means the Executive Officer of the Air Resources Board. Averaging may not be implemented until the Program is approved in writing by the Executive Officer.

Within 45 days of submittal of a complete Program, the Executive Officer shall either approve or disapprove the Program. The Program applicant and the Executive Officer may agree to an extension of time for the Executive Officer to take action on the Program.

A.3 GENERAL REQUIREMENTS

The Program shall include all necessary information for the Executive Officer to make a determination as to whether the manufacturer may comply with the averaging requirements over the specified compliance period in an enforceable manner. Such information shall include, but is not limited to, the following:

A.3.1 An identification of the contact persons, telephone numbers, and name of the manufacturer who is submitting the Program.

A.3.2 An identification of each coating that has been selected by the manufacturer for inclusion in this program that exceeds the applicable VOC limit in Table I, its VOC content specified in units of both VOC actual and VOC regulatory, and the designation of the coating category.

A.3.3 A detailed demonstration showing that the projected actual emissions will not exceed the allowable emissions for a single compliance period that the Program will be in effect. In addition, the demonstration shall include VOC content information for each coating that is below the compliance limit in Table I. The demonstration shall use the equation specified in Section A.1 of this Appendix for projecting the actual emissions and allowable emissions during each compliance period. The demonstration shall also include all VOC content levels and projected volume sold within the State for each coating listed in the Program during each compliance period. The requested data can be summarized in a matrix form.

A.3.4 A specification of the compliance period(s) and applicable reporting dates. The length of the compliance period shall not be more than one year or less than six months.

A.3.5 An identification and description of all records to be made available to the Executive Officer upon request, if different than those identified under Section A.3.6.

A.3.6 An identification and description of specific records to be used in calculating emissions for the Program and subsequent reporting, and a detailed explanation as to how those records will be used by the manufacturer to verify compliance with the averaging requirements.

A.3.7 A statement, signed by a responsible party for the manufacturer, that all information submitted is true and correct, and that records will be made available to the Executive Officer upon request.

A.4 REPORTING REQUIREMENTS

A.4.1 For every single compliance period, the manufacturer shall submit a mid-term report listing all coatings subject to averaging during the first half of the compliance period, detailed analysis of the actual and allowable emissions at the end of the mid-term, and an explanation as to how the manufacturer intends to achieve compliance by the end of the compliance period. The report shall be signed by the responsible party for the manufacturer, attesting that all information submitted is true and correct. The mid-term

report shall be submitted within 45 days after the midway date of the compliance period. A manufacturer may request, in writing, an extension of up to 15 days for submittal of the mid-term report.

A.4.2 Within 60 days after the end of the compliance period or upon termination of the Program, whichever is sooner, the manufacturer shall submit to the Executive Officer a report listing all coatings subject to averaging during the compliance period, providing a detailed demonstration of the balance between the actual and allowable emissions for the compliance period, any identification and description of specific records used by the manufacturer to verify compliance with the averaging requirement, and any other information requested by the Executive Officer to determine whether the manufacturer complied with the averaging requirements over the specified compliance period. The report shall be signed by the responsible party for the manufacturer, attesting that all information submitted is true and correct, and that records will be made available to the Executive Officer upon request. A manufacturer may request, in writing, an extension of up to 30 days for submittal of the final report.

A.5 RENEWAL OF A PROGRAM

A Program automatically expires at the end of the compliance period. The manufacturer may request a renewal of the Program by submitting a renewal request that shall include an updated Program, meeting all applicable Program requirements. The renewal request will be considered conditionally approved until the Executive Officer makes a final decision to deny or approve the renewal request based on a determination of whether the manufacturer is likely to comply with the averaging requirements. The Executive Officer shall base such determination on all available information, including but not limited to, the mid-term and the final reports of the preceding compliance period. The Executive Officer shall make a decision to deny or approve a renewal request no later than 45 days from the date of the final report submittal, unless the manufacturer and the Executive Officer agree to an extension of time for the Executive Officer to take action on the renewal request.

A.6 MODIFICATION OF A PROGRAM

A manufacturer may request a modification of the Program at any time prior to the end of the compliance period. The Executive Officer shall take action to approve or disapprove the modification request no longer than 45 days from the date of its submittal. No modification of the compliance period shall be allowed. A Program need not be modified to specify additional coatings to be averaged that are below the applicable VOC limits.

A.7 TERMINATION OF A PROGRAM

A.7.1 A manufacturer may terminate its Program at any time by filing a written notification to the Executive Officer. The filing date shall be considered the effective date of the termination, and all other provisions of this rule including the VOC limits shall immediately thereafter apply. The manufacturer shall also submit a final report 60 days after the termination date. Any exceedance of the actual emissions over the

allowable emissions over the period that the Program was in effect shall constitute a separate violation for each day of the entire compliance period.

A.7.2 The Executive Officer may terminate a Program if any of the following circumstances occur:

A.7.2.1 The manufacturer violates the requirements of the approved Program, and at the end of the compliance period, the actual emissions exceed the allowable emissions.

A.7.2.2 The manufacturer demonstrates a recurring pattern of violations and has consistently failed to take the necessary steps to correct those violations.

A.8 CHANGE IN VOC LIMITS

If the VOC limits of a coating listed in the Program are amended such that its effective date is less than one year from the date of adoption, the affected manufacturer may base its averaging on the prior limits of that coating until the end of the compliance period immediately following the date of adoption.

A.9 LABELING

Each container of any coating that is included in averaging program, and that exceeds the applicable VOC limit in the table in Section 301 shall display the following statement: "This product is subject to architectural coatings averaging provisions in California." A symbol specified by the Executive Officer may be used as a substitute.

A.10 VIOLATIONS

The exceedance of the allowable emissions for any compliance period shall constitute a separate violation for each day of the compliance period. However, any violation of the requirements of the Averaging Provision of this rule, which the violator can demonstrate to the Executive Officer, did not cause or allow the emission of an air contaminant and was not the result of negligent or knowing activity may be considered a minor violation.

A.11 SUNSET OF AVERAGING PROVISION

The averaging provision set forth in Appendix A shall cease to be effective on January 1, 2005, after which averaging will no longer be allowed.

IT IS FURTHER RESOLVED AND ORDERED that the subject amendments to Rule 67.0 of Regulation IV, shall take effect upon adoption.

PASSED AND ADOPTED by the Air Pollution Control Board of the San Diego County Air Pollution Control District, State of California, this 12th day of December, 2001, by the following votes:

AYES: Cox, Jacob, Slater, Roberts, Horn

I hereby certify that the foregoing is a full, true and correct copy of the Original Resolution which is now on file in my office.

THOMAS J. PASTUSZKA
Clerk of the Air Pollution Control Board

By Rosie Pecina
Rosie Pecina, Deputy

APPROVED AS TO FORM BY COUNTY COUNSEL

BY L. Dutton
SENIOR DEPUTY

BOARD OF SUPERVISORS
COUNTY OF SAN DIEGO
SAN DIEGO COUNTY, CALIFORNIA

Resolution No. 01-359
12/12/01 (Air Pollution 2)

Re Rules and Regulations of the)
Air Pollution Control District)
of San Diego County . . . . .)

RESOLUTION CERTIFYING
THE FINAL ENVIRONMENTAL IMPACT REPORT
FOR PROPOSED AMENDMENTS TO
RULE 67.0, ARCHITECTURALCOATINGS

On motion of Member Roberts, Seconded by Member Cox, the following Resolution is adopted:

WHEREAS, the San Diego County Air Pollution Control District has proposed to adopt amendments to Rule 67.0, Architectural Coatings, as part of its Rules and Regulations;

WHEREAS, the proposed amendments to Rule 67.0 are based on volatile organic compound (VOC) limits and other requirements contained in the Suggested Control Measure for Architectural Coatings, adopted by the California Air Resources Board on June 22, 2001;

WHEREAS, pursuant to the California Environmental Quality Act, adoption of proposed amendments to Rule 67.0 is a project requiring environmental review;

WHEREAS, the San Diego Air Pollution Control District has the principal responsibility for adopting proposed amendments to Rule 67.0 and, therefore, pursuant to the California Environmental Quality Act, is the lead agency for the requisite environmental review;

WHEREAS, pursuant to the California Environmental Quality Act, a Notice of Preparation was circulated for a 30-day public comment period indicating preparation of a Draft Environmental Impact Report for proposed amendments to Rule 67.0;

WHEREAS, pursuant to the California Environmental Quality Act, a project Draft Environmental Impact Report was prepared assessing potential environmental impacts resulting from implementing the proposed amendments to Rule 67.0;

WHEREAS, the Draft Environmental Impact Report was circulated for a 45-day public comment period and comments were received;

WHEREAS, upon analysis of the comments no significant adverse environmental effects were identified;

WHEREAS, written responses to comments received have been prepared and are contained in the Comments and Responses document;

WHEREAS, the Final Environmental Impact Report concludes there is no substantial evidence indicating the proposed amendments to Rule 67.0 will have a significant adverse impact on the environment;

WHEREAS, the San Diego Air Pollution Control Board reviewed and considered the information contained in the Final Environmental Impact Report and Comments and Responses document; and

WHEREAS, the documents and other materials on which the decision to certify the Final Environmental Impact Report is based are available at the San Diego County Air Pollution Control District, 9150 Chesapeake Drive, San Diego, California; the custodian is R. J. Sommerville, Director.

NOW THEREFORE, IT IS RESOLVED AND ORDERED that the Final Environmental Impact Report reflects the Board's independent judgment and analysis of potential environmental consequences resulting from implementing the proposed amendments to Rule 67.0;

IT IS FURTHER RESOLVED AND ORDERED that, considering the entire record before the Board, there is no substantial evidence that the proposed amendments to Rule 67.0 will have a significant adverse effect upon the environment;

IT IS FURTHER RESOLVED AND ORDERED that the Final Environmental Impact Report is hereby adopted as a true and complete statement of potential environmental consequences resulting from the proposed amendments to Rule 67.0;

IT IS FURTHER RESOLVED AND ORDERED that there is no evidence in the entire record that proposed amendments to Rule 67.0 will have an adverse effect on wildlife resources or the habitat upon which the wildlife depends, and on the basis of substantial evidence, the presumption of adverse effect in California Code of Regulations, Title 14, Section 753.5(d) has been rebutted.

APPROVED AS TO FORM AND LEGALITY
COUNTY COUNSEL
BY Dutton
SENIOR DEPUTY

PASSED AND ADOPTED by the Members of the Air Pollution Control Board, County of San Diego, State of California, this 12th day of December, 2001, by the following vote:

AYES: Cox, Jacob, Slater, Roberts, Horn

I hereby certify that the foregoing is a full, true and correct copy of the Original Resolution which is now on file in my office.

THOMAS J. PASTUSZKA
Clerk of the Air Pollution Control Board

By Rosie Pecina
Rosie Pecina, Deputy

Resolution No. 01-358
12/12/01 (Air Pollution 2)

Proposed Final Environmental Impact Report

FOR THE PROPOSED AMENDMENTS TO RULE 67.0 (ARCHITECTURAL COATINGS) OF THE RULES AND REGULATIONS OF SAN DIEGO COUNTY AIR POLLUTION CONTROL DISTRICT

LOG NO. 01-00-001;
SCH # 2001061037

December 12, 2001

AIR POLLUTION CONTROL DISTRICT
COUNTY OF SAN DIEGO

PROPOSED FINAL
ENVIRONMENTAL IMPACT REPORT
FOR THE PROPOSED AMENDMENTS TO
RULE 67.0 OF THE RULES AND REGULATIONS
OF THE SAN DIEGO COUNTY
AIR POLLUTION CONTROL DISTRICT

LOG NO. 01-00-001
SCH NO. 2001061037

December 12, 2001

APCD Staff Contact:

Mr. Robert Reider, Supervising Air Resources Specialist
San Diego County Air Pollution Control District
9150 Chesapeake Drive
San Diego, CA 92123-1096
(858) 650-4670

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Summary

Project Synopsis

Project Description

The San Diego County Air Pollution Control District (APCD) proposes to adopt amendments to Rule 67.0, Architectural Coatings, as part of its Rules and Regulations. The Rule 67.0 amendments incorporate content limits for volatile organic compounds (VOC) and other requirements contained in the Suggested Control Measure (SCM) for Architectural Coatings, approved by the California Air Resources Board (ARB) on June 22, 2000. The SCM sets allowable VOC content limits and other requirements that are feasible (based on existing and currently developing coating technologies) and that will achieve significant reductions in VOC emissions from architectural coatings.

Prior to approving the SCM, ARB prepared and certified a Programmatic Environmental Impact Report (PEIR). San Diego County APCD staff has reviewed and considered ARB's PEIR, including the technical analyses, comments, and responses to comments, and concur with the methodologies and determinations made therein. Accordingly, this analysis incorporates the ARB PEIR by reference. Relevant sections of the ARB PEIR are summarized as appropriate throughout this EIR.[1]

Project Objectives

The purpose of the project is to reduce VOC emissions by incorporating lower VOC limits and other requirements for architectural coatings without significantly diminishing usability of the coatings in question. The emission reductions are necessary for San Diego County to continue progress toward attaining the state ambient air quality standard for ozone, as required by the state Clean Air Act. The estimated total countywide reduction in VOC emissions from these proposed revisions to Rule 67.0 is approximately 1.5 tons per day.

Project Location and Setting

The project applies within the jurisdiction of the San Diego County APCD, which covers the entire area within the incorporated and the unincorporated portions of San Diego County, the southwestern-most county in the State of California. San Diego County encompasses approximately 4,260 square miles and is bounded on the north by Orange and Riverside Counties, on the east by Imperial County, on the west by the Pacific Ocean, and on the south by the State of Baja California Norte, Mexico.

The political boundaries of the County of San Diego also form the extents of the San Diego Air Basin. The climate of the San Diego Air Basin, as with all of Southern California, is largely dominated by the strength and position of the semi-permanent high-pressure system over the Pacific Ocean (known as the Pacific High). The favorable

[1] The ARB PEIR, and all its supporting documents, are available at the APCD offices at 9150 Chesapeake Drive, San Diego, CA. In addition, these documents are available on the internet at www.arb.ca.gov/coatings/arch/CEQA/FEIR.htm.

climate of San Diego also works to create air pollution problems. Sinking, or subsiding air from the Pacific High creates a temperature inversion (known as a subsidence inversion), which acts as a lid to vertical dispersion of pollutants. Weak summertime pressure gradients further limit horizontal dispersion of pollutants in the mixed layer below the subsidence inversion. Poorly dispersed anthropogenic emissions, including emissions of VOC, combine with strong sunshine lead to photochemical reactions that creates ozone in this surface layer.

National and state air quality standards are set for criteria pollutants, which are widespread common pollutants known to be harmful to human health and welfare. Standards are set to protect the elderly, very young, and chronically sensitive portions of our population. Areas not meeting a particular standard are referred to as a non-attainment area for the pollutant. Of the six air pollutants regulated by the U.S. Environmental Protection Agency (EPA), and eight regulated by ARB, only ozone (smog) and inhalable particulate matter (PM_{10}) occur in concentrations sufficient to violate either federal or state standards in San Diego County.

San Diego County has experienced substantial improvement in ambient ozone levels over the past several years. The number of days above the federal one-hour ozone standard has decreased from 39 days in 1990 to none in 2000. Similarly, the number of days above the more stringent state standard has decreased from 139 days in 1990 to 24 days in 2000.

Summary of Significant Environmental Effects and Mitigation Measures that Reduce the Significant Effects

San Diego County APCD staff has reviewed and considered the PEIR prepared by ARB, including the technical analyses, and concurs with the methodologies and determinations made therein. Further, APCD staff has considered the technical analyses referred to in the ARB PEIR (and adopted by reference herein) for applicability to the conditions that exist in San Diego County, and has determined that the implementation of the proposed rule changes to APCD Rule 67.0 would not have a potentially significant adverse effect on any resource area. A discussion and analysis for each of the resource area impacts identified in the Initial Study/Environmental Analysis as requiring further analysis, but determined during the EIR process to be less than significant, is discussed in Section 6.1 of this document.

Project Alternatives

The ARB Final PEIR examined a total of 11 alternatives. Seven of these alternatives were determined to be infeasible. APCD staff has reviewed these seven alternatives and the reasons for their dismissal as feasible alternatives, and agrees with the determination. The remaining four alternatives were determined to be feasible by both the ARB and APCD staff. The fourth alternative analyzed in the PEIR (Product Line Averaging) was included in the SCM approved by ARB and is also included in the proposed Rule 67.0 amendments analyzed in this EIR. The three remaining feasible alternatives discussed in

the ARB Final PEIR were also considered feasible for the project area, and are discussed briefly in Section 4.2, Section 4.3, and Section 4.4 below. They are as follows:

"No Project" Alternative

The "No Project" alternative assumes that the proposed revisions to Rule 67.0 would not be implemented, and that the VOC limits in the current Rule 67.0 will remain in effect. As a result, approximately 1.5 tons per day of VOC emission reductions from architectural coatings would not be achieved throughout the project area. This scenario would potentially jeopardize the ability of the region to expeditiously attain and maintain the state ozone standard. However, implementation of the "No Project" Alternative impacts to other resource areas would remain at existing levels. Staff rejects the "No Project" alternative (Alternative A) since it would not achieve the long-term air quality benefits (e.g., VOC reductions) of the proposed revisions to Rule 67.0, which are needed by the APCD to achieve the mandated state and federal ozone standards.

"Extended Compliance Deadlines" Alternative

This alternative would extend all of the effective dates for the VOC content limits to January 1, 2004. The VOC content limits for affected coatings would be identical to those in the current version of the proposed revisions to Rule 67.0. APCD staff does not support this alternative since the VOC limits in the proposed rule are feasible by January 1, 2003 (January 1, 2004 for Industrial Maintenance Coatings), and that it is not necessary to allow additional time to comply. Both the federal and California Clean Air Acts mandate that air quality standards be attained as expeditiously as practicable, and the region's air quality problems required that any delay in achieving emission reductions must be technically or economically justified. Based on all the information received by APCD staff to date, such a delay is not warranted.

"Further Reduction of VOC Content Limits" Alternative

This alternative would further reduce the VOC content limits for affected coatings categories (adoption of the "final" limits as described in Table 1 of Appendix C of the Notice Of Preparation/Initial Study for the ARB PEIR; see Appendix B of the ARB Final PEIR). The other proposed changes in the current proposed version of Rule 67.0 would be maintained. Alternative C, "Further Reduction of VOC Content Limits" Alternative, is not recommended by APCD staff because it would require the APCD focus limited staff resources on the technical, environmental, and economic issues associated with adoption of interim limits. Based on the information and analyses in this EIR and the ARB Final PEIR, APCD staff has concluded that the proposed revisions to Rule 67.0 are necessary and the best alternative for the APCD to achieve the further VOC reductions needed to attain the state and federal ozone standard. Moreover, if the APCD does not adopt the proposed revisions to Rule 67.0, the APCD will have to find other emission sources from which to obtain the necessary VOC emission reductions.

Areas of Controversy

The adoption and implementation of the proposed rule amendments is expected to produce substantial, long-term, VOC emission reductions, without resulting in any significant, adverse environmental impacts. As required by §15123 of the State CEQA Guidelines, areas of controversy must be identified. Some companies in the architectural coatings industry have claimed that there will be a number of adverse impacts to resource areas from the implementation of this rule amendment. These assertions by architectural coating manufacturers include the following claims:

- By lowering the VOC content of coatings, there will be an increase in VOC emissions for a variety of reasons including, but not limited to, increased coating thickness, more thinning, more topcoats, more touch-ups, more priming, more frequent re-coating, more substitution with higher VOC coatings, and greater reactivity;

- The new formulations will result in more coating use, resulting in an overall increase in VOC emissions for a specific area covered or over time;

- More reactive solvents will be used in compliant formulation than those used in existing coatings, thus contributing to increased ozone formation;

- The proposed rule could result in public hazards and environmental impacts due to potential additional vehicle trips caused by the disposal of coatings due to the possibility of shorter shelf or pot lives or lesser freeze-thaw capabilities. Further, the reformulation of coatings to utilize acetone could result in hazardous impacts due to its flammability;

- Increased water demand from the manufacturing and use of compliant water-borne coatings, the use of exempt solvents (solvents not considered to be VOC, such as acetone and Oxsol 100) and water quality impacts from future compliant water-borne coatings associated with manufacturing and cleanup practices could involve environmental impacts.

- The proposed rule could result in Transportation/Circulation impacts due to potential additional vehicle trips caused by the disposal of coatings due to the possibility of shorter shelf or pot lives or lesser freeze-thaw capabilities.

Extensive technical analyses were conducted by ARB as part of its Final PEIR. APCD staff has reviewed and considered ARB's technical analyses and concurs with the conclusions and recommendations in the ARB PEIR. A complete discussion of these issues can be found in Section 6.1 of this EIR.

Issues to be Resolved by the Decision-Making Body

Issues to be resolved by the decision-maker include the choice among alternatives and whether or how to mitigate any significant environmental effects (State CEQA Guidelines, §15123(b)(3)). No significant and mitigated, or significant unmitigated

impacts have been identified from either the proposed project, or any of the three identified, feasible alternatives. However, APCD staff has reviewed the alternatives and believes that the proposed project is the environmentally superior alternative and the only alternative which adequately meets the project goals in a timely manner as required pursuant to the California Health and Safety Code.

CHAPTER 1.0 - PROJECT DESCRIPTION AND ENVIRONMENTAL SETTING

1.1 - Project Description and Location

The San Diego County Air Pollution Control District (APCD) proposes to adopt amendments to Rule 67.0, Architectural Coatings (attached as Appendix A). Amended Rule 67.0 would apply to any person who supplies, sells, offers for sale, or manufactures an architectural coating for use, as well as any person who applies or solicits the application of any architectural coating within the jurisdiction of the San Diego County APCD. The jurisdiction of the APCD covers all of the incorporated and the unincorporated portions of San Diego County, the southwestern-most county in the State of California (Figure 1-1). San Diego County encompasses approximately 4,260 square miles and is bounded on the north by Orange and Riverside Counties, on the east by Imperial County, on the west by the Pacific Ocean, and on the south by the State of Baja California Norte, Mexico.

Architectural coatings are defined as coatings applied to stationary structures and their accessories (usually for beautification and protection) and include such coatings as house paints, stains, varnishes, industrial maintenance coatings, and traffic marking coatings. When applied, the solvents in the coatings evaporate into the atmosphere, emitting volatile organic compounds (VOC), which contribute to the formation of ozone. San Diego County has been designated by ARB as a "Serious" nonattainment area for the State ambient air quality standard for ozone.

The proposed Rule 67.0 amendments incorporate VOC limits and other requirements contained in the Suggested Control Measure (SCM) for Architectural Coatings, approved by ARB on June 22, 2000. The SCM is largely consistent with the U.S. EPA's National Volatile Organic Compound Emission Standards for Architectural Coatings. The SCM sets allowable VOC content limits and other requirements that are feasible (based on existing and currently developing coating technologies) and that will achieve significant reductions in VOC emissions from architectural coatings. Local implementation would reduce VOC emissions in San Diego County by an estimated 1.5 tons per day.

Amended Rule 67.0 would continue to apply to any person who supplies, sells, offers for sale, or manufactures an architectural coating for use within San Diego County, as well as any person who applies or solicits the application of any architectural coating within San Diego County. The proposed rule amendments will lower the VOC content limit for a number of architectural coating categories and include additional coating categories with VOC limits consistent with the SCM. The proposed VOC limits for most categories would become effective on January 1, 2003 (January 1, 2004, for industrial maintenance coatings.)

The lowered VOC limits are consistent with the corresponding limits in the SCM and pertain to clear wood coatings (lacquers and sanding sealers); high temperature coatings; industrial maintenance coatings; magnesite cement coatings; multi-color coatings; pre-

treatment wash primers; primers sealers and undercoaters; quick dry enamels; quick-dry primers, sealers, and undercoaters; roof coatings; stains; swimming pool coatings; swimming pool repair and maintenance coatings; traffic marking coatings (indicated as traffic paints in existing rule 67.0); waterproofing sealers; and wood preservatives. Added coating categories include flat, nonflat-high gloss, antenna, antifouling, bituminous roof, bituminous roof primers, clear brushing lacquer, faux finishing, fire resistive, floor, flow (electrical transformers), lowsolids, recycled, rust preventative, temperature-indicator safety coatings, and waterproofing concrete/masonry sealers.

Provisions for product-line averaging are included in the proposed rule amendments (consistent with the SCM), allowing manufacturers to average designated coatings such that their actual statewide cumulative emissions from the averaged coatings are less than or equal to the statewide cumulative emissions that would be allowed under individual limits over a compliance period not exceeding one year. The averaging provision will only be in effect from January 1, 2003, until January 1, 2005. VOC ceilings (maximum allowable VOC content limits) are applicable when averaging. Ceiling limits would protect against regional differences that could result in high VOC products being sold in San Diego.

Proposed Rule 67.0 amendments do not include the SCM provision pertaining to petitioning the Air Pollution Control Officer to allow application of an industrial maintenance coating with a VOC content up to 340 grams per liter, since that provision only applies to the North Central Coast, San Francisco Bay Area, and the North Coast Air Basins.

1.2 - Project Objectives

The purpose of the project is to reduce VOC emissions by incorporating lower VOC limits and other requirements for architectural coatings without significantly diminishing usability of the coatings in question. These emission reductions are necessary for San Diego County to continue progress toward attaining the state ambient air quality standards for ozone, as required by the state Clean Air Act. The estimated total countywide reduction in VOC emissions from these proposed revisions to Rule 67.0 is approximately 1.5 tons per day.

1.3 - Intended Uses of the EIR

Pursuant to the requirements of the California Environmental Quality Act (CEQA), an Environmental Impact Report (EIR) must identify the potentially environmental effects that may result from implementation of a proposed project. The EIR analysis must include direct and indirect significant effects of a project, as well as short and long-term impacts. The discussion of environmental impacts should include, but is not limited to, the resources involved; physical changes; alterations of ecological systems; health and safety problems caused by physical changes; and other aspects of the resource base, including water, scenic quality, and public services. If the lead agency identifies potentially significant adverse environmental impacts, the EIR must discuss mitigation

measures that could either avoid or substantially reduce any adverse environmental impacts.

The degree of specificity required in a CEQA document depends on the type of project being proposed. For example, the environmental document for projects such as the adoption or amendment of a comprehensive zoning ordinance or a local general plan should focus on the secondary effects that can be expected to follow from the adoption or amendment. However, the analysis need not be as detailed as the analysis of the specific construction projects that might follow. The CEQA and the State CEQA Guidelines establish the categories of environmental impacts that should generally be evaluated. The CEQA Guidelines include a checklist for use by public agencies, which lists 16, specific environmental categories, which should be addressed when determining whether to prepare an EIR. This checklist is known as an Initial Study/Environmental Analysis (IS/EA) and is intended to provide sufficient information regarding the project to support the determination on the type of document required to satisfy CEQA, and, when necessary, provide guidance toward the scope of an EIR. The ARB prepared an initial study, based upon this checklist, prior to preparing it's Draft PEIR.

San Diego County APCD staff reviewed the ARB Initial Study when it conducted its own IS/EA to determine the scope of this EIR. On June 11, 2001, the APCD issued a Notice of Preparation (NOP) to responsible and trustee agencies, along with a brief summary of the potential environmental effects of the rule adoption and a copy of the IS/EA. The NOP and associated documents are included as Appendix B of this document. Of the 16 potential environmental impact categories on the checklist, APCD determined that an EIR should be prepared to address potential adverse effects on the following environmental categories: air quality, water, public services, transportation/circulation, solid waste/hazardous waste, hazards, irreversible environmental changes, potential growth inducing impacts, and consistency with other plans. This document analyzes the potential adverse environmental impacts associated with implementing the proposed Amendments to Rule 67.0 – Architectural Coatings.

1.3.1 - Project Approvals/Permits

Proposed amendments to Rule 67.0 need approval by the San Diego County Air Pollution Control Board. The San Diego APCD implements Rule 67.0. However, Appendix A.2 of amended Rule 67.0 requires coating manufacturers to submit an averaging program to the Executive Officer of ARB for approval.

Table 1-1: Matrix of Project Approvals/Permits

Permit Type/Action	Agency
Rule Approval	San Diego County APCD*

* CEQA Lead Agency

1.4 - Environmental Setting

The boundaries of the San Diego Air Basin are contiguous with the political boundaries of San Diego County. The County of San Diego encompasses approximately 4,260

square miles and is bounded on the north by Orange and Riverside Counties, on the east by Imperial County, on the west by the Pacific Ocean, and on the south by the Mexican State of Baja California. The county is divided by the Laguna Mountain Range which runs approximately parallel to the coast about 45 miles inland and separates the coastal area from the desert portion of the county. The Laguna Mountains reach peaks of over 6,000 feet with Hot Springs Mountain peak rising to 6,533 feet, the highest point in the county. The coastal region is made up of coastal terraces that rise from the ocean into wide mesas which then, moving farther east, transition into the Laguna Foothills. Farther east, the topography gradually rises to the rugged mountains. On the east side, the mountains drop off rapidly to the Anza-Borrego Desert, which is characterized by several broken mountain ranges with desert valleys in between. To the north of the county are the Santa Ana Mountains which run along the coast of Orange County, turning east to join with the Laguna Mountains near the San Diego-Orange County border.

The climate of the San Diego Air Basin, as with all of Southern California, is largely dominated by the strength and position of the semi-permanent high-pressure system over the Pacific Ocean, known as the Pacific High. This high-pressure ridge over the West Coast often creates a pattern of late-night and early-morning low clouds, hazy afternoon sunshine, daytime onshore breezes, and little temperature variation year-round. The climatic classification for San Diego is a Mediterranean climate, with warm, dry summers and mild, wet winters. Average annual precipitation ranges from approximately 10 inches on the coast to over 30 inches in the mountains to the east (the desert regions of San Diego County generally receive between 4 and 6 inches per year).

The favorable climate of San Diego also works to create air pollution problems. Sinking, or subsiding air from the Pacific High creates a temperature inversion, known as a subsidence inversion, which acts as a lid to vertical dispersion of pollutants. Weak summertime pressure gradients further limit horizontal dispersion of pollutants in the mixed layer below the subsidence inversion. Poorly dispersed anthropogenic emissions, combined with strong sunshine lead to photochemical reactions, which results in the creation of ozone in this surface layer.

Daytime onshore flow (i.e., sea breeze) and nighttime offshore flow (i.e., land breeze) are quite common in Southern California. The sea breeze helps to moderate daytime temperatures in the western portion of San Diego County, which greatly adds to the climatic draw of the region. This also leads to emissions being blown out to sea at night and returning to land the following day. Under certain conditions, this atmospheric oscillation results in the offshore transport of air from the Los Angeles region to San Diego County, which often results in high ozone concentrations being measured at San Diego County air pollution monitoring stations. Transport of air pollutants from Los Angeles to San Diego has also been shown to occur aloft within the stable layer of the elevated subsidence inversion. In this layer, removed from fresh emissions of oxides of nitrogen (NOx), which would scavenge and reduce ozone concentrations, high levels of ozone are transported into San Diego County.

National and state air quality standards are set for criteria pollutants, which are widespread common pollutants known to be harmful to human health and welfare.

Standards are set to protect the elderly, very young, and chronically sensitive portions of our population. Areas not meeting a particular standard are referred to as a non-attainment area for the pollutant. Of the six air pollutants regulated by the federal Environmental Protection Agency, and eight regulated by ARB, only ozone (smog) and inhalable particulate matter (PM_{10}) occur in concentrations sufficient to violate either federal or state standards in San Diego County.

San Diego County has experienced substantial improvement in ambient ozone levels over the past several years. The number of days above the federal one-hour ozone standard has decreased from 39 days in 1990 to none in 2000. Similarly, the number of days above the more stringent state standard has decreased from 139 days in 1990 to 24 days in 2000.

Federal standards for PM_{10} (particulate matter equal to or less than 10 microns in size) have never been exceeded. However, the stricter state standards are not met at this time.

1.4.1 - Consistency of Project with Applicable Regional and General Plans

CEQA Guidelines §15125(d) states that "[t]he EIR shall discuss any inconsistencies between the proposed project and applicable general plans and regional plans. Such regional plans include, but are not limited to, the applicable air quality attainment or maintenance plan or State Implementation Plan, area-wide waste treatment and water quality control plans, regional transportation plans, regional housing allocation plans, habitat conservation plans, natural community conservation plans and regional land use plans for the protection of the Coastal Zone, Lake Tahoe Basin, San Francisco Bay, and Santa Monica Mountains." The following is a brief discussion of how revised Rule 67.0 is consistent with these plans.

San Diego County General Plan and San Diego County Zoning Ordinance

The implementation of the amendments to Rule 67.0 would not directly result in the need for new development and does not propose any development in San Diego County. As such, the proposed project is consistent with the San Diego County General Plan and the San Diego County Zoning Ordinance.

Consistency with Regional Air Quality Plans

The primary purpose of the APCD's adopted air quality plans, the Regional Air Quality Strategy (RAQs) and the State Implementation Plan (SIP), is to apply strategies for reducing ozone precursor emissions (including VOC) to attain and maintain the state and national ozone air quality standards. The proposed Rule 67.0 amendments will achieve additional reductions in VOC emissions and are identified in the RAQs as a feasible emission control measure. Thus, the Rule 67.0 amendments are consistent with the regional air quality plans.

Consistency with Regional Transportation Plans (RTPs)

Since no significant adverse impacts to transportation/circulation are anticipated from the implementation of revised Rule 67.0, the project is consistent with regional transportation plans, including the Circulation Element of the County's General Plan. While some companies in the architectural coatings industry have asserted that some traffic and congestion may be generated from the disposal of small quantities of architectural coatings due to shelf life, pot-life, and freeze-thaw problems, APCD analysis contained here indicates any such effects would be negligible and would not create significant adverse impacts to transportation/circulation. Furthermore, since compliant low-VOC coatings have performance characteristics that are comparable to their higher-VOC counterparts, additional trips are not expected to result over and above current trips associated with conventional coatings.

Consistency with Regional Housing Allocation Plans

Implementation of revised Rule 67.0 would not create or cause the need for additional housing in the project area. Furthermore, the revised rule would not affect how housing is planned or allocated within the project area. Therefore, the revised rule is considered to be consistent with Housing Element of the San Diego County General Plan.

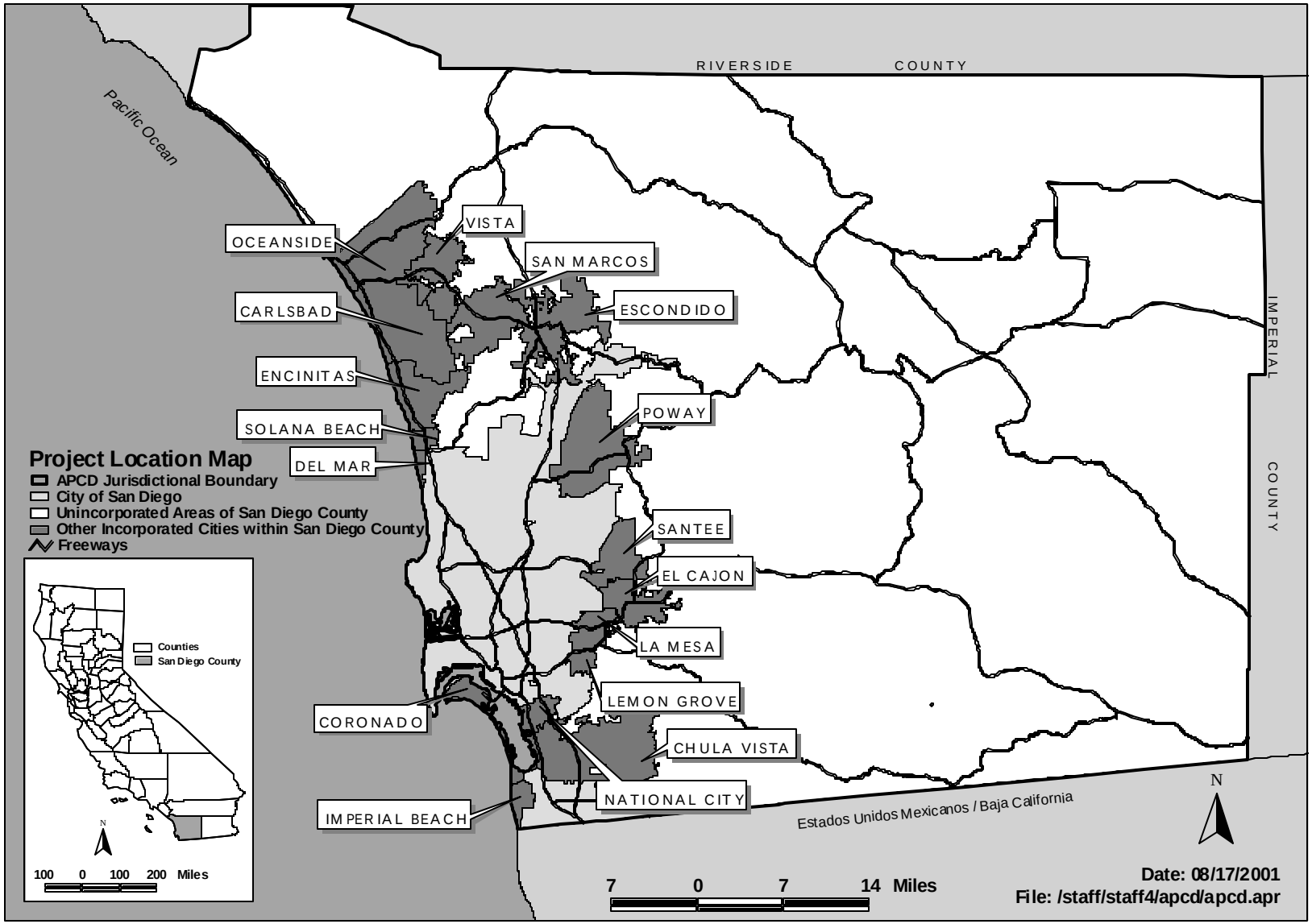
Consistency with Habitat Conservation Plans and Natural Community Conservation Plans

Implementation of revised Rule 67.0 would not result in new construction or activities that would create or cause impacts to sensitive habitats of plants or animals. Since the proposed amendments to APCD Rule 67.0 will result in a net benefit to air quality in San Diego County, through the reduction of VOC, the project will have a positive impact on plant and animal life through the reduction of regional ozone levels. Therefore, the revised rule is considered to be consistent with the Conservation Element of the San Diego County General Plan, as well as the County's Multiple Species Conservation Program, and the Natural Communities Conservation Program.

Consistency with the Regional Water Quality Control Board, San Diego Region Basin Plan

Implementation of revised Rule 67.0 would not result in an increase in impacts to the quality of water resources in San Diego County. The implementation would not impede or hinder the attainment of goals set forth in the Basin Plan, and as such is considered to be consistent with the plan.

Figure 1-1: Project Location Map



CHAPTER 2.0 - SIGNIFICANT ENVIRONMENTAL EFFECTS

As indicated in Chapter 1, San Diego County APCD staff considered the ARB Initial Study when it conducted its own IS/EA to determine the scope of this EIR. On June 11, 2001, the APCD issued a Notice of Preparation to responsible and trustee agencies, along with a brief summary of the potential environmental effects of the rule adoption and a copy of the IS/EA. Of the 16 potential environmental impact categories on the IS/EA checklist, APCD determined that an EIR should be prepared to address potential adverse effects on the following environmental categories: air quality, water, public services, transportation/circulation, solid waste/hazardous waste, hazards, irreversible environmental changes, potential growth inducing impacts, and consistency with other plans.

Based on the San Diego County EIR Format and Content Guidelines, Chapter 2 should provide a "detailed discussion of those subject areas which could be potentially impacted by the proposed project" and is intended to satisfy §15125 and §15126 (a), (b), and (c) of the State CEQA Guidelines. However, issues concluded to be not significant after analysis during the EIR process are discussed in Section 6.1, and not discussed here in accordance with the requirements of the County EIR Format and Content Guidelines. Further, effects clearly dismissed during the initial study process as clearly insignificant and unlikely to occur are included in Section 6.2.

San Diego County APCD staff has reviewed and considered the Final Programmatic EIR (PEIR) prepared by ARB (adopted by reference herein) and concurs with the methodologies and determinations made therein. Further, APCD staff has considered the technical analyses (adopted by reference herein) referred to in the ARB PEIR for applicability to the conditions here in San Diego County, and has determined that the implementation of the proposed rule changes to APCD Rule 67.0 would not have a potentially significant adverse effect on any resource area. A brief discussion and summary analysis for each of the resource area impacts identified in the IS/EA as requiring further analysis but determined, during the APCD EIR process, to be less than significant is discussed in Section 6.1 of this document.

CHAPTER 3.0 - CUMULATIVE IMPACTS

Section 15130 of the State CEQA Guidelines states that, "an EIR shall discuss cumulative impacts of a project when the project's incremental effect is cumulatively considerable." Further, the Guidelines state "where a lead agency is examining a project with an incremental effect that is not "cumulatively considerable" a lead agency need not consider that effect significant but shall briefly describe its basis for concluding that the incremental effect is not cumulatively considerable." Section 15130(a)(1) further states that, "an EIR should not discuss impacts which do not result in part from the project evaluated in this EIR."

As discussed in Chapter 1, the architectural coatings rule is included in the APCD's Regional Air Quality Strategy (RAQS), which outlines strategies for attainment of the state ambient air quality standard for ozone. The proposed amendments to APCD Rule 67.0 will result in a net benefit to air quality in San Diego County, through the reduction of volatile organic compound emissions from architectural coatings. After consideration of the technical studies prepared by ARB as part of its PEIR and consideration of the claims made by architectural coatings manufacturers in the context of ARB's PEIR, APCD staff has determined that the proposed rule amendments would not result in any significant impact to any of the 16 resources areas identified in the IS/EA. Since the proposed rule amendments would result in a net air quality benefit, they are not considered cumulatively considerable, and no further analysis is warranted.

CHAPTER 4.0 - PROJECT ALTERNATIVES

This Chapter implements the requirements set forth in §15126 of the State CEQA Guidelines, which requires a description of a range of reasonable alternatives to the project that would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and an evaluation of the comparative merits of the alternatives. CEQA also requires consideration of a reasonable range of potentially feasible alternatives; it does not require consideration of alternatives that are not reasonable. The discussion and analyses of project alternatives presented below are consistent with the analyses of project alternatives in the ARB Final PEIR, which APCD staff considered and adopts by reference.

4.1 - Rationale for Alternative Selection

Pursuant to CEQA Guidelines Section 15126.6 (d), a matrix displaying the major characteristics and significant environmental effects of each alternative may be used to summarize the comparison. Table V-4 (page V-172) in the CARB Final PEIR lists the alternatives considered by APCD staff and how they compare to the SCM. Table V-5 (page V-173) of the ARB Final PEIR presents a matrix that lists the significant adverse impacts as well as the cumulative impacts associated with the proposed project and the project alternatives for all the environmental topics analyzed. The table also ranks each impact section as to whether the proposed project or a project alternative would result in greater or lesser impacts relative to on another.

The ARB Final PEIR included an evaluation of four feasible alternatives (APCD staff adopts by reference ARB's evaluation and the matrix described above and ARB's discussion of alternatives found infeasible). The fourth alternative analyzed in the ARB PEIR, Alternative D – Product Line Averaging, was included in the SCM approved by ARB and also is included in the proposed Rule 67.0 analyzed in this EIR. The three remaining feasible alternatives discussed in the ARB Final PEIR were also considered feasible for the project area and are discussed in Section 4.2, Section 4.3, and Section 4.4 below.

The ARB Final PEIR examined seven alternatives that were found to be infeasible. APCD staff has reviewed these seven alternatives and the reasons for their dismissal as feasible alternatives and agrees with the determination. The project objectives as identified in Section 1.2 is to reduce VOC emissions by incorporating lower VOC limits and other requirements for architectural coatings without significantly diminishing usability of the coatings in question. The following is a brief description of alternatives and a discussion of why these alternatives were found to be infeasible for the project area.

4.1.1 - Performance-Based Standards

Rather than establish lower VOC content requirements for specified categories of coatings, this alternative would establish emission standards based on performance standards such as “emissions per area covered” or “coating durability.” This alternative has been rejected as infeasible because it would be too difficult to reach a consensus among involved parties as to how to create the standards to cover the multitude of coatings reformulations with varying performance characteristics.

4.1.2 - Seasonal Regulation

Under this alternative, the VOC content limits proposed for various coatings in Rule 67.0 would be in effect during the “high ozone season" (typically the summer months). During the “low ozone season” (typically the winter months), coatings formulators could sell and distribute and contractors and do-it-yourself consumers could use coatings with higher VOC contents.

This alternative was found infeasible for the project area because it is too difficult to implement and enforce. It would be difficult for coatings formulators, distributors, and retail stores to manage their inventories to ensure that only complying coatings are sold during the high ozone season. Knowledge of and enforcement of these requirements at the end-user level would be difficult and would require significant additional enforcement resources. In addition, there have been State violations (“high ozone”) in all months of the year except January, based on data since 1995. As such, identifying specific seasonal duration would be difficult, at best.

4.1.3 - Regional Regulation

Under this alternative, areas within the region that do not have an ozone problem or contribute to the region’s ozone problem would be exempted from the VOC requirements of Rule 67.0. This alternative was rejected as infeasible for two main reasons. First, in order to determine the viability of such an approach, the APCD would have to conduct an extensive analysis involving ambient air quality modeling to determine which geographical areas would be subject to the lower VOC requirements and which would be exempted. This type of analysis would be difficult to complete due to the inherent variability of meteorological conditions within San Diego County. Different meteorological scenarios would drastically alter the determination of those geographical areas. In addition, there have been state ozone violations throughout the area.

Secondly, even if a reliable technical determination could be made regarding the geographical areas, the problem of enforcing this regulatory approach remains. Enforcement at the retail level, as well as the end-user level would be difficult and would require significant additional enforcement resources, as identified in the “Seasonal Regulation” alternative.

4.1.4 - Exceedance Fees

This alternative would allow purchases of noncompliant coatings on payment of a fee, similar to the system that exists in the national Architectural and Industrial Maintenance (AIM) coatings rule. The system used in the national AIM rule allows coatings manufacturers and importers to sell coatings that exceed the applicable VOC limit if they pay a fee of $0.0028 per gram of excess VOC. Essentially, this is a "pay-to-pollute" approach. APCD does not support such an approach because it does nothing to bring the air into compliance with state standards and may actually hinder efforts to attain both the state and federal ozone standards. This type of approach could eliminate or substantially reduce the emission reductions expected from the proposed revisions to Rule 67.0. Additional problems include concern regarding whether the fee is high enough to discourage the manufacture and sale of high-VOC coatings, enforcement at the district-wide level, and extensive record keeping requirements. For all of these reasons, an exceedance fee approach is not considered a feasible alternative.

4.1.5 - Tonnage Exemption

As with the "Exceedance Fees" alternative, this type of alternative is part of the national AIM coatings rule. A tonnage exemption would allow coatings manufacturers and importers to sell limited quantities of coatings that exceed the applicable VOC limit in Rule 67.0, without paying an "exceedance fee." The calculation would be based on the total mass of VOC contained in all exempt coatings. The limit of the exemption, on a "per manufacturer" or "per importer" basis, would be on a sliding scale that would decrease in future years. Like the "Exceedance Fee" approach, a tonnage exemption would do nothing to bring the air into compliance with state standards, and may actually hinder efforts to attain both the state and federal ozone standards, and could substantially reduce the emission reductions expected from the proposed revisions to Rule 67.0. Additional problems include enforcement, record keeping, and reporting requirements. For these reasons, a tonnage exemption is not considered a feasible alternative.

4.1.6 - Low Vapor Pressure (Low Volatility) Exemption

Under this alternative, VOCs with low vapor pressures (i.e., "low vapor pressure VOCs" or "LVP-VOCs") would be exempted as VOCs in determining the overall VOC content of a coating. This type of exemption is based on an assumption that low vapor pressure VOCs volatilize more slowly and, as a result, emit less VOCs to the atmosphere and contribute very little to ozone formation in the atmosphere. The ARB Final PEIR identified a number of reasons why this alternative should be rejected as infeasible. Due to the extensive and technical nature of the reasoning behind this determination, the reasons have not been fully summarized in this report. For an extensive explanation of ARB's determination of infeasibility, the reader should reference the ARB Final PEIR, Pages V-142 to V-151, which APCD staff adopts by reference. The same reasons identified in the ARB Final PEIR are applicable to the proposed project. Staff has concluded that this alternative is not feasible because exempting LVP-VOCs would not achieve regulatory consistency, LVP-VOCs in architectural coatings will eventually

evaporate and enter the atmosphere, and EPA's Test Method 24 automatically excludes VOCs that do not evaporate into the atmosphere.

4.1.7 - Reactivity-Based VOC Limits

This alternative would involve establishing coating VOC limits based on the reactivity characteristics (i.e., the tendency to react in the atmosphere to form ozone) of the compounds contained in the coating, instead of the mass-based VOC limits that are used in the proposed revisions to Rule 67.0. Historically, in the State of California and in San Diego County in particular, control of VOC emissions has been through mass-based reductions. The ARB has committed to evaluating the feasibility of reactivity-based regulations for certain VOC source categories, and a number of specific studies relating to VOC photochemical activity are listed on Pages V-152 and V-153 of the ARB Final PEIR. In addition, ARB has begun to incorporate reactivity characteristics of compounds into some of its existing and proposed regulations. However, at this time, a number of issues need to be addressed before this type of control strategy could be developed for architectural coatings. These issues are described in the ARB Final PEIR (Pages V-155 to V-158), which APCD staff adopts by reference. As discussed in the PEIR, additional data are necessary before assessing the feasibility of a reactivity-based control strategy for architectural coatings. Because additional reductions are needed in the near term, and historical data indicate mass-based controls effectively reduce ozone formation, it is necessary to proceed with mass-based VOC limits at this time.

4.2 - Analysis of the "No Project" Alternative

4.2.1 - Alternative Description and Setting

This alternative assumes that the proposed revisions to Rule 67.0 would not be implemented, and that the existing VOC limits in Rule 67.0 would continue to apply.

4.2.2 - Comparison of the Effects of the "No Project" Alternative to the Proposed Project

As a result of the implementation of the "No Project" alternative, VOC emissions from architectural coatings within the project area would likely remain at the same level or may increase if the volume of architectural coatings used in the project area increased. As a result, approximately 1.5 tons per day of VOC emission reductions from architectural coatings would not be achieved throughout the project area. This scenario would potentially jeopardize the ability of the region to expeditiously attain and maintain the state ozone standard. However, implementation of the "No Project" Alternative would not create any new or additional impacts to water resources or public facilities, or create any new or additional hazards. Since the No Project alternative (Alternative A) would not achieve the long-term air quality benefits (e.g., VOC reductions) of the proposed revisions to Rule 67.0, which are needed by the region to achieve the mandated state and federal ozone standards, it is not the environmentally superior alternative.

4.2.3 - Staff's Rationale for Rejection of the "No Project" Alternative

APCD staff does not support the "No Project" Alternative because it would result in fewer emission reductions than the proposed project and the region needs the emissions reductions that the proposed project will provide to continue progress toward achieving the state ozone standard.

4.3 - Analysis of the "Extended Compliance Deadlines" Alternative

4.3.1 - Alternative Description and Setting

This alternative would extend all of the effective dates for the VOC content limits to January 1, 2004. The VOC content limits for affected coatings would be identical to those in the current version of the proposed revisions to Rule 67.0.

4.3.2 - Comparison of the Effects of the "Extended Compliance Deadlines" Alternative to the Proposed Project

Air Quality

The "Extended Compliance Deadlines" Alternative (Alternative B) would extend the VOC content limits to January 1, 2004. This alternative would ultimately achieve the same VOC emission reductions as the SCM; however, the reductions would be achieved one year later.

Water Resources

Water Demand

For Alternative B, the affected coatings categories would be reformulated with the same waterborne technology as they would be for the proposed project to meet the VOC content limits. Therefore, this alternative would result in similar insignificant water demand impacts as the proposed project, but the impacts would occur one year later.

Water Quality

For Alternative B, the affected coatings categories would be reformulated with the same waterborne technology as they would be for the proposed project to meet the VOC content limits. Therefore, this alternative would result in similar insignificant water quality impacts as the proposed project, but the impacts would occur one year later.

Public Facilities

Public Facility Maintenance

For Alternative B, the affected coatings categories would be reformulated with the same waterborne technology as they would be for the proposed project to meet the VOC

content limits. Therefore, this alternative would result in similar insignificant public facility maintenance impacts as the proposed project, but the impacts would occur one year later.

Fire Protection

For Alternative B, it is expected that some resin manufacturers and coatings formulators would use waterborne technology containing less flammable solvents. The exception to this would be the use of acetone in some specific coating categories. However, fire departments treat all NFPA 3 flammable liquids the same. Because the same replacement and coalescing solvents used to meet the proposed project VOC content limits would be used to meet the Alternative B VOC content limits, this alternative would result in similar insignificant impacts to fire departments as the proposed project, but the impacts would occur one year later.

Transportation/Circulation

For Alternative B, it is expected that the same replacement and coalescing solvents used to meet the proposed project VOC content limits would be used to meet the Alternative B VOC content limits. Thus, any additional trips associated with the potential disposal of reformulated low-VOC waterborne coatings due to freeze-thaw, shelf life, or pot-life problems would be the same as for the SCM. Therefore, Alternative B may result in similar insignificant transportation/circulation impacts as the proposed project, but the impacts would occur one year later.

Solid Waste/Hazardous Waste

For Alternative B, it is expected that the volume of solid waste/hazardous waste generated from the manufacturing, distribution, and use of architectural coatings would be identical to that generated by the proposed project. Therefore, Alternative B would result in similar insignificant solid waste/hazardous waste impacts as the proposed project, but the impacts would occur one year later.

Hazards

Risk of Upset

For Alternative B, it is expected that some resin manufacturers and coatings formulators would use waterborne technology containing less flammable solvents. The exception to this would be the use of acetone in some specific coating categories. However, as mentioned above, fire departments treat all NFPA 3 flammable liquids the same. For some coatings categories, more toxic but less flammable solvents may be used to meet the VOC limits in the proposed project. The use of these solvents, when balanced against the use of more flammable but less toxic conventional solvents would result in similar insignificant risk of upset impacts as the proposed project. The same replacement and coalescing solvents used to meet the proposed project VOC content limits would be used to meet the Alternative B VOC content limits. Therefore, this alternative would result in

similar insignificant risk of upset impacts as the proposed project, but the impacts would occur one year later.

Human Health

For Alternative B, it is anticipated that the same replacement and coalescing solvents used to meet the proposed project VOC content limits would be used to meet the Alternative B VOC content limits. However, in the context of the complaint, two-component, waterborne industrial maintenance systems containing some toxic compounds, since formulators have additional time to develop coatings, they may be able to formulate systems containing less toxic compounds or develop better application techniques to further reduce human exposure to these compounds. Therefore, Alternative B would result in slightly fewer human health impacts as compared to the insignificant health impacts of the proposed project.

4.3.3 - Staff's Rationale for Rejection of the "Extended Compliance Deadlines" Alternative

APCD staff does not support Alternative B since the VOC limits in the proposed rule are feasible by January 1, 2003 (January 1, 2004 for industrial maintenance coatings), and since additional time to comply is not necessary. Both the federal and California Clean Air Acts mandate that air quality standards be attained as expeditiously as practicable, and the region's air quality problems require that any delay in achieving emission reductions must be technically or economically justified. Based on all the information received by APCD staff to date, such a delay is not warranted.

4.4 - Analysis of the "Further Reduction of VOC Content Limits" Alternative

4.4.1 - Alternative Description and Setting

This alternative would further reduce the VOC content limits for affected coatings categories (adoption of the "final" limits as described in Table 1 of Appendix C of the NOP/IS for the ARB SCM EIR; see Appendix B of the ARB Final PEIR). The other proposed changes in the current proposed version of Rule 67.0 would be maintained.

4.4.2 - Comparison of the Effects of the "Further Reduction of VOC Content Limits" Alternative to the Proposed Project

Air Quality

The "Further Reduction of VOC Content Limits" Alternative (Alternative C) would implement lower VOC content limits than those included in the proposed revisions to Rule 67.0. This alternative would further aid the APCD's efforts to meet and maintain the federal and state ozone standards.

Water Resources

Water Demand

For Alternative C, the final lower VOC content limits associated with this alternative may require increased use of waterborne technology. However, the worst-case scenario analyzed in this EIR and the ARB PEIR, that all affected coatings would be reformulated using waterborne technology, showed that water demand impacts were insignificant for the proposed project. Therefore, Alternative C would result in similar insignificant water demand impacts.

Water Quality

For Alternative C, the final lower VOC content limits associated with this alternative may require increased use of waterborne technology. However, the worst-case scenario analyzed in this EIR and the ARB PEIR, that all affected coatings would be reformulated using waterborne technology, showed that water quality impacts were insignificant for the proposed project. Therefore, Alternative C would result in similar insignificant water quality impacts.

Public Services

Public Facility Maintenance

For Alternative C, end-users would eventually be required to use coatings with a lower VOC content than those in the proposed project. However, based on the SCAQMD's technology assessment for Rule 1113 (SCAQMD, 1999), these lower VOC coatings perform as well as higher VOC coatings (APCD staff has considered that SCAQMD assessment concurs in its conclusions, and adopts it by reference. It is available at the APCD offices, 9150 Chesapeake Drive, San Diego, CA 92123). Therefore, Alternative C would result in similar insignificant public facility maintenance impacts as the proposed project.

Fire Protection

For Alternative C, the final VOC content limits may require the increased use of waterborne technology. Manufacturers would be required to reformulate all solvent-borne coatings containing more flammable solvents with waterborne technology containing less flammable solvents. Therefore, Alternative C would result in fewer fire department impacts than would be expected with the proposed project.

Transportation/Circulation

For Alternative C, the final VOC content limits may require the increased use of waterborne technology. Thus, any additional trips associated with the disposal of reformulated low-VOC waterborne coatings due to freeze-thaw, shelf life, or pot-life problems could potentially be greater than for the proposed project. However, the worst-case scenario analyzed in this EIR and the ARB PEIR, that all affected coatings would be reformulated using waterborne technology, showed that transportation/circulation

impacts were insignificant. Therefore, Alternative C would result in similar insignificant transportation/circulation impacts to those associated with the proposed project.

Solid Waste/Hazardous Waste

For Alternative C, the final VOC content limits may require the increased use of waterborne technology. Thus, there could be potential additional coatings landfilled as a result of freeze-thaw, shelf life, or pot life problems associated with the use of reformulated low-VOC waterborne coatings. However, the worst-case analyzed in this EIR and the ARB PEIR, that all affected coatings would be reformulated using waterborne technology, found that solid waste/hazardous waste impacts were insignificant. Therefore, Alternative C would result in similar insignificant solid waste/hazardous waste impacts to those associated with the proposed project.

Hazards

Risk of Upset

For Alternative C, the final VOC content limits may require the increased use of waterborne technology. In the context of flat, nonflat, and rust preventative coatings, resin manufacturers and coatings formulators would be replacing current coalescing solvents with less toxic and less flammable solvents in their waterborne formulations. Conversely, in the context of industrial maintenance coatings, coatings formulators would be incrementally increasing the use of two-component polyurethane waterborne systems containing toxic solvents. Therefore, when balancing the loss of solvents that are more toxic and more flammable against the incremental increase in the use of certain coatings containing more toxic solvents, Alternative C would result in similar insignificant risk of upset impacts as the proposed project.

Human Health

For Alternative C, the final VOC content limits may require the increased use of waterborne technology. In the context of flat, nonflat, and rust preventative coatings, resin manufacturers and coatings formulators would be replacing current coalescing solvents with less toxic and less flammable solvents in their waterborne formulations. Conversely, in the context of industrial maintenance coatings, coatings formulators would be incrementally increasing the use of two-component polyurethane waterborne systems containing toxic solvents. Therefore, when balancing the loss of solvents that are more toxic and more flammable against the incremental increase in the use of certain coatings containing similar toxic solvents, Alternative C would result in similar insignificant human health impacts as the proposed project.

4.4.3 - Staff's Rationale for Rejection of the "Further Reduction of VOC Content Limits" Alternative

Alternative C, "Further Reduction of VOC Content Limits" Alternative, is not recommended by APCD staff due to the need to focus limited staff resources on the

technical, environmental, and economic issues associated with adoption of the interim limits. Based on the information and analyses in this EIR and the ARB Final PEIR adopted by reference herein, APCD staff has concluded that the proposed revisions to Rule 67.0 are necessary and the best alternative for the APCD to achieve the further VOC reductions needed to attain the state and federal ozone standard. Moreover, if the APCD does not adopt the proposed revisions to Rule 67.0, the APCD will have to find other, potentially more costly VOC emission reductions to offset the foregone emission reductions.

CHAPTER 5.0 - LONG-TERM ENVIRONMENTAL EFFECTS

5.1 - Growth Inducing Impacts

CEQA Guidelines §15126(d) requires an environmental analysis to consider the "growth-inducing impact of the proposed action." CEQA Guidelines §15126.2(d) states that the EIR shall "[d]iscuss the ways in which the proposed project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment."

Implementing revised Rule 67.0 would primarily affect existing coatings formulation companies and would not, by itself, have any direct or indirect growth-inducing impacts on California businesses because it is not expected to foster economic or population growth or the construction of additional housing.

5.2 - Significant Irreversible Environmental Changes Resultant from Project Implementation

CEQA Guidelines §15126(c) requires an environmental analysis to consider "any significant irreversible environmental changes which would be involved if the proposed action should be implemented." In particular, CEQA Guidelines §15126.2(c) indicates that "[u]ses of nonrenewable resources during the initial and continued phases of the project may be irreversible since a large commitment of such resources makes removal or nonuse thereafter unlikely. Primary impacts and, particularly, secondary impacts (such as highway improvement which provides access to a previously inaccessible area) generally commit future generations to similar uses. Also, irreversible damage can result from environmental accidents associated with the project. Irretrievable commitments of resources should be evaluated to assure that such current consumption is justified."

The following impact areas have been evaluated in this EIR, as well as in the CARB Final PEIR: air quality, water, public services, transportation/circulation, solid waste/hazardous waste, and hazards. The analyses presented in this EIR and in the ARB Final PEIR adopted by reference indicate that no significant adverse project-specific or cumulative impacts would occur to any of these environmental areas.

For example, the air quality impacts analysis included an evaluation of eight issues identified by industry regarding the potential air quality impacts of the project. After considering these issues, APCD staff determined that the project would not have a significant effect on air quality. The analysis of water impacts indicated that an incremental increase in the amount of wastewater from cleaning coating equipment could occur but that this increase would not be significant. The analysis of public services and transportation/circulation concluded that revised Rule 67.0 would not create any significant adverse impacts to these areas.

Likewise, the solid waste/hazardous waste analysis included an evaluation of the potential for an incremental increase in solid waste impacts resulting from some types of coatings that may have a shorter pot life or shorter shelf life or may be less able to withstand freeze-thaw conditions than conventional coatings. A worst-case analysis was performed and it was determined that even if there were an incremental increase in solid waste impacts, this increase would not be significant. The analysis of hazard impacts indicated that future compliant low-VOC coatings could be formulated with hazardous materials. However, solvents used in low-VOC coatings are typically no more hazardous than solvents used in conventional coatings. Therefore, hazards impacts are considered to be insignificant. Further, because Industrial Maintenance coatings are typically applied in industrial settings where safety equipment, training, and procedures are in place, workplace exposures to potentially hazardous coatings would be minimal. In addition, because architectural coatings are applied on an as-needed basis, continuous exposures would not occur. As a result, no significant cancer or noncancer human health impacts are anticipated.

As can be seen by the information presented in this EIR and in the ARB PEIR adopted by reference herein, the proposed project would not result in irreversible environmental changes or the irretrievable commitment of resources.

CHAPTER 6.0 - ENVIRONMENTAL EFFECTS FOUND NOT TO BE SIGNIFICANT

6.1 - Effects found not to be Significant as Part of the EIR Process

As indicated in Chapter 1, San Diego County APCD staff reviewed the Initial Study prepared by ARB when it conducted its own IS/EA to determine the scope of this EIR. On June 11, 2001, the APCD issued a Notice of Preparation to responsible and trustee agencies, along with a brief summary of the potential environmental effects of the rule adoption and a copy of the IS/EA. Of the 16 potential environmental impact categories on the IS/EA checklist, APCD determined that a Draft EIR should be prepared to address potential adverse effects on the following environmental categories: air quality, water, public services, transportation/circulation, solid waste/hazardous waste, hazards, irreversible environmental changes, potential growth inducing impacts, and consistency with other plans.

San Diego County APCD staff has reviewed and considered the PEIR prepared by ARB, including the technical analyses, and concurs with the methodologies and determinations made therein. Further, APCD staff has considered the technical analyses referred to in the ARB PEIR (and adopted by reference herein) for applicability to the conditions that exist here in San Diego County, and has determined that the implementation of the proposed rule changes to APCD Rule 67.0 would not have a potentially significant effect on any resource area.

Section §15128 of the State CEQA Guidelines states that an EIR "shall contain a statement briefly indicating the reasons that various possible significant effects of a project were determined not to be significant and were therefore not discussed in detail in the EIR." The following is a summary analysis for each of the resource area impacts identified in the IS/EA as requiring further analysis but determined, during the EIR process, to be less than significant.

6.1.1 - Air Quality

Existing Conditions

VOC emissions contribute to the formation of both ozone and PM_{10} (particulate matter less than 10 microns equivalent aerodynamic diameter). Ozone formation in the lower atmosphere results from a series of chemical reactions between VOC and NOx in the presence of sunlight. PM_{10} is the result of both direct and indirect emissions. Direct sources of PM_{10} include emissions from fuel combustion and wind erosion of soil. Indirect PM_{10} emissions result from the chemical reaction of VOC, NOx, sulfur oxides and other chemicals in the atmosphere.

Of the six air pollutants regulated by the federal Environmental Protection Agency, and eight regulated by ARB, only ozone and inhalable particulate matter (PM_{10}) occur in

concentrations sufficient to violate either federal or state standards in San Diego County. The efforts of the San Diego APCD are focused primarily on attainment of state and federal standards for these pollutants and maintaining the standards for all criteria pollutants. Below is a brief description of each non-attainment pollutant.

Ozone

Ozone, the main component of photochemical smog, is primarily a summer and fall pollution problem. Ozone is not emitted directly into the air but is formed through a complex series of chemical reactions involving other compounds that are directly emitted. These directly emitted pollutants (also known as ozone precursors) include VOC and NOx. The time period required for ozone formation allows the reacting compounds to spread over a large area, producing a regional pollution problem. Once formed, ozone generally remains in the atmosphere for one or two days. Ozone is then eliminated through chemical reaction with plants (reacts with chemicals on the leaves of plants), rainout (attaches to water droplets as they fall to earth), and washout (absorbed by water molecules in clouds and later falls to earth with rain).

The total contribution of VOC emissions from architectural coatings in San Diego County is estimated at 10.3 tons per day in 2000 (annual average). Assuming existing controls, the annual average VOC emissions from architectural coatings are expected to grow to 11.5 tons per day by 2005.

Thresholds of Significance

Criteria were developed based on Appendix G of the Guidelines for Implementation of CEQA to evaluate the potential for significant, adverse air quality impacts. Air quality impacts will be considered significant if the proposed rule amendments would conflict with or obstruct implementation of the applicable air quality plan; violate any air quality standard or contribute to an existing or projected air quality violation; expose sensitive receptors to substantial pollutant concentrations; expose off-site receptors to significant concentrations of hazardous air pollutants; result in a cumulatively considerable net increase of any criteria pollutant for which the project region is nonattainment; or create objectionable odors affecting a substantial number of people.

Analysis of Project Effects and Determination as to Significance

Industry Concerns

The following is a discussion and analysis of architectural coatings industry issues related to air quality impacts from the proposed project. For each issue area, APCD staff reviewed the detailed analysis of these issues prepared by ARB and contained in Section IV, Subsection C of the PEIR prepared by ARB staff for the SCM for architectural coatings. Staff also reviewed the comments received by ARB and ARB's responses to comments. In addition, staff considered the information compiled to date through ongoing studies by the SCAQMD with National Technical Systems (NTS), a testing program by the essential public service agencies (EPSA) and an analysis of the Harlan

Associates Study prepared by Stan Cowen of the Ventura County Air Pollution Control District.[2] The analysis and discussion in this EIR also consider the following update of the studies prepared since certification of the ARB PEIR.

SCAQMD Phase II Assessment Study of Architectural Coatings (NTS)

In 1998, the South Coast Air Quality Management District (SCAQMD) initiated a performance study with National Technical Systems (NTS) to evaluate the following six architectural coating categories: Industrial Maintenance, Non-flats, Primers/Sealers/Undercoaters, Quick Dry Enamels, Quick Dry Primers/Sealers/Undercoaters and Waterproofing Sealers. The objective of the performance study was to conduct side-by-side laboratory and outdoor exposure tests for coatings with varying VOC contents.

The performance study involved 31 manufacturers or brands, 94 coatings, 46 coating systems (e.g., primer and topcoat), and over 3000 test panels. The laboratory portion of the study was completed in 1999, and is summarized in Appendix E of the ARB staff report for the proposed Suggested Control Measure for Architectural Coatings, approved by the Board on June 22, 2000. In general, the laboratory portions of the study revealed similar performance among high and low VOC coatings.

The outdoor real-time exposure testing is ongoing and includes a desert and coastal environment. The outdoor real-time exposure will last for two years, and will not be completed until 2002. ARB staff will summarize the data at that time.

Essential Public Service Agencies (EPSA) Testing Program

In response to comments provided by the essential public service agencies (EPSA), the SCAQMD's May 1999 architectural coatings rule amendments established a new specialty category called "essential public service coating." The category is for protective coatings applied to components of power, municipal wastewater, water, bridges and other roadways, transmission or distribution systems during repair and maintenance procedures. The category includes coatings used by the EPSA that were previously included in the industrial maintenance coatings category. The essential public service category was created to allow additional time for EPSA to complete its lengthy administrative processes to identify and evaluate new coatings to replace those currently used for the public infrastructure. The category's VOC limit decreases to 100 g/l by 2006, which matches the industrial maintenance category limit. Thus, the ESPA testing program will primarily focus on coatings capable of meeting the 100-g/l VOC limit. However, the program is also evaluating some coatings at the 250-g/l level.

Earlier this year, the members of EPSA entered into a memorandum of understanding (MOU) to accomplish their common coating performance testing goals. The EPSA consist of:

- Caltrans (California Department of Transportation);

[2] All of these analyses, responses, and studies are incorporated herein by reference, and are available at the APCD offices located at 9150 Chesapeake Drive, San Diego, CA.

- California Department of Water Resources (DWR);
- Los Angeles Department of Water and Power (LADWP);
- Metropolitan Water District of Southern California (MWD).

A technical steering committee consisting of representatives from each public service agency, SCAQMD, and ARB has been established. The technical steering committee has approved a test program design that includes test sequences, test procedures, and performance evaluation criteria. Coating selection and application is ongoing. The scope of testing will involve laboratory and field tests of compliant coatings and is expected to last a number of years even with expedited testing efforts. For example, the coating evaluation process at Caltrans entails a laboratory screening and characterization, including health and safety review (4 months), cyclic corrosion testing in the laboratory (8 months), field application tests (2 years), and specification development (2 years).

Southern California Alliance of Publicly Owned Treatment Works (SCAP) Testing Program

The Southern California Alliance of Publicly Owned Treatment Works (SCAP) represents over 55 government agencies involved in the treatment and recycling of water and wastewater. These agencies operate facilities and equipment that are exposed to a harsh environment. As a result of VOC limits specified in SCAQMD Rule 1113 and ARB's Architectural Coatings SCM, SCAP has committed to evaluate the performance of low VOC coatings suitable for wastewater environments. Their testing program includes laboratory and field tests that are being conducted to evaluate the performance, durability, and application requirements of low VOC coatings. The coatings included in this test program have VOC contents that range from less than 100 g/L to 340 g/L. This testing program is scheduled to conclude in 2003.

Harlan Associates Study

In February 1995, ARB published the results of performance testing of architectural coatings by Harlan Associates, Inc. The purpose of the study was to determine the physical properties and performance of representative products in eight coating categories. A total of 110 coating products, purchased during late 1993 and throughout 1994, were tested in the following categories: industrial maintenance primers and topcoats, high-temperature industrial maintenance coatings, lacquers, varnishes, non-flats (including quick-dry enamels), primer/sealers (including quick-dry primer/sealers), sanding sealers and waterproofing sealers (wood and concrete).

While the raw data from this study were published in 1995, an analysis of the overall comparison of the coatings' test performance was not published. In developing the proposed SCM, ARB and district staffs analyzed and summarized the raw data. This performance study, although somewhat dated, is used to supplement the newer NTS study.

Industry Concern No. 1 – Increase in Thickness of Coatings

Some companies in the architectural coatings industry have commented that, in order to meet the VOC limits proposed, manufacturers would need to reformulate many of their

coatings to increase the amount of solids contained in those coatings. According to industry, this increase in solids content would lead to increased thickness of the low-VOC coatings being sprayed. Increased coating thickness would have two main effects. First, the coatings would become more difficult to handle during application due to increased viscosity. Secondly, a set amount of coating would cover less surface area, also due in part to increased viscosity. Industry contends that it is mainly high-solid, solvent-based alkyds, non-flats in particular that will have this problem. During the review period of the ARB draft PEIR for the architectural coatings SCM, ARB received comments from industry that ARB had misinterpreted earlier comments that addressed this issue. Industry stated that ARB had focused too narrowly on increased thickness as it applied to waterborne coatings, not high solid, solvent-based alkyds.

ARB's response to these comments indicated that more attention was paid to water-borne coatings because water-borne coatings made up a very large percentage (95%) of non-flats. ARB also stated that there are a number of options manufacturers could choose which would allow them to reformulate coatings that would comply with the rule while not increasing solids. These include using exempt solvents, or moving to a water-based system. If a manufacturer does decide to reformulate a coating to increase solids content, less viscous resins exist which would allow compliant coatings to be manufactured while not increasing overall thickness. In evaluating product data sheets from 500 different coatings and the results of its 1998 Architectural Coatings Survey, there was no apparent relationship between VOC content and the amount of solids that are present in the coating and no relationship between solids content and coverage. ARB also stated that an accurate way to determine whether low-VOC levels corresponded to increased solids and increased thickness was to see whether there had been an increase in overall sales over time. ARB found that coatings sales had remained constant on a per-capita basis over the last 12 years.

ARB's analysis of this issue in the PEIR is relevant to San Diego County (and is adopted by reference herein). APCD staff examined this issue to see if there were any local issues that might alter APCD's conclusion and found that ARB's analysis is equally applicable to San Diego County. There is nothing to suggest that reformulated coatings that work in other parts of the state would not also work in San Diego County. Furthermore, according to test data accumulated by ARB, many water-based, compliant coatings are available. These coatings would not have the problem of increased thickness. Companies that do business in San Diego also do business in other parts of the state, so there is no reason to believe that these coatings would not be available in the San Diego region from the manufacturers of these coatings.

Industry Concern No. 2 – Illegal Thinning

When commenting on ARB's draft EIR, industry also raised the issue of possible illegal thinning that would occur if the proposed VOC limits were adopted. The coatings affected by this are supposedly the same kinds of coatings that would be affected by the increased thickness problem discussed previously. According to industry, individual users will add illegal amounts of thinner to products that have been made more viscous due to increased solids content. Industry also commented that the ARB field study on

thinning was flawed due to inaccurate sampling where the focus was on higher-VOC specialty coatings that are less likely to be thinned.

APCD staff considered and adopts by reference ARB's analyses and responses on this issue. As stated in the ARB discussion on increased thickness, the low-VOC coatings referenced by industry were found to exhibit similar thickness and coverage to higher VOC coatings when applied. APCD staff considered and adopts by reference ARB's analysis and responses on this issue. ARB used product data sheets in part to determine the coverage exhibited by these products. These products should behave and perform in a manner that is consistent with what is described by their manufacturers. Also, these products should exhibit coverage qualities in San Diego County that are either identical or very similar to the qualities exhibited in any other part of the state. These would indicate that there would be no need for users to thin coatings in excess of legal limits. Also, ARB has stated that its 1991 study focused on coatings that were found being used in the field and that users indicated they had been thinned with VOC containing material.

The low-VOC coatings referred to by industry have been found to have coverage qualities similar to that of higher-VOC coatings; thinning to reduce viscosity should not be an issue. ARB's analysis also concluded that thinning also inhibits hiding properties, increases drying time and, that when thinning occurred, the VOC limits were rarely exceeded. Additionally, most of the products on the market are water-based. Because water-borne coatings are thinned with water and are not usually thinned with solvent, low-VOC water-borne products would not be expected to result in illegal thinning.

Industry Concern No. 3 – Increase in Priming Needed

Industry has commented that adopting the proposed VOC limits will lead to an increase in the amount of priming necessary to apply low-VOC water-based latex enamels. Industry contends that the increased priming would be necessary because the water-based latex enamels have poorer adhesion when being used to coat difficult substrates, and because the coatings have poor sealing and stain-blocking properties.

APCD staff considered and adopts by reference ARB's analyses and responses on this issue. The product data sheets that ARB used in part to make its determination of the performance capabilities of low-VOC coatings do not state that primers are recommended prior to application of latex enamel on an enamel surface. Also, the NTS study demonstrated that adhesion characteristics of low-VOC coatings are similar to conventional coatings. Also, data sheets for these products list, as some of their performance characteristics, "excellent adhesion to aged enamels."

Furthermore, no increase in primer sales has been demonstrated in a way that corresponds with previous attempts to increase the stringency of VOC levels for architectural coatings. These facts contradict the suggestion that adopting the proposed VOC levels would lead to an increase in the use of primers. Finally, there is nothing to suggest increased priming will be needed in San Diego County.

Industry Concern No. 4 – Additional Topcoats Required

Industry has commented that they expect the proposed VOC reductions will result in an increased amount of topcoat use. This is because industry contends that low-VOC products will not exhibit satisfactory coverage, build, or flow-and-level. Industry indicates that the problems that would lead to more topcoat use are mostly exhibited in water-based latex topcoats whereas ARB relied in part on studies that focused mostly on solvent-based products. Industry also stated that the NTS study used by ARB was flawed because test panels were coated by draw down method that does not reflect real-world application, and because industrial maintenance topcoats were not subjected to real-world exposure levels for a sufficient amount of time. It should also be noted that industry was represented on the NTS technical advisory committee that approved the testing protocol, including draw downs.

APCD staff considered and adopts by reference ARB's analysis and responses on this issue. ARB data showed that water-based latex products did not demonstrate the deficiencies enumerated by industry. These products make up the majority of latex non-flats available on the market. The use of the draw down method to coat test panels was thought to be appropriate because this helps to standardize the application process. Industry was involved in a technical advisory committee for choosing test protocol. ARB also concluded that tests represent a reasonable level of exposure, and that to subject coatings to all possible types of exposure would be an unrealistic undertaking. The length of exposure was not deemed to be an important factor for measuring characteristics such as coverage, flow-and-level, and build.

Tests done by ARB evaluated a sample of products that reflect the type of coatings being manufactured and sold in California. An advisory committee that included many members of industry selected these coatings to be tested and the testing protocols. Since using consistent methods is important for conducting a valid test, using the draw down method of application is reasonable for coating test panels. Additionally, the time frame of the study was applicable for evaluating performance characteristics such as coverage, flow-and-level, and build. The tests upon which ARB relied for data are reasonable and do not indicate that more topcoat use will result from adopting the proposed VOC limits. APCD staff considered this issue to see if there were any local issues that might alter APCD's conclusion and concluded that ARB's analysis is equally applicable to San Diego County.

Industry Concern No. 5 – More Touch-Ups and Repair Work

Some coatings manufacturers and contractors have claimed that water-borne and low-VOC solvent-borne formulations do not dry as fast as conventional coatings and, therefore, are susceptible to damage such as sagging, wrinkling, alligatoring, or becoming scraped and scratched. Some industry representatives contend that low-VOC, acetone-borne lacquers, water-borne topcoats, and substitutes will require more touch-up repair work because longer drying times allow for the contamination of the coated surface with airborne dust and construction debris. Industry representatives also claim that high-solids, solvent-based alkyd enamels tend to yellow in dark areas, and that water-based coatings tend to blister or peel and result in severe blocking problems. Because of these

problems discussed above, industry representatives claim that there will be a need to apply additional coatings.

APCD staff considered and adopts by reference ARB's analysis and responses on this issue. According to the product data sheets reviewed by ARB staff, the average drying time between coats for low-VOC coatings was similar or less than the average drying time for conventional coating in all categories except lacquers. Additionally, per capita coatings sale has not increased since 1988, which indicates that there is no increase in touch-up and repair due to the use of water-borne coatings. Also, the NTS study demonstrated that blocking characteristics of low-VOC coatings are similar to conventional coatings. APCD staff looked at this issue to see if there were any local issues that might alter APCD's conclusion and it was determined that ARB's analysis is equally applicable to San Diego County.

Industry Concern No. 6 – More Frequent Re-coating

Some coating manufacturers and contractors have asserted that durability of compliant water-borne and low-VOC solvent-borne coatings are inferior to that of traditional solvent-borne coatings. They claim that the new coatings have many finish problems such as cracking, peeling, excessive chalking, and color fading and, therefore, will require more frequent re-coating, resulting in more VOC emissions than traditional coatings.

APCD staff considered and adopts by reference ARB's analysis and responses on this issue. The durability of a coating is affected by many factors, such as surface preparation, application method, environment (mechanical stress, thermal weathering), type of binder in the formulation, and the substrate coated. Results of the NTS study show that compliant coatings have similar performance and application characteristics as conventional coatings. APCD staff examined this issue to see if there were any local issues that might alter APCD's conclusion and found that results of the NTS study are equally applicable to San Diego County.

Industry Concern No. 7 – Substitution

Some coating manufacturers and contractors have asserted that because water-borne and low-VOC solvent-borne coatings are inferior in durability and more difficult to apply than conventional coatings, consumers and contractors will substitute allegedly better performing, higher VOC coatings from other categories for use in categories with low VOC compliance limits (e.g., use of a rust preventive coating, which has a higher VOC content limit requirement, in place of an industrial maintenance coating or nonflat coating.)

APCD staff considered and adopts by reference ARB's analysis and responses on this issue. Widespread substitution is not expected to occur as a result of adopting the rule amendments for the following reasons:

- The results from the NTS study show that low-VOC coatings with similar performance characteristics to conventional coatings are currently available.

- The amended rule will not allow the application of certain coatings in specific settings (e.g., rust preventative coatings cannot be used in industrial settings.)

- The amended rule will require that when a coating can be used in more than one coating category, the lower limit of the two categories is applicable (except for specified categories).

APCD staff does not expect that contractors and consumers will substitute higher-VOC coatings for low-VOC coatings. Low-VOC coatings with similar performance characteristics to conventional coatings are available on the market. APCD staff examined this issue to see if there were any local issues that might alter APCD's conclusion and found that ARB's analysis is equally applicable to San Diego County.

Industry Concern No. 8 – More Reactivity

Some industry representatives have claimed that requiring manufacturers to reformulate to water-borne technology will lead to increases in ozone formation because the VOCs used in water-borne coatings are more reactive than those used in solvent-borne coatings. Industry also suggested that the VOCs used in architectural coatings, such as mineral spirits, have low reactivity and, thus, does not contribute to ozone formation. Industry also suggested that NOx control alone might be most appropriate for reducing ground-level ozone. Industry representatives have also claimed that mass-based controls may not be effective and that reducing VOCs under certain conditions may actually lead to ozone nonattainment.

APCD staff considered and adopts by reference ARB's analyses and responses on this issue. Existing data do not support the claim that water-borne coatings are more reactive than solvent-borne based. A typical VOC used in water-borne coatings, such as propylene glycol, may be two to three times more reactive, on a per-gram basis, than a typical mineral spirit used in a solvent-based coating. However, when comparing the total, or weighted, reactivity of a product or product category (water-borne vs. solvent-borne), ARB staff found out that solvent-borne coatings are over two times more reactive than water-borne coatings. In addition, the reactivity of propylene glycol is approximately three times less reactive (on a per-gram basis) than that of other VOCs used extensively in solvent-borne coatings, such as xylenes and toluene. Analysis also showed that the reactivity of some solvents used in water-borne coatings is similar to a typical mineral spirit used in solvent-borne coatings. A conclusion that VOC control causes more ozone cannot be substantiated under real-world atmospheric conditions since certain atmospheric conditions characterized by very high VOC to NOx ratios must exist in order for VOC control to exhibit an enhancing effect on ozone formation. These conditions are not likely to occur in urban regions such as San Diego County.

ARB's analysis of the available data indicates there is no validity to the claim that water-borne coatings are more reactive than solvent-borne coatings. APCD staff examined this

issue to see if there were any local issues that might alter APCD's conclusion and found that ARB's analysis is equally applicable to San Diego County. The solvent-borne coatings are over two times as reactive than water-borne coatings. Therefore, the reformulation to water-borne coatings is likely to decrease ozone formation. The analysis also concluded that mass-based VOC regulations have been effective at reducing ground-level ozone concentrations.

Industry Concern No. 9 – Synergistic Effects of the Eight Issues

Industry representatives have stated that the synergistic effect of the eight issues discussed above should be analyzed. Synergy occurs when two or more effects interact to produce a subsequent effect and the subsequent effect is not evident in any individual effect. APCD staff reviewed information submitted by industry as well as ARB staff analysis of NTS data and product data sheets. APCD staff concludes that low-VOC coatings have similar performance characteristics as conventional coatings. There is no evidence that a significant adverse air quality impact will result from the combined effect of two or more of the eight issues that is not evident in the effects analyzed of any singular issue.

Determination of Significance

As discussed above, criteria were developed based on Appendix G of the Guidelines for Implementation of CEQA to evaluate the potential for significant, adverse air quality impacts. Based on the information contained in this EIR and the ARB PEIR and associated technical studies, it has been determined that proposed Rule 67.0 amendments would result in a VOC reduction and no significant thresholds would be exceeded. Specifically, proposed Rule 67.0 amendments would not conflict with or obstruct implementation of the applicable air quality plan, violate any air quality standard or contribute to an existing or projected air quality violation, expose sensitive receptors to substantial pollutant concentrations, expose off-site receptors to significant concentrations of hazardous air pollutants, result in a cumulatively considerable net increase of any criteria pollutant for which the project region is nonattainment, or create objectionable odors affecting a substantial number of people.

6.1.2 - Water Resources

Existing Conditions

Water resources will be divided into two categories—water demand and water quality.

Water Demand

The majority of the water consumed in San Diego County is imported through the San Diego County Water Authority (SDCWA) from the Metropolitan Water District (MWD). MWD is a wholesale supplier of the supplemental imported water to Southern California. The MWD supplies water to an area approximately 5,200 square miles encompassing six counties (Los Angeles, Orange, Riverside, San Bernardino, Ventura and San Diego).

There are two primary water supply sources to the MWD: the Colorado River via the Colorado River Aqueduct and the State Water Project via the Edmund G. Brown California Aqueduct. Water supplied to San Diego County by the MWD is received by the SDCWA and transported to its 23 member cities and individual water districts for distribution to retail customers through two aqueducts containing five large-diameter pipelines.

The SDCWA is the major water supplier in the San Diego region, supplying from 70 to 90 percent of the San Diego region's water needs, with the balance being primarily annual runoff into local reservoirs. According to the 1997 Water Resources Plan, the Authority's service area covers the western third of San Diego County, approximately 909,959 acres (1,420.3 square miles). The SDCWA is comprised of 23 member agencies that directly or indirectly purchase water for use at the retail level. The SDCWA is governed by a 34-member Board of Directors representing the member agencies. The County of San Diego, which does not deliver water, is an ex-officio member. The member agencies are comprised of six cities, four water districts, three irrigation districts, a public utility district, and a military reservation (Camp Pendleton Military Reservation).

Water usage in San Diego County is closely linked to the local economy, population growth, and changes in weather. Historically, expansion of local economy has stimulated regional population, which has produced a relatively steady increase in water demand. The demand for water in the SDCWA service area is divided into two basic categories: municipal/industrial, and agricultural. Municipal and industrial water usage constitutes approximately 80 to 85 percent of the regional water consumption. Agricultural water usage, used primarily for the irrigation of groves and cropland, accounts for the remaining 15 to 20 percent of the water demand. In 1989, the SDCWA initiated the preparation of a Capital Improvement Program (CIP) in order to plan and implement projects necessary to meet the region's water demands to the year 2010.

Reclaimed Water

Reclaimed water is an important and growing component of the Region's water supply. Reclaimed water is obtained through extensive treatment of municipal wastewater to produce a safe and reliable water supply for non-potable uses. Reclaimed water is used to irrigate parks, agriculture, planned community greenbelt areas, golf courses, and freeway landscaping. Reclaimed water is an important water supply and leaves the Region less vulnerable to imported water supply shortages.

Water Quality

In recognition of the regional differences in water quality and quantity, the state is divided into nine regions for the purposes of regional administration of California's water quality control program. The San Diego Region is divided into 11 major hydrologic units, 54 hydrologic areas, and 147 hydrologic subareas. The boundaries were initially designated by the State Department of Water Resources (DWR) and described in the report *Names and Areal Code Numbers of Hydrologic areas in the Southern District* which was published in April 1964. The hydrologic units, areas, and subareas were subsequently enumerated by the State Board in the early 1970's. In accordance with the

early DWR definitions, hydrologic units are the entire watershed of one or more streams; hydrologic areas are major tributaries and/or major groundwater basins within the hydrologic unit; and hydrologic subareas are major subdivisions of hydrologic areas including both water-bearing and non-water-bearing formations.

The water resources in the San Diego Region are classified as coastal waters, surface waters, and reclaimed water. Fresh water supplied with the Region is obtained from local surface and ground water development projects and imported surface water programs.

Coastal Waters

Coastal waters in the Region include bays, harbors, estuaries, beaches, and open ocean. Deep draft commercial harbors include San Diego Bay and Oceanside Harbor. Shallower small craft harbors include Mission Bay and Dana Point Harbor. Important estuaries are represented by coastal lagoons such as Tijuana Estuary, Sweetwater Marsh, San Diego River flood control channel, Kendall-Frost wildlife reserve, San Dieguito River Estuary, San Elijo Lagoon, Batiquitos Lagoon, Agua Hedionda Lagoon, Buena Vista Lagoon, San Luis Rey River Estuary, and Santa Margarita River Estuary.

Surface Waters

The San Diego Region has thirteen principal stream systems originating in the western highlands which flow to the Pacific Ocean. From north to south, these stream systems are Aliso Creek, Santa Margarita River, San Luis Rey River, San Marcos Creek, Escondido Creek, San Dieguito River, San Diego River, Sweetwater River, Otay River, and the Tijuana River. Most of the streams of the San Diego Region are interrupted in character having both perennial and ephemeral components due to the rainfall pattern and the development of surface water impoundments. Surface water impoundments capture flow from nearly all the Region's major surface water streams. Many of the major surface water impoundments are a blend of natural runoff and imported water.

Groundwater

All major drainage basins in the San Diego Region contain ground water basins. The basins are relatively small in area and usually shallow. Although these ground water basins are limited in size, the ground water yield from the basins has been historically important to the development of the Region. A number of the larger ground water basins can be of future significance in the Region for storage of both imported waters and reclaimed wastewaters. Nearly all of the local ground waters of the Region have been intensively developed for municipal and agricultural supply purposes.

Thresholds of Significance

Criteria were developed based on Appendix G of the Guidelines for Implementation of CEQA to evaluate the potential for significant, adverse impacts to water resources. Water impacts will be considered significant if they cause changes in the course of water movements or of drainage or surface runoff patterns that would result in erosion or flooding; exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; substantially degrade water quality; deplete groundwater supplies, or interfere with groundwater recharge efforts;

violate any water quality standards or waste discharge requirements, or exceed wastewater treatment requirements of the California Regional Water Quality Control Board, San Diego Region; require the construction of new, or expansion of existing, water, wastewater, or stormwater drainage facilities, the construction of which could cause significant environmental effects; require new or expanded water entitlements and resources; or exceed a wastewater treatment provider's existing commitments.

Potential water demand impacts include increased water demand from the manufacturing and use of compliant water-borne coatings. Potential water quality impacts include the impact of solvents and architectural coatings.

Analysis of Project Effects and Determination as to Significance

Water Demand

A projected increase in water demand as a result of the proposed project could occur based on the manufacturing, use, and cleanup of water-borne coatings. Based on ARB's worst-case scenario, water demand for the South Coast region could increase by 56,684 gallons per day in 2010. This translates to an increase of 0.00110% for the South Coast region, which represents a negligible impact on water demand, even under the worst-case scenario. San Diego County's portion of this increase would be even less. Although the San Diego County region is expected to experience a shortage of water during drought years in 2020, this shortage would occur with or without the proposed project.

No additional stormwater drainage facilities are required as a result of the proposed project. In addition, the increases in the wastewater flow to the regional wastewater treatment plant that are expected to occur as a result of the proposed project are negligible. No additional capacity in the wastewater treatment plant is necessary. Further, the increase in water demand resulting from the proposed project is expected to be negligible and no additional water entitlements or resources are warranted. Therefore, potential impacts of the proposed project on water demand would not be significant.

Water Quality

Potential impacts that might occur as a result of implementing the proposed rule include increased improper disposal of waste. A significant impact could result if there were difficulties associated with waste disposal; however, it is relatively easy for sources to safely dispose of waste generated from architectural coatings. As described in ARB's EIR for the Suggested Control Measure, based on the South Coast Air Quality Management District's unannounced site visits conducted for its 1996 Rule 1113 amendments, the majority of contractors either dispose of the waste material properly or recycle the waste material.

As a result of implementing the San Diego's Stormwater Quality Improvement Plan, combined with efforts by the National Paint and Coatings Association, the amount of improper disposal of waste products associated with this rule are expected to decline. In addition, the trend in the paint and coatings industry is to replace more toxic solvents with less toxic and water-based solvents, resulting in less impact on the environment for

any waste materials that are improperly disposed. ARB's staff report concludes that manufacturers will be able to formulate coatings that will meet the proposed VOC limits without increasing the amount of toxic air contaminants (TACs). However, as a safety measure, the proposed rule institutes new annual reporting requirements for coatings containing perchloroethylene and/or methylene chloride.

Results of the proposed annual reporting for these TACs will be used to evaluate the need for further toxic regulation. Another potential concern is the impact of the waste materials associated with manufacture, use, and cleanup that are properly disposed and that flows to the wastewater treatment system. As Table IV-9 of ARB's PEIR indicates, the projected impact to the San Diego County's Regional Wastewater Treatment Plant, under a worst-case scenario, is expected to be an increase of 0.0016% in wastewater flow in 2010.

Significant groundwater and surface water quality impacts are not expected as a result of implementing the amendments to Rule 67.0 in San Diego County. Both the volume and toxicity of improperly disposed of waste products is expected to decline as a result of ongoing efforts by the paint and coatings industry and implementation of the San Diego County Stormwater Quality Improvement Plan.

Determination of Significance

As discussed above, criteria were developed based on Appendix G of the Guidelines for Implementation of CEQA to evaluate the potential for significant, adverse impacts to water resources. Based on the information contained in this EIR and the ARB PEIR and associated technical studies, it has been determined that no significance thresholds would be exceeded. Specifically, proposed Rule 67.0 amendments would not cause changes in the course of water movements or of drainage or surface runoff patterns that would result in erosion or flooding; exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; substantially degrade water quality; deplete groundwater supplies or interfere with groundwater recharge efforts; violate any water quality standards or waste discharge requirements or exceed wastewater treatment requirements of the California Regional Water Quality Control Board, San Diego Region; require the construction of new, or expansion of existing, water, wastewater, or stormwater drainage facilities, the construction of which could cause significant environmental effects; require new or expanded water entitlements and resources; or exceed a wastewater treatment provider's existing commitments.

6.1.3 - Public Services

Existing Conditions

Residents of San Diego County are provided with a number of essential public services. These services include fire protection, police protection, schools, water, and library services. The services are provided by either special districts, the cities within San Diego County, or, in the unincorporated areas, the County itself.

Public facilities in San Diego County that use architectural coatings for maintenance include schools, libraries, and various government buildings. In addition, many parks and public areas exist in the County as well.

Fire protection is provided to residents of the County by 21 individual entities. Seventeen of these provide protection to the public at large within their jurisdictions. The remaining four do not provide protection to the general public, but instead have more narrowly defined jurisdictions such as prisons, military bases, or open space in certain areas.

Thresholds of Significance

Criteria were developed based on Appendix G of the Guidelines for Implementation of CEQA to evaluate the potential for significant, adverse impacts to public services. Public services impacts will be considered significant if they will result in adverse physical impacts associated with the provision of new or altered public facilities in order to maintain acceptable service ratios or response times for fire protection, police protection, schools, parks, or other public facilities. Potential impacts include impacts on public facilities and fire protection services – including impacts associated with the use of potentially flammable solvents.

Analysis of Project Effects and Determination as to Significance

Additional Maintenance of Public Facilities

A potential significant impact could occur if local agencies were forced to use inferior coatings which would lead to increased maintenance under the proposed rule. Industry has commented that the proposed VOC limits for coatings may cause local agencies to use coatings that are of an inferior quality or lack the durability of coatings that are currently used but would be exempt under the proposed amended rule. This could lead to an overall greater use of architectural coatings.

Data collected by ARB shows that there are many coatings available in all coatings categories that will meet the VOC limits proposed, and that these coatings will perform at a level equal to that of coatings with higher VOC limits. In fact, these tests conclude that low-VOC coatings compare well with other coatings in all areas of performance. Furthermore, the product information sheets for low-VOC coatings list performance characteristics for these coatings that are similar to those of higher-VOC coatings. ARB also found that a fairly large percentage of the coatings marketed meet the proposed VOC limits.

Results of the NTS study showed that low-VOC coatings had durability qualities comparable to that of higher VOC products currently used. The tests also showed that water-borne coatings on the market had similar drying times to conventional coatings. Manufacturers that sell their products nation-wide market the low-VOC coatings tested in these studies, so low-VOC coatings would be available in San Diego County.

Since low-VOC coatings perform well and would be readily available in San Diego County, there should be no increase in the amount of work needed to maintain public

facilities. Also, the similarity in drying times means that facilities will not need to be painted or repainted predominantly during the warmer summer months. In keeping with the results of the independent tests, no adverse impacts due to increased maintenance of public facilities would result from lowering the VOC limits as proposed, and the significance criteria for public services would not be exceeded.

Fire Protection

In its PEIR, ARB demonstrated that the National Fire Protection Association gives a flammability classification to acetone that is identical to other solvents currently used in the formulation of architectural coatings according to the Uniform Fire Code. This standard is used nationwide and, therefore, is applicable in San Diego County. There is no reason to believe that there are any differences between San Diego County and the rest of the state that would increase the danger of acetone as a fire hazard. Directions for use and hazard warnings appear on coating cans in San Diego County just as they would throughout the state, so there is no increased risk of misuse that could contribute to an increased fire risk. Since ARB's analysis is applicable to San Diego County in all respects, there is no significant impact from fire hazard associated with the proposed VOC limits.

According to the National Fire Protection Association, acetone is considered to have the same flammability classification as the solvents it would replace when formulating low-VOC coatings. Since there would be no increased risk of fire hazard due to increased use of acetone, there will be no significant impact to fire protection services in San Diego County, and no significance threshold will be exceeded.

Determination of Significance

As discussed above, criteria were developed based on Appendix G of the Guidelines for Implementation of CEQA to evaluate the potential for significant, adverse impacts to public services. Based on the information contained in this EIR and the ARB PEIR and associated technical studies, it has been determined that no significant thresholds would be exceeded. Specifically, proposed Rule 67.0 amendments would not result in adverse physical impacts associated with the provision of new or altered public facilities in order to maintain acceptable service ratios or response times for fire protection, police protection, schools, parks, or other public facilities.

6.1.4 - Transportation/Circulation

Existing Conditions

San Diego County has a well-established and comprehensive transportation system to serve the diverse travel needs of the County. It includes federal and state highways, county roads, urban arterials, rural highways and streets, light rail and bus transit services, freight rail, port facilities and airports.

Thresholds of Significance

Criteria were developed based on Appendix G of the Guidelines for Implementation of CEQA to evaluate the potential for significant, adverse impacts to transportation/circulation. Transportation/circulation impacts will be considered significant if they cause a substantial increase in traffic related to the existing traffic load and street capacity; exceed a level of service standard for designated roads or highways; substantially increase hazards due to a design feature or incompatible uses; result in inadequate emergency access, parking capacity, or hazards or barriers for pedestrians or bicyclists; or conflict with adopted alternative transportation policies, plans, or programs.

Potential transportation and circulation impacts include additional vehicle trips caused by the disposal of coatings due to the possibility of shorter shelf or pot lives or lesser freeze-thaw capabilities.

Analysis of Project Effects and Determination as to Significance

Concern was expressed by industry that the cost analysis by ARB was over-simplified and did not take into account the additional distribution costs associated with the new rule requirements. APCD staff considered and adopts by reference ARB's analyses and responses on this issue. Based on available data, there is no reason to believe distribution costs would increase in a significant way.

One area analyzed for potential transportation/circulation impacts was increased trips to landfills due to disposal of additional waste materials. This waste, it was proposed, would come from coatings and containers due to problematic performance characteristics, including shelf life, pot life, and freeze-thaw of certain low-VOC coatings. Comments were also received by ARB indicating that out-of-state manufacturers would have to ship coatings during the three non-winter seasons to avoid potential freezing en route. It was proposed that this would cause an increase in traffic during high ozone periods.

Data regarding freeze-thaw characteristics shows that manufacturers have indicated that addition of surfactants will improve freeze-thaw capabilities of water-borne coatings. The NTS study also showed that the compliant water-borne waterproofing wood sealers included in the study passed freeze-thaw stability tests. Based on this information, it is determined that there would be no significant increase in landfill trips. Thus, trips generated would be minimal.

Another comment received by ARB stated that drying times would be longer for the low-VOC coatings. As a result, more trips would be required due to the additional days required to complete a project. Thus, additional commute trips would be generated. However, the NTS evaluation of coating products indicates that low-VOC coatings in all categories except lacquers have comparable drying times to conventional coatings. Thus, additional commute trips would not be required for the workers applying the low-VOC coatings.

Determination of Significance

As discussed above, criteria were developed based on Appendix G of the Guidelines for Implementation of CEQA to evaluate the potential for significant, adverse impacts to transportation/circulation. Based on the information contained in this EIR and the ARB PEIR and associated technical studies, it has been determined that no significance thresholds would be exceeded. Specifically, proposed Rule 67.0 amendments would not: cause a substantial increase in traffic related to the existing traffic load and street capacity; exceed a level of service standard for designated roads or highways; substantially increase hazards due to a design feature or incompatible uses; result in inadequate emergency access, parking capacity, or hazards or barriers for pedestrians or bicyclists; or conflict with adopted alternative transportation policies, plans, or programs.

6.1.5 - Solid and Hazardous Waste

Existing Conditions

San Diego County currently has several active solid waste disposal facilities. Coatings that have dried are disposed of as municipal solid waste. Coatings which have not dried *(i.e.* disposed in liquid form) are treated has hazardous waste and must be transported out of San Diego County to a Class I Landfill. However, the requirement of the California Integrated Waste Management Act of 1989, to reduce the waste stream to landfills by 50% in the year 2000, is expected to reduce the amount of hazardous waste disposed in landfills.

Thresholds of Significance

Criteria were developed based on Appendix G of the Guidelines for Implementation of CEQA to evaluate the potential for significant, adverse solid and hazardous waste impacts. Solid waste/hazardous waste impacts will be considered significant if the proposal would not be served by a landfill with sufficient permitted capacity to accommodate the project's solid and/or hazardous waste disposal needs, or would not comply with federal, state, and local statutes and regulations related to solid and hazardous wastes. Potential solid and hazardous waste impacts include impacts on the disposal capacity arising from increased disposal of compliant coatings due to the possibility of shorter shelf or pot lives or lesser freeze-thaw capabilities.

Analysis of Project Effects and Determination as to Significance

The potential environmental impacts for the proposed rule amendments deal mainly with the increased generation of solid waste/hazardous waste and its disposal. APCD staff considered and adopts by reference ARB's analysis and responses on this issue. Comments received by ARB for the PEIR regarding this matter alleged the following:

- Compliant lower-VOC coatings targeted by the SCM will not have the same freeze-thaw capabilities as existing coatings and, therefore, may "go bad" during

transport from mild climates to extreme climates, resulting in that load being discarded into a landfill.

- Compliant lower-VOC coatings targeted by the SCM will have shorter shelf lives, and, therefore, a percentage of the manufacturers' inventory will have to be landfilled because the coatings have "gone bad" in the can over time.
- As a result of the lower-VOC content limits for industrial maintenance and floor coatings, manufacturers will formulate more two-component systems that may have, on average, a shorter pot life compared to conventional coatings. As a result, low-VOC coatings could solidify in the can during the application process, resulting in an unusable portion of coating that would need to be discarded into a landfill.
- Because the SCM would require the use of water-borne technologies, more surface preparation in the form of sandblasting will be required. This in turn will increase the amount of wastes deposited in landfills.

ARB's analysis demonstrated that even if some compliant coatings are landfilled due to freeze-thaw, shelf life, or pot life problems, the total amount of solid waste and hazardous waste materials deposited in landfills would not create a significant solid waste or hazardous waste impact. For San Diego County, anticipated solid waste impacts associated with implementing the SCM are 0.007% (ARB PEIR) of the total permitted throughput. Since the entire permitted solid waste throughput per day for San Diego County is 12,665 tons, this 0.007% increase represents a countywide increase of 0.9 tons per day of solid waste. The average capacity of a refuse truck in San Diego County is 10 tons. A 0.9-ton increase would use less than 10% of the capacity of one average refuse truck in the county. This increase would not pose a significant impact for waste disposal.

Determination of Significance

As discussed above, criteria were developed based on Appendix G of the Guidelines for Implementation of CEQA to evaluate the potential for significant, adverse solid and hazardous waste impacts. Based on the information contained in this EIR and the ARB PEIR and associated technical studies, it has been determined that no significance thresholds would be exceeded. Specifically, the project would be served by a landfill with sufficient permitted capacity to accommodate the project's solid and/or hazardous waste disposal needs, and would comply with federal, state, and local statutes and regulations related to solid and hazardous wastes.

6.1.6 - Hazardous Substances

Existing Conditions

The proposed rule amendments will require the reformulation of non-compliant coatings in order to achieve reduced VOC standards. In order to achieve the reduced standards, coatings manufacturers may need to utilize exempt solvents in their coatings formulae. To the extent that future compliant coatings would be formulated with exempt solvents or

other potentially hazardous materials, and to the extent that these materials could be accidentally released into the environment, the potential that implementing the VOC limits in the proposed rule amendments could create significant adverse hazardous substances impacts in San Diego County has been evaluated

Thresholds of Significance

Criteria were developed based on Appendix G of the Guidelines for Implementation of CEQA to evaluate the potential for significant, adverse hazardous substances impacts. Hazardous substance impacts will be considered significant if they create a significant hazard to the public or the environment through the transport, use, disposal, or other handling of hazardous materials, or through reasonably foreseeable upset and accident conditions involving the release of hazardous materials; result in the handling of hazardous materials or wastes within 1/4 mile of an existing or proposed school; are located on a site included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5; impair implementation of an adopted emergency response or evacuation plan; or increase fire hazard in areas with flammable materials.

Potential hazardous substance impacts include the risk of an upset or accidental release of hazardous substances, and human health impacts. Human health impacts include potential increased long-term (carcinogenic and chronic) and short-term (acute) human health impacts associated with the use of various replacement solvents in compliant coatings formulations.

Analysis of Project Effects and Determination as to Significance

As a result of being delisted as a VOC by the U.S. EPA, ARB, and the San Diego APCD, acetone usage as a solvent has been increasing. Although acetone is expected to be used to reformulate some compliant coatings, ARB indicates that it is unlikely that implementation of the proposed rule amendments will substantially increase the future use of acetone. APCD staff considered and adopts by reference ARB's analysis and responses on this issue.

Increases in acetone usage may increase the number of trucks or rail cars that transport acetone in San Diego County; however, individual trucks and rail cars are equipped to safely handle these coatings and would not be affected by the proposed rule amendments. The consequences (exposure) of an accidental release of acetone are directly proportional to the size of the individual transport trucks or rail cars and the release rate. While the probability of an accidental release of acetone in San Diego County could increase as a result of increased acetone transport, the severity of any one incident involving acetone transport would not change as a result of implementing the proposed rule amendments.

Similarly, the severity of an accident involving the storage of acetone is not expected to change from existing conditions. With regard to other possible replacement solvents, ARB indicated that the trend in coatings technology is to replace Ethylene Glycol Monobutyl Ether (EGBE) solvents with less toxic/less hazardous coalescing solvents such as Texanol and propylene glycol. Additionally, ARB indicated that a majority of

water-based formulations (flats and nonflats) do not contain solvents that are hazardous air pollutants (HAPs). APCD staff looked at this issue to see if there were any local issues that might alter APCD's conclusion and it was determined that ARB's analysis is equally applicable to San Diego.

According to ARB, some reformulated two-component industrial maintenance coating systems may contain diisocyanate compounds. While the use of diisocyanate compounds does not reflect the trend of using less hazardous compounds, there should be no significant increase in the risk of upset in San Diego County due to the increased use of these compounds. Like Texanol, Oxsol 100, propylene glycol, and ethylene glycol, diisocyanates are significantly less flammable than currently used, highly flammable conventional solvents. Therefore, any potential hazards created by the increased use of compliant coatings containing diisocyanates would be offset by the decreased use of more flammable solvents.

The ARB analysis determined that manufacturers would be able to reformulate coatings in order to comply with the proposed VOC limits without increasing the use of toxic air contaminants. As a precautionary measure, however, the proposed Rule 67.0 amendments also require manufacturers to report usage for the following categories: Clear Brushing Lacquers, Rust Preventative Coatings, Specialty Primers, Sealers, and Undercoaters, Recycled Coatings, Bituminous Roof Coatings, Bituminous Roof Primers, and all coatings containing perchloroethylene and methylene chloride. This reporting will allow tracking of usage of products with higher VOC limits and tracking usage of toxic compound. Adoption of the rule amendments is not expected to cause any significant adverse impacts concerning hazardous substances.

Determination of Significance

As discussed above, criteria were developed based on Appendix G of the Guidelines for Implementation of CEQA to evaluate the potential for significant, adverse hazardous substances impacts. Based on the information contained in this EIR and the ARB PEIR and associated technical studies, it has been determined that no significance thresholds would be exceeded. Specifically, amended Rule 67.0 implementation would not create a significant hazard to the public or the environment through the transport, use, disposal, or other handling of hazardous materials, or through reasonably foreseeable upset and accident conditions involving the release of hazardous materials; result in the handling of hazardous materials or wastes within 1/4 mile of an existing or proposed school; are located on a site included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5; impair implementation of an adopted emergency response or evacuation plan; or increase fire hazard in areas with flammable materials.

6.2 - Effects found not to be Significant During Initial Study

During the preparation of the Initial Study for the proposed project, it was determined that the proposed project would have no significant impact on the following resource areas:

- Aesthetics;

- Agriculture Resources;
- Biological Resources;
- Cultural Resources;
- Geology /Soils;
- Land Use / Planning;
- Mineral Resources;
- Noise;
- Population / Housing; and
- Recreation.

A copy of the Initial Study/Environmental Analysis Checklist Form prepared for the proposed project, including brief discussions relating to these resource areas, is included as Appendix B of this EIR.

CHAPTER 7.0 - LIST OF REFERENCES

Air Resources Board (ARB). "Final Program Environmental Impact Report: Suggested Control Measure for Architectural Coatings." June 2000. (ARB, 2000).

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San Diego County Water Authority (SDCWA). "Urban Water Management Plan." December 2000. (SDCWA, 2000)

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State of California, California Code of Regulations, Title 14, Chapter 3, "Guidelines for California Environmental Quality Act, as Amended December 1, 2000.

_____. California Environmental Quality Act, Public Resources Code, Division 13, Environmental Quality.

South Coast Air Quality Management District (SCAQMD). "Staff Report for: Proposed Amendments to Rule 1113 – Architectural Coatings." May 14, 1999.

CHAPTER 8.0 - LIST OF EIR PREPARERS AND PERSONS AND ORGANIZATIONS CONTACTED

EIR Preparers

This EIR was prepared under the direction of the San Diego County APCD located at 9150 Chesapeake Drive, San Diego California 92123-1096. The following professional staff was directly involved in the preparation of this EIR.

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Additionally, the following State and Regional Agencies were consulted.

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Jim Nyarady, Manager, Strategy Evaluation Section
Cheryl Young, Stationary Sources Division

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CHAPTER 9.0 - LIST OF MITIGATION MEASURES AND ENVIRONMENTAL DESIGN CONSIDERATIONS

The proposed project would not result in any significant impacts that require the implementation of mitigation measures. As such, no mitigation measures have been identified for the proposed project. Further, no environmental design considerations are required for the implementation of the proposed project.

Appendix A:
Proposed Amendments to Rule 67.0

PROPOSED AMENDMENTS TO RULE 67.0

Amendments are to read as follows:

RULE 67.0. ARCHITECTURAL COATINGS

(a) **APPLICABILITY**

(1) Except as provided in Section (b), t~~T~~his rule is applicable to any person who manufactures, supplies, sells, offers for sale, applies, or solicits the application of, any architectural coating for use within San Diego County.

(2) Rule 66 shall not apply to any coating subject to this rule.

(b) **EXEMPTIONS**

~~The provisions of Section (d) of this rule shall not apply to the following coatings:~~

(1) This rule shall not apply to:

(i) Any architectural coating that is sold or manufactured for use outside of San Diego County or for shipment to other manufacturers for reformulation or repackaging.

(ii) Any non-refillable aerosol coating product.

(iii) Any architectural coating that is sold in a container with a volume of one liter (1.057 quart) or less.

~~(1) Architectural coatings supplied in containers having capacities of one liter or less;~~

~~(2) Architectural coatings sold in non-refillable aerosol containers having capacities of one liter or less:~~

(iv~~3~~) Emulsion-type bituminous pavement sealers.

(2) The provisions of Subsection (d)(1) shall not apply to lacquers applied on days with relative humidity greater than 70 percent and temperatures below 65°F. On such days, up to 10 percent by volume of VOC may be added, at the time of application, provided that the lacquer contains acetone and no more than 550 grams of VOC per liter of lacquer, less water and exempt compounds, prior to the addition of VOC.

(c) **DEFINITIONS**

(1) **"Adhesive"** means any chemical substance that is applied for the purpose of bonding two surfaces together other than by mechanical means.

(2) **"Aerosol Coating Product"** means a pressurized coating product containing pigments or resins that dispenses product ingredients by means of a propellant, and is packaged in a disposable can either for hand-held application or use in specialized equipment for ground traffic/marking applications.

(3) **"Antenna Coating"** means a coating labeled and formulated exclusively for application to equipment and associated structural appurtenances that are used to receive or transmit electromagnetic signals.

(4) "**Antifouling Coating**" means a coating labeled and formulated for application to submerged stationary structures and their appurtenances to prevent or reduce the attachment of marine or freshwater biological organisms. To qualify as an antifouling coating, the coating must be registered with both the U.S. Environmental Protection Agency (EPA) under the Federal, Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. Section 136, et seq.) and with the California Department of Pesticide Regulation.

(5) "**Appurtenance**" means any accessory to a stationary structure coated at the site of installation, whether installed or detached, including but not limited to: bathroom and kitchen fixtures; cabinets; concrete forms; doors; elevators; fences; hand railings; heating equipment, air conditioning equipment, and other fixed mechanical equipment or stationary tools; lampposts; partitions; pipes and piping systems; rain gutters and down-spouts; stairways, fixed ladders, catwalks, and fire escapes; and window screens.

~~(1) **"Appurtenance"** means an accessory to an architectural structure including but not limited to: hand railings, cabinets, bathroom and kitchen fixtures, fences, rain gutters and down spouts, window screens, lamp posts, heating and air conditioning equipment, large fixed stationary tools, and concrete forms.~~

(6~~2~~) "**Architectural Coating**" means a~~ny~~ coating to be applied to stationary structures and/or their appurtenances at the site of installation (stationary source), to portable buildings including mobile homes, at the site of installation, ~~coated onsite or in close proximity to the intended installed location, to mobile homes,~~ to pavement~~,~~ or to curbs. Adhesives are not considered architectural coatings for the purposes of this rule.

~~(3) **"Below-Ground Wood Preservative"** means a coating formulated to protect below-ground wood from decay or insect attack and which contains a wood preservative chemical registered by the California Department of Food and Agriculture.~~

(7) "**Bitumens**" means black or brown materials including, but not limited to, asphalt, tar, pitch, and asphaltite that are soluble in carbon disulfide, consisting mainly of hydrocarbons, and obtained from natural deposits or as residues from the distillation of crude petroleum or coal.

~~(4) **"Bituminous Coating"** means a black or brownish coating material, soluble in carbon disulfide, consisting mainly of hydrocarbons and which is obtained from natural deposits or as residue from the distillation of crude petroleum oils or of low grades of coal.~~

(8) "**Bituminous Roof Coating**" means a coating which incorporates bitumens that is labeled and formulated exclusively for roofing.

(9) "**Bituminous Roof Primer**" means a primer which incorporates bitumens that is labeled and formulated exclusively for roofing.

(10~~5~~) **"Bond Breaker"** means a coating labeled and formulated for application ~~applied~~ between layers of concrete to prevent a ~~the~~ freshly poured top layer of concrete from bonding to the layer over which it is poured.

(11) "**Clear Brushing Lacquers**" mean clear wood finishes, excluding clear lacquer sanding sealers, formulated with nitrocellulose or synthetic resins to dry by solvent evaporation without chemical reaction and to provide a solid, protective film, which are intended exclusively for application by brush, and which are labeled as specified in Subsection (e)(1)(v).

(12) "**Clear Wood Coatings**" mean clear and semi-transparent coatings, including lacquers and varnishes, applied to wood substrates to provide a transparent or translucent solid film.

(13) "**Coating**" means a material applied onto or impregnated into a substrate for protective, decorative, or functional purposes. Such materials include, but are not limited to paints, varnishes, sealers, and stains.

(14) "**Colorant**" means a concentrated pigment dispersion in water, solvent and/or binder that is added to an architectural coating after packaging to produce the desired color.

(15~~6~~) "**Concrete Curing Compound**" means a coating labeled and formulated for application ~~applied~~ to freshly poured concrete to retard the evaporation of water.

(16~~7~~) "**Dry Fog Coating ~~(Mill White Coating)~~**" means a coating labeled and formulated only for spray application such that overspray droplets dry before subsequent contact with incidental ~~other~~ surfaces in the vicinity of the surface coating activity.

(17~~8~~) **"Exempt Compound ~~Solvent~~"** means the same as defined in Rule 2.

(18) **"Faux Finishing Coating"** means a coating labeled and formulated as a stain or glaze to create artistic effects including, but not limited to, dirt, old age, smoke damage, and simulated marble and wood grain.

(19) "**Fire-Resistive Coating**" means an opaque coating labeled and formulated to protect structural integrity by increasing the fire endurance of interior or exterior steel and other structural materials, and that has been registered with the State Fire Marshall.

(20~~9~~) **"Fire-Retardant Coating"** means a coating labeled and formulated to retard ignition and ~~which has a~~ flame spread, and that has been registered with the State Fire Marshall. ~~index of less than 25 when tested in accordance with the current version of ASTM Designation E 84-87, "Standard Test method for Surface Burning Characteristics of Building Material," after application to Douglas fir according to the manufacturer's recommendation.~~

(21) "**Flat Coating**" means a coating that is not defined under any other definition in this rule and that registers a gloss of less than 15 on an 85° meter, or less than 5 on a 60° meter.

(22) "**Floor Coating**" means an opaque coating that is labeled and formulated for application to flooring, including, but not limited to, decks, porches, steps, and other horizontal surfaces which may be subject to foot traffic.

(23) "**Flow Coating (Electrical Transformers)"** means a coating labeled and formulated exclusively for use by electric power companies or their subcontractors to maintain the protective coating systems present on utility transformer units.

(24~~10~~) **"Form-Release Compound"** means a coating labeled and formulated for application ~~applied~~ to a concrete form to prevent the freshly poured concrete from bonding to the form. The form may consist of wood, metal or some material other than concrete.

(25~~11~~) "**Graphic Arts Coating or ~~(~~Sign Paint ~~Coating)~~**" means a coating ~~which is~~ labeled and formulated for ~~and~~ hand application ~~applied~~ by artists using brush or roller techniques to indoor and outdoor signs (excluding structural components) and murals~~, excluding structural components,~~ including lettering enamels, poster colors, copy blockers, and bulletin enamels.

(26~~12~~) "**~~High~~ Temperature ~~Industrial Maintenance~~ Coating**" means a high performance ~~an industrial maintenance~~ coating ~~which is~~ labeled and formulated for application ~~and applied~~ to substrates exposed continuously or intermittently to temperatures above 400°F (204°C). ~~degrees Fahrenheit.~~

~~(13) "Industrial Maintenance Anti-graffiti Coating" means a two-component clear industrial maintenance coating which is formulated for and applied to exterior walls and murals to resist repeated scrubbing and exposure to harsh solvents.~~

(27~~14~~) "**Industrial Maintenance Coating**" means a high performance architectural coating ~~which is formulated for and applied~~, including primers, sealers, undercoaters, intermediate coats, and topcoats, formulated for application to substrates exposed to one or more of the following extreme environmental conditions and labeled as specified in Subsection (e)(1)(iv):

(i)~~(ii)~~ Immersion in water, wastewater or chemical solutions (aqueous and non-aqueous solutions), or chronic exposure of interior surfaces to moisture condensation;

(ii)~~(iii)~~ Acute or chronic exposure to corrosive, caustic, or acidic agents, or to chemicals, chemical fumes, or chemical mixtures or solutions;

(iii)~~(iv)~~ Repeated exposure to temperatures above ~~in excess of~~ 250°F (121°C);~~ or~~

(iv)~~(i)~~ Repeated (frequent) heavy abrasion, including mechanical wear and repeated (frequent) scrubbing with industrial solvents, cleansers, or scouring agents; or

(v) Exterior exposure of metal structures and structural components.

(28~~15~~) **"Lacquer"** means a clear or opaque wood ~~pigmented~~ coating, including clear lacquer sanding sealers, formulated with cellulosic ~~nitrocellulose~~ or synthetic resins to dry by evaporation without chemical reaction and to provide a solid, protective film.

(29) "**Low-Solids Coating**" means a coating that contains 1 pound or less of solids per gallon (120 grams or less of solids per liter) of coating material.

(30~~16~~) **"Magnesite Cement Coating"** means a coating labeled and formulated for application ~~and applied~~ to magnesite cement decking to protect the magnesite cement substrate from erosion by water.

(31) **"Manufacturer's Maximum Thinning Recommendation"** means the maximum recommended thinning ratio that is indicated on the label or lid of the coating container or in the technical data sheet for the coating.

(32~~17~~) **"Mastic Texture Coating"** means a coating labeled and ~~which is~~ formulated to cover holes and minor cracks and to conceal surface irregularities, and is applied in a single coat ~~thickness~~ of at least 0.010 inch (10 mils) dry film thickness ~~(dry, single coat)~~.

(33~~18~~) **"Metallic-Pigmented Coating"** means a coating containing at least 0.4 pounds of elemental metallic pigment ~~metal particles~~ per gallon (48 grams of elemental metallic pigment per liter) of coating as applied.

(34~~19~~) **"Multi-Colored Coating"** means a coating that ~~which exhibits more than one color when applied and which~~ is packaged in a single container, and exhibits more than one color when applied in a single coat.

(35~~20~~) **"Nonflat ~~Non-Flat~~ ~~Architectural~~ Coating"** means a coating that is not defined under any other definition in this rule, and that ~~which~~ registers a gloss of 15 or greater on an 85° meter or 5 or greater on a 60° meter~~, and which is identified on the label as a gloss, semi-gloss, or eggshell enamel coating~~.

(36) "**Nonflat-High Gloss Coating**" means a nonflat coating that registers a gloss of 70 or above on a 60° meter.

(37) "**Nonindustrial Use**" means any use of architectural coatings except in the construction or maintenance of any of the following: facilities used in the manufacturing of goods and commodities; transportation infrastructure, including highways, bridges, airports and railroads; facilities used in mining activities, including petroleum extraction; and utilities infrastructure, including power generation and distribution, and water treatment and distribution systems.

~~(21) **"Opaque Stain"** means any stain that is not classified as a semi-transparent stain.~~

~~(22) **"Opaque Wood Preservative"** means any wood preservative that is not classified as a semi-transparent wood preservative or as a below-ground wood preservative.~~

(38) **"Post-Consumer Coating"** means the unused portion of coating after completion of a consumer's project that would have been disposed of in a landfill, having completed its usefulness to a consumer. Post-consumer coating does not include manufacturing wastes.

(39~~25~~) **"Pre-Treatment ~~Pretreatment Primer~~ (Wash Primer~~)~~"** means a ~~coating~~ primer that ~~which~~ contains a minimum of 0.5 percent acid, by weight, and is labeled and formulated for application ~~applied~~ directly to bare metal surfaces ~~and is necessary~~ to provide corrosion resistance and to promote adhesion of subsequent topcoats ~~surface etching~~.

(40~~26~~) **"Primer"** means a coating labeled and formulated for application to a substrate ~~which is intended to be applied to a surface~~ to provide a firm bond between the substrate and subsequent coats.

(41~~24~~) **"Quick-Dry Enamel"** means a nonflat coating that is labeled as specified in Subsection (e)(1)(viii) and that is formulated to have the following characteristics: ~~which can be applied directly from the container by brush or roller at ambient temperatures between 60° F and 80° F and which is formulated to have a gloss of 70 or greater on a 60° meter and to have the following drying characteristics when tested in accordance with the current version of ASTM D 1640~~:

(i) Capable of being applied directly from the container under normal conditions at ambient temperatures between 60 and 80°F (16 and 27°C);

(ii) When tested in accordance with ASTM Designation D 1640-95, sets to touch in 2 hours or less, is tack free in 4 hours or less, and dries hard in 8 hours or less by the mechanical test method; and

(iii) Has a dried film gloss of 70 or above on a 60° meter.

~~(i) Set to touch in not more than two hours; be tack-free (mechanical tester) in not more than four hours; and~~

~~(ii) Dry hard in not more than eight hours.~~

(42~~23~~) **"Quick-Dry Primer, Sealer, and Undercoater"** means a primer, sealer, or undercoater that ~~which~~ is dry to the touch in 30 minutes ~~one-half hour~~ and can be recoated in two hours~~, as determined under the current version of ASTM D1640 and which is intended to be applied to a surface for one or more of the following reasons: to provide a firm bond between the substrate and subsequent coats, or to prevent subsequent coatings from being absorbed by the substrate, or to prevent harm to subsequent coatings by materials in the substrate, or to provide a smooth surface for subsequent coats~~.

(43) **"Recycled Coating"** means an architectural coating formulated such that not less than 50 percent of the total weight consists of secondary and post-consumer coating, with not less than 10 percent of the total weight consisting of post-consumer coating.

(44~~27~~) "**Roof Coating**" means a non-bituminous coating labeled and ~~which is~~ formulated exclusively for application to ~~for and applied to exterior~~ roofs for the primary purpose of preventing penetration of the substrate by water~~,~~ or reflecting heat and ~~reflecting~~ ultraviolet radiation. ~~Metallic-pigmented~~ R~~r~~oof coatings, which qualify as M~~m~~etallic P~~p~~igmented C~~c~~oating~~s~~ shall not be considered to be in this category, but shall be considered to be in the M~~m~~etallic P~~p~~igmented C~~c~~oating~~s~~ category.

(45) "**Rust Preventative Coating**" means a coating formulated exclusively for nonindustrial use to prevent the corrosion of metal surfaces and labeled as specified in Subsection (e)(1)(vi).

(46~~28~~) "**Sanding Sealer**" means a clear or semi-transparent wood coating labeled and formulated for application ~~and applied~~ to bare wood ~~for sanding and~~ to seal the wood and to provide a coat that can be abraded (sanded) to create a smooth surface for subsequent application~~s~~ of coatings ~~varnish~~. ~~To be considered a sanding sealer a coating must be clearly labeled as such.~~ A sanding sealer that also meets the definition of a lacquer is not included in this category, but is included in the lacquer category.

(47~~29~~) **"Sealer"** means a coating labeled and formulated for application ~~and applied~~ to a substrate~~s~~ for either of the following purposes: to prevent subsequent coatings from being absorbed by the substrate~~,~~ or to prevent harm to subsequent coatings by materials in the substrate.

(48) **"Secondary Coating (Rework)"** means the fragment of a finished coating or the finished coating from a manufacturing process that has converted resources into a commodity of real economic value, but does not include excess virgin resources of the manufacturing process.

~~(30) **"Semi-Transparent Stain"** means a coating which is formulated to change the color of a surface but not conceal the surface.~~

~~(31) **"Semi-Transparent Wood Preservative"** means a wood preservative stain, including clear wood preservatives, which is formulated and used to protect exposed wood from decay or insect attack by the addition of a wood preservative chemical registered by the California Department of Food and Agriculture, and which changes the color of a surface but does not conceal the surface.~~

(49~~32~~) **"Shellac"** means a clear or opaque ~~pigmented~~ coating formulated solely with the resinous secretions of the lac beetle (*L~~l~~accifer lacca*), thinned with alcohol, and formulated to dry by evaporation without a chemical reaction.

(50~~33~~) **"Solicit"** means to require for use or to specify, by written or oral contract.

(51) "**Specialty Primer, Sealer, and Undercoater"** means a coating that is labeled as specified in Subsection (e)(1)(vii) and formulated for application to a substrate to seal fire, smoke or water damage; to condition excessively chalky surfaces, or to block stains. An excessively chalky surface is one that is defined as having a chalk rating of four or less.

(52) "**Stain**" means a clear, semitransparent, or opaque coating labeled and formulated to change the color of a surface but not conceal the grain pattern or texture.

(53~~34~~) "**Swimming Pool Coating**" means a coating labeled and formulated ~~and used~~ to coat the interior of swimming pools and to resist swimming pool chemicals.

(54~~35~~) "**Swimming Pool Repair and Maintenance Coating**" means a rubber based ~~chlorinated rubber-based~~ coating labeled and formulated to be used over existing rubber based coatings for the repair and maintenance of swimming pools ~~over existing chlorinated rubber-based coatings~~.

(55) **"Temperature-Indicator Safety Coating"** means a coating labeled and formulated as a color-changing indicator coating for the purpose of monitoring the temperature and safety of the substrate, underlying piping, or underlying equipment, and for application to substrates exposed continuously or intermittently to temperatures above 400°F (204°C).

(56) "**Tint Base**" means an architectural coating to which colorant is added after packaging to produce a desired color.

(57~~36~~) "**Traffic Marking Coating"** means a coating labeled and ~~which is~~ formulated for marking and stripping ~~and applied to public~~ streets, highways, or other traffic surfaces including, but not limited to, curbs, berms, driveways, ~~and~~ parking lots, sidewalks, and airport runways.

(58~~37~~) "**Undercoater"** means a coating labeled and ~~which is~~ formulated ~~for and applied to substrates~~ to provide a smooth surface for subsequent coats.

(5938) "**Varnish"** means a clear or semi-transparent wood coating ~~finish~~, excluding lacquers and shellacs, formulated ~~with various resins~~ to dry by chemical reaction on exposure to air. Varnishes may contain small amounts of pigment to color a surface, or to control the final sheen or gloss of the finish.

(6039) **"Volatile Organic Compound (VOC)"** means the same as defined in Rule 2. ~~any compound of carbon which may be emitted to the atmosphere during the application of or subsequent drying or curing of coatings subject to this rule, except methane, carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, ammonium carbonate, and exempt compounds. VOC content of coatings is expressed in grams of VOC per liter of coating, as applied, less water and less exempt compounds. (Rev. Effective 5/15/96)~~

(61) **"VOC Content Per Volume of Coating, Less Water and Exempt Compounds"** means the same as defined in Rule 2.

(62) **"VOC Content Per Volume of Material"** means the same as defined in Rule 2.

~~(40) **"Waterproofing Mastic Coating"** means a weatherproof or waterproof coating which is formulated to cover holes and minor cracks and to conceal surface irregularities and which is to be applied in thicknesses of at least 15 mils.~~

(63) **"Waterproofing Concrete/Masonry Sealer"** means a clear or pigmented film-forming coating that is labeled and formulated for sealing concrete and masonry to provide resistance against water, alkalis, acids, ultraviolet light, and staining.

(6441) **"Waterproofing Sealer"** means a ~~colorless~~ coating labeled and ~~which is~~ formulated for application to a ~~and applied for the sole purpose of protecting~~ porous substrates ~~by~~ for the primary purpose of preventing the penetration of water. ~~and which does not alter surface appearance or texture.~~

(65) **"Wood Preservative"** means a coating labeled and formulated to protect exposed wood from decay or insect attack, that is registered with both the U.S. EPA under the Federal Insecticide, Fungicide, and Rodenticide Act (7 United States Code Section 136, *et seq.*) and with the California Department of Pesticide Regulation.

(d) **STANDARDS ~~AND REQUIREMENTS~~**

(1) **VOC CONTENT LIMITS**

Except as provided in Subsections (b)(2), (d)(2), (d)(3), and (d)(5)~~(d)(4)~~, no ~~a~~ person shall ~~not~~:

(i) manufacture, blend, or repackage for sale within San Diego County;

(ii) supply, sell, or offer for sale within San Diego County; ~~apply,~~ or

(iii) solicit for ~~the~~ application or apply within San Diego County, ~~of~~ any architectural coating with a VOC content in excess of the corresponding limits specified in Table 1 after the specified effective dates.
~~for use within San Diego County which at the time of sale or manufacture contains more than 250 grams of VOC per liter of coating (excluding water and exempt solvents and any colorant added to tint bases).~~

Table 1 - VOC Standards

Coating Categories	Effective *(Date of Adoption)* Limit[1,2] lb/gal	(g/l)	Effective 1/1/2003 Limit[1,2] lb/gal	(g/l)	Effective 1/1/2003 Limit[1,2] lb/gal	(g/l)
General Coatings:						
Flat Coatings	2.1	(250)	0.8	(100)		
Nonflat Coatings	2.1	(250)	1.3	(150)		
Nonflat Coatings – High Gloss	2.1	(250)				
Specialty Coatings:						
Antenna Coatings	4.4	(530)				
Antifouling Coatings	3.3	(400)				
Bituminous Roof Coatings	2.5	(300)				
Bituminous Roof Primers	2.9	(350)				
Bond Breakers	2.9	(350)				
Clear Wood Coatings:						
Clear Brushing Lacquer	5.7	(680)				
Lacquers (including lacquer sanding sealers)	5.7	(680)	4.6	(550)		
Sanding Sealers (other than lacquer sanding sealers)	2.9	(350)				
Varnishes	2.9	(350)				
Concrete Curing Compounds	2.9	(350)				
Dry Fog Coatings	3.3	(400)				
Faux Finishing Coatings	2.9	(350)				
Fire Resistive Coatings	2.9	(350)				
Fire Retardant Coatings:						
Clear	5.4	(650)				
Opaque	2.9	(350)				
Floor Coatings	2.1	(250)				
Flow Coatings	3.5	(420)				
Form-Release Compounds	2.1	(250)				
Graphic Arts Coatings (Sign Paints)	4.2	(500)				
High Temperature Coatings	3.5	(420)				
Industrial Maintenance Coatings	2.8	(340)			2.1	(250)
Low-Solids Coatings[3]	1.0	(120)				
Magnesite Cement Coatings	3.8	(450)				
Mastic Texture Coatings	2.5	(300)				
Metallic Pigmented Coatings	4.2	(500)				
Multi-Color Coatings	3.5	(420)	2.1	(250)		
Pre-Treatment Wash Primers	3.5	(420)				
Primers, Sealers, and Undercoaters	2.9	(350)	1.7	(200)		
Quick-Dry Enamels	3.3	(400)	2.1	(250)		
Quick-Dry Primers, Sealers, Undercoaters	3.8	(450)	1.7	(200)		
Recycled Coatings	2.1	(250)				
Roof Coatings	2.1	(250)				
Rust Preventative Coatings[4]	3.3	(400)				
Shellacs:						
Clear	6.1	(730)				
Opaque	4.6	(550)				
Specialty Primers, Sealers, and Undercoaters	2.9	(350)				
Stains	2.9	(350)	2.1	(250)		
Swimming Pool Coatings	2.8	(340)				

Coating Categories	Effective *(Date of Adoption)* Limit[1,2] lb/gal	(g/l)	Effective 1/1/2003 Limit[1,2] lb/gal	(g/l)	Effective 1/1/2003 Limit[1,2] lb/gal	(g/l)
Swimming Pool Repair & Maintenance Coatings	2.8	(340)				
Temperature-Indicator Safety Coatings	4.6	(550)				
Traffic Marking Coatings	1.3	(150)				
Waterproofing Sealers	3.3	(400)	2.1	(250)		
Waterproofing Concrete/Masonry Sealers	3.3	(400)				
Wood Preservatives	2.9	(350)				

[1] Remains in effect unless revised limits are indicated in subsequent columns. The VOC content limits take into account the "Manufacturer's Maximum Thinning Recommendation," if any.
[2] Expressed in lb VOC per gallon (or grams VOC per liter) of coating, as applied, less water and exempt compounds.
[3] VOC content limits are expressed in lb of VOC per gallon (or grams of VOC per liter) of coating, as applied, including water and exempt compounds.
[4] Effective January 1, 2004, this category only applies to non-industrial uses. Industrial uses are regulated under Industrial Maintenance Coatings on or after January 1, 2004.

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(2) **COATINGS NOT LISTED IN TABLE 1**

For any coating that does not meet any of the definitions for the specialty coatings categories listed in Table 1, the VOC content limit shall be determined by classifying the coating as a flat coating or a nonflat coating, based on its gloss, as defined in Subsections (c)(21), (c)(35) and (c)(36) and the corresponding flat or nonflat VOC content limit shall apply.

(3) **MOST RESTRICTIVE VOC LIMITS**

If anywhere on the container of any architectural coating, or any label or sticker affixed to the container, or in any sales, advertising, or technical literature supplied by a manufacturer or anyone acting on their behalf, any representation is made that indicates that the coating meets the definition of or is recommended for use for more than one of the coating categories listed in Table 1, then the most restrictive VOC content limit shall apply. This provision does not apply to the coating categories specified below:

(i) Antenna coatings,
(ii) Bituminous roof primers,
(iii) Fire-retardant coatings,
(iv) Flow coatings (Electrical Transformers),
(v) High-temperature coatings,
(vi) Industrial maintenance coatings,
(vii) Lacquers (including lacquer sanding sealers),
(viii) Low-solids coatings,
(ix) Metallic pigmented coatings,

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(x) Pre-treatment wash primers,
(xi) Shellacs,
(xii) Specialty primers, sealers, and undercoaters,
(xiii) Temperature-indicator safety coatings, or
(xiv) Wood preservatives.

(4) **SELL-THROUGH OF COATINGS**

(i) A coating manufactured prior to the January 1, 2003 or January 1, 2004 effective date specified for that coating in Table 1 may be sold, supplied, or offered for sale for up to three years after the specified effective date. In addition, a coating manufactured before the effective date specified for that coating in Table 1 may be applied at any time, both before and after the specified effective date, so long as the coating complied with the standards in effect at the time the coating was manufactured. This Subsection does not apply to any coating that does not display the date or date-code required by Subsection (e)(1)(i).

(ii) A coating included in an approved Averaging Program that does not comply with the specified limit in Table 1 may be sold, supplied, or offered for sale for up to three years after the end of the compliance period specified in the approved Averaging Program. In addition, such a coating may be applied at any time, both during and after the compliance period. This Subsection does not apply to any coating that does not display on the container either the statement: "This product is subject to architectural coating averaging provisions in California" or a substitute symbol specified by the Executive Officer of the CARB. This Subsection shall remain in effect until January 1, 2008.

(5) **RUST PREVENTATIVE COATINGS**

Effective January 1, 2004, no person shall apply or solicit the application of any rust preventative coating for industrial use, unless such a rust preventative coating complies with the industrial maintenance VOC limit specified in Table 1.

(6) **STATEWIDE AVERAGING COMPLIANCE OPTION**

On or after January 1, 2003, in lieu of compliance with the limits specified in Table 1 for floor coatings; industrial maintenance coatings; primers, sealers, and undercoaters; quick-dry primers, sealers, and undercoaters; quick-dry enamels; roof coatings; bituminous roof coatings; rust preventative coatings; stains; waterproofing sealers, as well as flats and nonflats (excluding recycled coatings), manufacturers may average designated coatings such that their actual statewide cumulative emissions from the averaged coatings are less than or equal to the cumulative statewide emissions that would have been allowed under those limits over a compliance period not to exceed one year. Such manufacturers must also comply with the statewide averaging provisions contained in Appendix A, as well as maintain and make available for inspection records for at least three years after the end of the compliance period. This Subsection and Appendix A shall cease to be effective on January 1, 2005, after which averaging will no longer be allowed.

Table of Standards
(grams of VOC per liter)

	Effective 12/1/87	Effective 2/2/90
Below-Ground Wood Preservative		600
Bond Breakers		350
Concrete-Curing Compounds	350	350
Dry-Fog Coatings	400	400
Fire-Retardant Coating		
Clear		650
Pigmented		350
Form-Release Compounds	250	
Graphics Arts (Sign) Coatings		500
High Temperature Industrial Maint. Coatings		650
Industrial Maintenance Anti-graffiti Coatings		600
Industrial Maintenance Coatings	420	420
Lacquer	680	680
Magnesite Cement Coatings		600
Mastic Texture Coatings		300
Metallic-Pigmented Coatings		500
Multi-Color Coatings		580
Opaque Stains	350	350
Opaque Wood Preservatives	350	350
Pretreatment (Wash) Primer		780
Primers, Sealers & Undercoaters	350	350
Quick-Dry Enamels	400	400
Quick Dry Primers, Sealers & Undercoaters		525
Roof Coatings	300	300
Sanding Sealers		550
Semi-Transparent Stains	350	350
Semi-Transparent & Clear Wood Preservatives	350	350
Shellac		
Clear		730
Pigmented		550
Swimming Pool Coatings		650
Swimming Pool Repair & Maintenance Coatings		650
Traffic Paints		250
Varnish	350	350
Waterproofing Sealers	400	400
Waterproofing Mastic Coatings	300	300

(2) A person shall not manufacture, blend or repackage for use or sale within San Diego County any architectural coating listed in the table of standards below which contains VOC (excluding water and exempt solvents, and excluding any colorant added to tint bases), in excess of the corresponding limit specified in the following table, after the corresponding date specified.

(3) A person shall not supply, ship or distribute into San Diego County any architectural coating, for use within San Diego County, subject to the requirements of Sub-section (d)(2) which contains VOC (excluding water and exempt solvents, and excluding any colorant added to tint bases) in excess of the corresponding limit specified in the Table of Standards in Subsection (d)(2) for more than three months after December 4, 1990.

~~(4) A person shall not sell, offer for sale, apply or solicit the application of any architectural coating subject to the requirements of Subsection (d)(2) for use within San Diego County which, at the time of sale, contains VOC (excluding water and exempt solvents, and excluding any colorant added in tint bases) in excess of the corresponding new or revised limit that is effective on February 2, 1990 specified in the Table of Standards in Subsection (d)(2) for more than three years after the effective date of the standard.~~

~~(5) A person shall not sell, offer for sale, or supply any architectural coating for use within San Diego County unless the coating container displays the date of manufacture of the contents or a code indicating the dates of manufacture. The manufacturers of such coatings shall file an explanation of each code with the Air Pollution Control Officer and the Executive Officer of the CARB.~~

~~(6) A person shall not sell, offer for sale, or supply any architectural coating for use within San Diego County unless the coating container carries a statement of the manufacturer's recommendation regarding thinning of the coating. This requirement shall not apply to the thinning of architectural coatings with water. A person shall not sell or offer for sale any architectural coating for use within San Diego County unless the thinning recommended on the label for normal environmental and application conditions would not cause the coating to exceed its applicable standard.~~

~~(7) A person shall not manufacture, sell, or offer for sale any architectural coating manufactured after December 4, 1991 for use within San Diego County unless the coating container or top of the lid displays the maximum VOC content of the coating as applied and after any thinning as recommended by the manufacturer. The VOC content shall be displayed as grams of VOC per liter of coating (less water and exempt solvents and excluding any colorant added to tint bases). The VOC content displayed may be calculated using product formulation data or may be determined using the test method in Section (h).~~

(e) **ADMINISTRATIVE REQUIREMENTS**

(1) **CONTAINER LABELING REQUIREMENT:**

Each manufacturer of any architectural coating subject to this rule shall display the information listed in Subsections (e)(1)(i) through (e)(1)(ix) on the coating container (or label) in which the coating is sold or distributed.

(i) **DATE CODE:** The date the coating was manufactured, or a date code representing the date, shall be indicated on the label, lid, or bottom of the container. If the manufacturer uses a date code for any coating, the manufacturer shall file an explanation of each code with the Executive Officer of the CARB.

(ii) **THINNING RECOMMENDATIONS:** A statement of the manufacturer's recommendation regarding thinning of the coating shall be indicated on the label or lid of the container. This requirement does not apply to the thinning of architectural coatings with water. If thinning of the coating prior to use is not necessary, the recommendation must specify that the coating is to be applied without thinning.

(iii) **VOC CONTENT:** Each container of any coating subject to this rule shall display either the maximum or the actual VOC content of the coating, as supplied, including the maximum thinning as recommended by the manufacturer. VOC content shall be displayed as grams of VOC per liter of coating. VOC content displayed shall be calculated using product formulation data or determined using the test methods in Subsection (f)(2). The equations in Subsection (e)(2) shall be used to calculate VOC content.

(iv) **INDUSTRIAL MAINTENANCE COATINGS:** In addition to the information specified in Subsections (e)(1)(i), (e)(1)(ii) and (e)(1)(iii), each manufacturer of any industrial maintenance coating subject to this rule shall display on the label or lid of the container in which the coating is sold or distributed one or more of the descriptions listed in Subsections (e)(1)(iv)(A) through (e)(1)(iv)(C).

(A) "For industrial use only."
(B) "For professional use only."
(C) "Not for residential use" or "Not intended for residential use."

(v) **CLEAR BRUSHING LACQUERS:** Effective January 1, 2003, the labels of all clear brushing lacquers shall prominently display the statements "For brush application only," and "This product must not be thinned or sprayed."

(vi) **RUST PREVENTATIVE COATINGS:** Effective January 1, 2003, the labels of all rust preventative coatings shall prominently display the statement "For Metal Substrates Only."

(vii) **SPECIALTY PRIMERS, SEALERS, AND UNDERCOATERS:** Effective January 1, 2003, the labels of all specialty primers, sealers, and undercoaters shall prominently display one or more of the descriptions listed in Subsections (e)(1)(vii)(A) through (e)(1)(vii)(E).

(A) For blocking stains.
(B) For fire-damaged substrates.
(C) For smoke-damaged substrates.
(D) For water-damaged substrates.
(E) For excessively chalky substrates.

(viii) **QUICK-DRY ENAMELS:** Effective January 1, 2003, the labels of all quick dry enamels shall prominently display the words "Quick Dry" and the dry hard time.

(ix) **NONFLAT – HIGH GLOSS COATINGS:** Effective January 1, 2003, the labels of all nonflat – high gloss coatings shall prominently display the words "High Gloss."

(2) **CALCULATION OF VOC CONTENT**

For the purpose of determining compliance with the VOC content limits in Table 1, the VOC content of a coating shall be determined by using the procedures described in Subsections (e)(2)(i) or (e)(2)(ii), as appropriate. The VOC content of a tint base shall be determined without colorant that is added after the tint base is manufactured.

(i) With the exception of low solids-coatings, determine the VOC content in grams of VOC per liter of coating thinned to the manufacturer's maximum thinning recommendation, excluding the volume of any water and exempt compounds. Determine the VOC content using the following equation:

$$\text{VOC Content} = (W_s - W_w - W_{ec}) / (V_m - V_w - V_{ec})$$

Where:	VOC content	=	grams of VOC per liter of coating
	W_s	=	weight of all volatiles, in grams .
	W_w	=	weight of water, in grams
	W_{ec}	=	weight of exempt compounds, in grams
	V_m	=	volume of coating, in liters
	V_w	=	volume of water, in liters
	V_{ec}	=	volume of exempt compounds, in liters

(ii) For low-solids coatings, determine the VOC content in units of grams of VOC per liter of coating thinned to the manufacturer's maximum recommendation, including the volume of any water and exempt compounds. Determine the VOC content using the following equation:

$$\text{VOC Content}_{ls} = (W_s - W_w - W_{ec}) / (V_m)$$

Where:	VOC content_{ls}	=	the VOC content of a low solids coating in grams of VOC per liter of coating
	W_s	=	weight of all volatiles, in grams
	W_w	=	weight of water, in grams
	W_{ec}	=	weight of exempt compounds, in grams
	V_m	=	volume of coating, in liters

(f) **MONITORING AND RECORDS**

(1) **REPORTING REQUIREMENTS**

(i) **CLEAR BRUSHING LACQUERS:** Each manufacturer of clear brushing lacquers shall, on or before April 1 of each calendar year beginning in the

year 2004, submit an annual report to the Executive Officer of the CARB. The report shall specify the number of gallons of clear brushing lacquers sold in California during the preceding calendar year, and shall describe the method used by the manufacturer to calculate State sales.

(ii) **RUST PREVENTATIVE COATINGS:** Each manufacturer of rust preventative coatings shall, on or before April 1 of each calendar year beginning in the year 2004, submit an annual report to the Executive Officer of the CARB. The report shall specify the number of gallons of rust preventative coatings sold in California during the preceding calendar year, and shall describe the method used by the manufacturer to calculate State sales.

(iii) **SPECIALTY PRIMERS, SEALERS, AND UNDERCOATERS:** Each manufacturer of specialty primers, sealers, and undercoaters shall, on or before April 1 of each calendar year beginning in the year 2004, submit an annual report to the Executive Officer of the CARB. The report shall specify the number of gallons of specialty primers, sealers, and undercoaters sold in California during the preceding calendar year, and shall describe the method used by the manufacturer to calculate State sales.

(iv) **TOXIC EXEMPT COMPOUNDS:** For each architectural coating that contains perchloroethylene or methylene chloride, the manufacturer shall, on or before April 1 of each calendar year beginning in the year 2004, report to the Executive Officer of the CARB the following information for products sold in California during the preceding year:

(A) the product brand name and a copy of the product label with legible usage instructions;

(B) the product category listed in Table 1 to which the coating belongs;

(C) the total sales in California during the calendar year to the nearest gallon; the volume percent, to the nearest 0.10 percent, of perchloroethylene and methylene chloride in the coating.

(v) **RECYCLED COATING:** Manufacturers of recycled coatings must submit a letter to the Executive Officer of the CARB certifying their status as a Recycled Paint Manufacturer. The manufacturer shall, on or before April 1 of each calendar year beginning in the year 2004, submit an annual report to the Executive Officer of the CARB. The report shall include, for all recycled coatings, the total number of gallons distributed in California during the preceding year, and shall describe the method used by the manufacturer to calculate California's distribution.

(vi) **BITUMINOUS COATINGS:** Each manufacturer of bituminous roof coatings or bituminous roof primers shall, on or before April 1 of each calendar year beginning in the year 2004, submit an annual report to the Executive Officer of the

CARB. The report shall specify the number of gallons of bituminous roof coatings or bituminous roof primers sold in California during the preceding calendar year, and shall describe the method used by the manufacturer to calculate California's sales.

(2) **TESTING PROCEDURES**

(i) **VOC CONTENT:** To determine the physical properties of a coating in order to perform the Subsection (e)(2)calculations, the reference method for VOC content is U.S. EPA Method 24, incorporated by reference in Subsection (f)(2)(iv)(K), except as provided in Subsections (f)(2)(ii) and (f)(2)(iii). An alternative method to determine the VOC content of coatings is SCAQMD Method 304-91 (Revised February 1996), incorporated by reference in Subsection (f)(2)(iv)(L). The exempt compounds content shall be determined by South Coast Air Quality Management District (SCAQMD) Method 303-91 (Revised August 1996), incorporated by reference in Subsection (f)(2)(iv)(J). To determine the VOC content of a coating, the manufacturer may use U.S. EPA Method 24, or an alternative method as provided in Subsection (f)(2)(ii), formulation data, or any other reasonable means for predicting that the coating has been formulated as intended (e.g. quality assurance checks, recordkeeping). However, if there are any inconsistencies between the results of a Method 24 test and any other means for determining VOC content, the Method 24 test results will govern, except when an alternative method is approved as specified in Subsection (f)(2)(ii). The Air Pollution Control Officer may require the manufacturer to conduct a Method 24 analysis.

(ii) **ALTERNATIVE TEST METHOD:** Other test methods demonstrated to provide results that are acceptable for purposes of determining compliance with Subsection (f)(2)(i), after review and approval in writing by the staffs of the District, the CARB, and the U.S. EPA, may also be used.

(iii) **METHACRYLATE TRAFFIC MARKING COATINGS:** Analysis of methacrylate multicomponent coatings used as traffic marking coatings shall be conducted according to a modification of U.S. EPA Method 24 (Appendix A), incorporated by reference in Subsection (f)(2)(iv)(M). This method has not been approved for methacrylate multicomponent coatings used for purposes other than as traffic marking coatings or for other classes of multi-component coatings.

(iv) **TEST METHODS:** The following test methods are incorporated by reference herein, and shall be used to test coatings subject to provisions of this rule:

(A) **Flame Spread Index:** The flame spread index of a fire-retardant coating shall be determined by ASTM Designation E 84-99, "Standard Test Method for Surface Burning Characteristics of Building Materials," (see Subsection (c)(20), Fire-Retardant Coating).

(B) **Fire Resistance Rating:** The fire resistance rating of a fire-resistive coating shall be determined by ASTM Designation E 119-98,

"Standard Test Methods for Fire Tests of Building Construction Materials," (see Subsection (c)(19), Fire-Resistive Coating).

(C) **Gloss Determination:** The gloss of a coating shall be determined by ASTM Designation D 523-89 (1999), "Standard Test Method for Specular Gloss," (see Subsections (c)(21), (c)(35), (c)(36) and (c)(41), Flat Coating, Nonflat Coating, Nonflat-High Gloss Coating, and Quick-Dry Enamels).

(D) **Metal Content of Coatings:** The metallic content of a coating shall be determined by SCAQMD Method318-95, "Determination of Weight Percent Elemental Metal in Coatings by X-Ray Diffraction," SCAQMD "Laboratory Methods of Analysis for Enforcement Samples," (see Subsection (c)(33), Metallic Pigmented Coating).

(E) **Acid Content of Coatings:** The acid content of a coating shall be determined by ASTM Designation D 1613-96, "Standard Test Method for Acidity in Volatile Solvents and Chemical Intermediates Used in Paint, Varnish, Lacquer, and Related Products," (see Subsection (c)(39), Pre-Treatment Wash Primers).

(F) **Drying Times:** The set-to-touch, dry-hard, dry-to-touch, and dry-to-recoat times of a coating shall be determined by ASTM Designation D 1640-95, "Standard Test Methods for Drying, Curing, or Film Formation of Organic Coatings at Room Temperature," (see Subsections (c)(41) and (c)(42), Quick-Dry Enamel and Quick-Dry Primer, Sealer, and Undercoater). The tack-free time of a quick-dry enamel coating shall be determined by the Mechanical Test Method of ASTM Designation D 1640-95.

(G) **Surface Chalkiness:** The chalkiness of a surface shall be determined using ASTM Designation D 4214-98, "Standard Test Methods for Evaluating the Degree of Chalking of Exterior Paint Films," (see Subsection (c)(51), Specialty Primer, Sealer, and Undercoater).

(H) **Exempt Compounds – Siloxanes:** Exempt compounds that are cyclic, branched, or linear completely methylated siloxanes, shall be analyzed as exempt compounds (for compliance with Subsection (e)(2)) by Bay Area Air Quality Management District (BAAQMD) District Method 43, "Determination of Volatile Methylsiloxanes in Solvent-Based Coatings, Inks, and Related Materials," BAAQMD Manual of Procedures, Volume III, adopted 11/6/96, (see Subsection (c)(60), Volatile Organic Compounds and Subsection (e)(2)(i)).

(I) **Exempt Compounds – Parachlorobenzotrifluoride (PCBTF):** The exempt compound parachlorobenzotrifluoride, shall be analyzed as an exempt compound for compliance with Subsection(f)(2) by BAAQMD Method 41, "Determination of Volatile Organic Compounds in Solvent-Based Coatings and Related Materials Containing Parachlorobenzotrifluoride," BAAQMD

Manual of Procedures, Volume III, adopted 12/20/95, (see Subsection (c)(60), Volatile Organic Compound and Subsection (f)(2)(i)).

(J) **Exempt Compounds:** The content of compounds exempt under U.S. EPA Method 24 shall be analyzed by SCAQMD Method 304-91 (Revised 1993), "Determination of Exempt Compounds," SCAQMD "Laboratory Methods of Analysis for Enforcement Samples," (see Subsection (c)(60), Volatile Organic Compound and Subsection (f)(2)(i)).

(K) **VOC Content of Coatings:** The VOC content of a coating shall be determined by U.S. EPA Method 24 as it exists in appendix A of 40 Code of Federal Regulations (CFR) part 60, "Determination of Volatile Matter Content, Water Content, Density, Volume Solids, and Weight Solids of Surface Coatings," (see Subsection (f)(2)(i)).

(L) **Alternative VOC Content of Coatings:** The VOC content of coatings may be analyzed either by U.S. EPA Method 24 or SCAQMD Method 304-91 (Revised 1996), "Determination of Volatile Organic Compounds (VOC) in Various Materials," SCAQMD "Laboratory Methods of Analysis for Enforcement Samples," (see Subsection (f)(2)(i)).

(M) **Methacrylate Traffic Marking Coatings:** The VOC content of methacrylate multicomponent coatings used as traffic marking coatings shall be analyzed by the procedures in 40 CFR Part 59, Subpart D, Appendix A, "Determination of Volatile Matter Content of Methacrylate Multicomponent Coatings Used as Traffic Marking Coating," (September 11,1998), (see Subsection (f)(2)(i)).

Existing Sections (e), (f) and (g) are deleted in their entirety.

~~(e) If anywhere on the container of any coating listed on the Table of Standards, on any sticker or label affixed thereto, or in any sales or advertising literature, any representation is made that the coating may be used as, or is suitable for use as, a coating for which a lower VOC standard is specified in the table or in Subsection (d)(1), then the lowest VOC standard shall apply. This requirement does not apply to the representation of the following coatings in the manner specified:~~

~~(1) High Temperature Industrial Maintenance Coatings, which may be represented as metallic pigmented coatings for use consistent with the definition of high temperature industrial maintenance coatings;~~

~~(2) Lacquer Sanding Sealers, which may be recommended for use as sanding sealers in conjunction with clear lacquer topcoats;~~

~~(3) Metallic Pigmented Coatings, which may be recommended for use as primers, sealers, undercoaters, roof coatings, or industrial maintenance coatings;~~

~~(4) Shellacs; and~~

~~(5) Fire Retardant Coatings.~~

~~(f) Rule 66 shall not apply to the sale or application of coatings subject to this rule.~~

~~(g) **TEST METHODS**~~

~~Measurement of VOC in architectural coatings shall be conducted and reported in accordance with EPA Test Method 24 (40 CFR 60, Appendix A) as it exists on December 4, 1990.~~

~~Measurement of the water content and exempt solvent content shall be conducted and reported in accordance with ASTM Test Methods D 4457-85 and D 3792-86.~~

~~Calculation of the VOC content of coatings less water and exempt solvents shall be performed in accordance with ASTM Standard Practice D 3960-87.~~

~~Measurement of acid content shall be conducted and reported in accordance with ASTM Test Method D 1613-81.~~

~~Measurement of elemental metal content shall be conducted and reported in accordance with the Spectrographic Method used by Pacific Spectrochemical Laboratory, Inc. for the analysis of carbon dust and carbon laminates, as it exists on December 4, 1990.~~

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New proposed Appendix A is added to Rule 67.0.

Appendix A

A.1 AVERAGING PROVISION

The manufacturer shall demonstrate that actual emissions from the coatings being averaged are less than or equal to the allowable emissions, for the specified compliance period using the following equation:

$$\sum_{i=1}^{n} GiMi \leq \sum_{i=1}^{n} GiViLi$$

Where:

$\sum_{i=1}^{n} GiMi$ = Actual Emissions

$\sum_{i=1}^{n} GiViLi$ = Allowable Emissions

Gi = Total Gallons of Product (i) subject to Averaging;

Mi = Material VOC Content of Product (i), in pounds per gallon;

$$Mi = \frac{Ws - Ww - Wec}{Vm}$$

Vi = Percent by Volume Solids and VOC in Product (i);

$$Vi = \frac{Vm - Vw - Vec}{Vm}$$

Where: Ws, Ww, Wec, Vm, Vw, and Vec are defined in Subsection (e)(2), except that in this Appendix weights are in pounds and volumes are in gallons.

For Non-Zero VOC Coatings:

$$Vi = \frac{\text{Material VOC (also known as VOC Actual)}}{\text{Coating VOC (also known as VOC Regulatory)}}$$

Where: $\text{Coating VOC} = \frac{Ws - Ww - Wec}{Vm - Vw - Vec}$

For Zero VOC Coatings:

Vi = Percent Solids by Volume

Li = Regulatory VOC Content Limit for Product (i), in pounds per gallon (as listed in Table 1)

The averaging is limited to coatings that are designated by the manufacturer. Any coating not designated in the averaging Program shall comply with the VOC limit in Table 1. The manufacturer shall not include any quantity of coatings that it knows or should have known will not be used in California, if statewide coatings data are used. If district-specific coatings data are used, the manufacturer shall not include any quantity of coatings that it knows or should have known will not be used in the District.

A.1.1 In addition to the requirements specified in Section A.1, manufacturers shall not include in an Averaging Program any coating with a VOC content in excess of the following maximum VOC content, for the applicable categories.

Averaging Categories and VOC Ceiling (Maximum VOC Allowed)

Category	Rule / VOC Limit (In effect or effective 1/1/2003 or 1/1/2004)	Averaging VOC Ceiling (Maximum)
Flat Coating	100	250
Nonflat Coating	150	250
Floor Coatings	250	400
Industrial Maintenance Coatings	250	420
Primers, Sealers, and Undercoaters	200	350
Quick-Dry Primers, Sealers, & Undercoaters	200	450
Quick-Dry Enamels	250	400
Roof Coatings	250	300
Bituminous Roof Coatings	300	300
Rust Preventative Coatings	400	400
Stains	250	350
Waterproofing Sealers	250	400

A.2 AVERAGING PROGRAM (PROGRAM)

At least six months prior to the start of the compliance period, manufacturers shall submit an Averaging Program to the Executive Officer of the Air Resources Board. As used in this Appendix A, "Executive Officer" means the Executive Officer of the Air Resources Board. Averaging may not be implemented until the Program is approved in writing by the Executive Officer.

Within 45 days of submittal of a complete Program, the Executive Officer shall either approve or disapprove the Program. The Program applicant and the Executive Officer may agree to an extension of time for the Executive Officer to take action on the Program.

A.3 GENERAL REQUIREMENTS

The Program shall include all necessary information for the Executive Officer to make a determination as to whether the manufacturer may comply with the averaging requirements over the specified compliance period in an enforceable manner. Such information shall include, but is not limited to, the following:

A.3.1 An identification of the contact persons, telephone numbers, and name of the manufacturer who is submitting the Program.

A.3.2 An identification of each coating that has been selected by the manufacturer for inclusion in this program that exceeds the applicable VOC limit in Table 1, its VOC content specified in units of both VOC actual and VOC regulatory, and the designation of the coating category.

A.3.3 A detailed demonstration showing that the projected actual emissions will not exceed the allowable emissions for a single compliance period that the Program will be in effect. In addition, the demonstration shall include VOC content information for each coating that is below the compliance limit in Table 1. The demonstration shall use the equation specified in Section A.1 of this Appendix for projecting the actual emissions and allowable emissions during each compliance period. The demonstration shall also include all VOC content levels and projected volume sold within the State for each coating listed in the Program during each compliance period. The requested data can be summarized in a matrix form.

A.3.4 A specification of the compliance period(s) and applicable reporting dates. The length of the compliance period shall not be more than one year or less than six months.

A.3.5 An identification and description of all records to be made available to the Executive Officer upon request, if different than those identified under Section A.3.6.

A.3.6 An identification and description of specific records to be used in calculating emissions for the Program and subsequent reporting, and a detailed explanation as to how those records will be used by the manufacturer to verify compliance with the averaging requirements.

A.3.7 A statement, signed by a responsible party for the manufacturer, that all information submitted is true and correct, and that records will be made available to the Executive Officer upon request.

A.4 REPORTING REQUIREMENTS

A.4.1 For every single compliance period, the manufacturer shall submit a mid-term report listing all coatings subject to averaging during the first half of the compliance period, detailed analysis of the actual and allowable emissions at the end of the mid-term, and an explanation as to how the manufacturer intends to achieve compliance by the end of the compliance period. The report shall be signed by the responsible party for the manufacturer, attesting that all information submitted is true and correct. The mid-term report shall be submitted within 45 days after the midway date of the compliance period. A manufacturer may request, in writing, an extension of up to 15 days for submittal of the mid-term report.

A.4.2 Within 60 days after the end of the compliance period or upon termination of the Program, whichever is sooner, the manufacturer shall submit to the Executive Officer a report listing all coatings subject to averaging during the compliance period, providing a detailed demonstration of the balance between the actual and allowable emissions for the compliance period, any identification and description of specific records used by the manufacturer to verify compliance with the averaging requirement, and any other information requested by the Executive Officer to determine whether the manufacturer complied with the averaging requirements over the specified compliance period. The report shall be signed by the responsible party for the manufacturer, attesting that all information submitted is true and correct, and that records will be made available to the Executive Officer upon request. A manufacturer may request, in writing, an extension of up to 30 days for submittal of the final report.

A.5 RENEWAL OF A PROGRAM

A Program automatically expires at the end of the compliance period. The manufacturer may request a renewal of the Program by submitting a renewal request that shall include an updated Program, meeting all applicable Program requirements. The renewal request will be considered conditionally approved until the Executive Officer makes a final decision to deny or approve the renewal request based on a determination of whether the manufacturer is likely to comply with the averaging requirements. The Executive Officer shall base such determination on all available information, including but not limited to, the mid-term and the final reports of the preceding compliance period. The Executive Officer shall make a decision to deny or approve a renewal request no later than 45 days from the date of the final report submittal, unless the manufacturer and the Executive Officer agree to an extension of time for the Executive Officer to take action on the renewal request.

A.6 MODIFICATION OF A PROGRAM

A manufacturer may request a modification of the Program at any time prior to the end of the compliance period. The Executive Officer shall take action to approve or disapprove the modification request no longer than 45 days from the date of its submittal. No modification of the compliance period shall be allowed. A Program need not be modified to specify additional coatings to be averaged that are below the applicable VOC limits.

A.7 TERMINATION OF A PROGRAM

A.7.1 A manufacturer may terminate its Program at any time by filing a written notification to the Executive Officer. The filing date shall be considered the effective date of the termination, and all other provisions of this rule including the VOC limits shall immediately thereafter apply. The manufacturer shall also submit a final report 60 days after the termination date. Any exceedance of the actual emissions over the allowable emissions over the period that the Program was in effect shall constitute a separate violation for each day of the entire compliance period.

A.7.2 The Executive Officer may terminate a Program if any of the following circumstances occur:

A.7.2.1 The manufacturer violates the requirements of the approved Program, and at the end of the compliance period, the actual emissions exceed the allowable emissions.

A.7.2.2 The manufacturer demonstrates a recurring pattern of violations and has consistently failed to take the necessary steps to correct those violations.

A.8 CHANGE IN VOC LIMITS

If the VOC limits of a coating listed in the Program are amended such that its effective date is less than one year from the date of adoption, the affected manufacturer may base its averaging on the prior limits of that coating until the end of the compliance period immediately following the date of adoption.

A.9 LABELING

Each container of any coating that is included in averaging program, and that exceeds the applicable VOC limit in the table in Section 301 shall display the following statement: "This product is subject to architectural coatings averaging provisions in California." A symbol specified by the Executive Officer may be used as a substitute.

A.10 VIOLATIONS

The exceedance of the allowable emissions for any compliance period shall constitute a separate violation for each day of the compliance period. However, any violation of the requirements of the Averaging Provision of this rule, which the violator can demonstrate, to the Executive Officer, did not cause or allow the emission of an air contaminant and was not the result of negligent or knowing activity may be considered a minor violation.

A.11 SUNSET OF AVERAGING PROVISION

The averaging provision set forth in Appendix A shall cease to be effective on January 1, 2005, after which averaging will no longer be allowed.

Appendix B:
Notice of Preparation

NOTICE OF PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT

June 8, 2001

NOTICE IS HEREBY GIVEN that the San Diego County Air Pollution Control District is the Lead Agency and will prepare an Environmental Impact Report in accordance with the California Environmental Quality Act for the following project. The District is seeking public and agency input on the scope and content of the environmental information to be contained in the EIR. A Notice of Preparation document, which contains a description of the probable environmental effects of the project, can be reviewed at Room 102, Air Pollution Control District, 9150 Chesapeake Drive, San Diego, California 92123-1096. Comments on the Notice of Preparation document must be sent to the APCD address listed above and should reference the project number and name.

ER 01-00-001, SECOND TIER EIR FOR AMENDMENTS TO APCD RULE 67.0, ARCHITECTURAL COATINGS. The District proposes to adopt amendments to Rule 67.0, Architectural Coatings, as part of its Rules and Regulations. The Rule 67.0 amendments will incorporate VOC content limits and other requirements contained in the Suggested Control Measure (SCM) for Architectural Coatings, adopted by the ARB on June 22, 2000. The SCM sets allowable VOC content limits and other requirements, based on existing and currently developing coating technologies, for a number of architectural coating categories, including flats, non-flats, industrial maintenance, lacquers, floor, roof, rust preventative, stains, and primers, sealers, and undercoatings. Prior to approving the SCM, ARB prepared and certified a Programmatic Environmental Impact Report (PEIR). The EIR being prepared by APCD will tier from the ARB PEIR. Comments on this Notice of Preparation document must be received no later than July 10, 2001, at 5:00 p.m. (a 30-day public review period). For additional information, please contact Mr. Robert Mross by telephone at (858) 650-4672 or by e-mail at rmrossha@co.san-diego.ca.us.

NOTICE OF PREPARATION DOCUMENTATION

DATE: June 8, 2001

PROJECT NAME: Second Tier EIR for Amendments to APCD Rule 67.0, Architectural Coatings

PROJECT NUMBER: ER 01-00-001

PROJECT APPLICANT: San Diego County Air Pollution Control District
9150 Chesapeake Drive
San Diego, CA 92123-1096

ENV. REVIEW NUMBER: ER 01-00-001

PROJECT DESCRIPTION:

The San Diego County Air Pollution Control District (APCD) proposes to adopt amendments to Rule 67.0, Architectural Coatings, as part of its Rules and Regulations. Architectural coatings are coatings applied to stationary structures and their appurtenances, and include such coatings as house paints, stains, varnishes, industrial maintenance coatings, and traffic marking coatings. When applied, the solvents in the coatings evaporate into the atmosphere and emit volatile organic compounds (VOC), which contribute to the formation of ozone. San Diego County has been designated by the California Air Resources Board (ARB) as a Serious nonattainment area for the State ambient air quality standard for ozone.

The Rule 67.0 amendments will incorporate VOC content limits and other requirements contained in the Suggested Control Measure (SCM) for Architectural Coatings, adopted by the ARB on June 22, 2000. The SCM is based on existing and currently developing coating technologies for a number of architectural coating categories, including flats, non-flats, industrial maintenance, lacquers, floor, roof, rust preventative, stains, and primers, sealers, and undercoaters. Local implementation of the SCM would reduce VOC emissions in San Diego County by an estimated 1.5 tons per day.

Prior to adopting the SCM, ARB prepared and certified a Program Environmental Impact Report (PEIR). The EIR being prepared by the San Diego County APCD will tier from the ARB PEIR. A copy of that report is available through either the APCD or ARB, as well as on the ARB website at the following addresses.

Street Address: San Diego County Air Pollution Control District
9150 Chesapeake Drive
San Diego, CA 92123-1096

Or

California Air Resources Board
CalEPA Headquarters Building
1001 I Street
Sacramento, CA 95814

Internet Address: www.arb.ca.gov/arch/CEQA/FEIR.htm

Amended Rule 67.0 would continue to apply to any person who supplies, sells, offers for sale, or manufactures any architectural coating for use within San Diego County, as well as any person who applies or solicits the application of any architectural coating within San Diego County. The proposed rule amendments will lower the VOC content limit for a number of architectural coating categories, and include additional coating categories with VOC limits consistent with the SCM. The proposed VOC limits for most categories would become effective on January 1, 2003 (January 1, 2004, for industrial maintenance coatings.)

Provisions for product-line averaging are included in the proposed rule amendments (consistent with the SCM), allowing manufacturers to average designated coatings such that their average cumulative emissions are less than or equal to the cumulative emissions that would be allowed under the rule. The averaging provision will only be in effect from January 1, 2003, until January 1, 2005. Additionally, the APCD is considering establishing a VOC ceiling (maximum allowable VOC content limit) when averaging. Ceiling limits would protect against regional differences that could result in high VOC products being sold in San Diego.

Amended Rule 67.0 does not include the SCM provision pertaining to petitioning the Air Pollution Control Officer to allow application of an industrial maintenance coating with a VOC content up to 340 grams per liter, since that provision only applies to the North Central Coast, San Francisco Bay Area, and the North Coast Air Basins.

PROJECT LOCATION:

The project applies within the jurisdiction of the San Diego County APCD, which covers the entire area within the incorporated and the unincorporated portions of San Diego County, the southwestern-most county in the State of California (Figure 1-1). San Diego County encompasses approximately 4,260 square miles and is bounded on the

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north by Orange and Riverside Counties, on the east by Imperial County, on the west by the Pacific Ocean, and on the south by the State of Baja California Norte, México.

PROBABLE ENVIRONMENTAL EFFECTS:

The potential environmental effects that could result from the project are identified in the attached Environmental Initial Study, which was developed based on review of ARB's PEIR. All questions answered "Potentially Significant Impact" or "Less than Significant with Mitigation Incorporated" will be analyzed further in the Environmental Impact Report. All questions answered "Less than Significant Impact" or "Not Applicable" will not be analyzed further in the Environmental Impact Report.

The following is a summary of the subject areas to be analyzed in the EIR and the particular issues of concern. In each instance, the EIR will focus on localized impacts that were not adequately addressed in the ARB PEIR, which had a broader, statewide scope.

I. AIR QUALITY

Air quality impacts will be considered significant if the proposed rule amendments would conflict with or obstruct implementation of the applicable air quality plan; violate any air quality standard or contribute to an existing or projected air quality violation; expose sensitive receptors to substantial pollutant concentrations; expose off-site receptors to significant concentrations of hazardous air pollutants; result in a cumulatively considerable net increase of any criteria pollutant for which the project region is nonattainment;; or create objectionable odors affecting a substantial number of people.

The adoption and implementation of the proposed rule amendments is expected to produce substantial, long-term, VOC emission reductions. However, some companies in the architectural coatings industry have claimed that by lowering the VOC content of coatings, there will be an increase in VOC emissions for a variety of reasons including increased coating thickness, more thinning, more topcoats, more touch-ups, more priming, more frequent re-coating, more substitution with higher VOC coatings, and greater reactivity. These and other air quality issues will be addressed as appropriate.

II. WATER RESOURCES

Impacts on water resources will be divided into two categories—water demand and water quality. Water impacts will be considered significant if they cause changes in the course of water movements or of drainage or

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surface runoff patterns that would result in erosion or flooding; exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; substantially degrade water quality; deplete groundwater supplies, or interfere with groundwater recharge efforts; violate any water quality standards or waste discharge requirements, or exceed wastewater treatment requirements of the California Regional Water Quality Control Board, San Diego Region; require the construction of new, or expansion of existing, water, wastewater, or stormwater drainage facilities, the construction of which could cause significant environmental effects; require new or expanded water entitlements and resources; or exceed a wastewater treatment provider's existing commitments.

Potential water demand impact areas include increased water demand from the manufacturing and use of compliant water-borne coatings. Potential water quality impacts include the impact of solvents and architectural coatings.

III. PUBLIC SERVICES

Public services impacts will be considered significant if they will result in adverse physical impacts associated with the provision of new or altered public facilities in order to maintain acceptable service ratios or response times for fire protection, police protection, schools, parks, or other public facilities. Potential impacts include impacts on public facilities and fire protection services – including impacts associated with the use of potentially flammable solvents.

IV. TRANSPORTATION/CIRCULATION

Transportation/circulation impacts will be considered significant if they cause a substantial increase in traffic related to the existing traffic load and street capacity; exceed a level of service standard for designated roads or highways; substantially increase hazards due to a design feature or incompatible uses; result in inadequate emergency access, parking capacity, or hazards or barriers for pedestrians or bicyclists; or conflict with adopted alternative transportation policies, plans, or programs.

Potential transportation and circulation impacts include additional vehicle trips caused by the disposal of coatings due to the possibility of shorter shelf or pot lives or lesser freeze-thaw capabilities.

V. SOLID AND HAZARDOUS WASTE

Solid waste/hazardous waste impacts will be considered significant if the proposal would not be served by a landfill with sufficient permitted capacity to accommodate the project's solid and/or hazardous waste disposal needs, or would not comply with federal, state, and local statutes and regulations related to solid and hazardous wastes.

Potential solid and hazardous waste impacts include impacts on the disposal capacity arising from increased disposal of compliant coatings due to the possibility of shorter shelf or pot lives or lesser freeze-thaw capabilities.

VI. HAZARDOUS SUBSTANCES

Hazardous substance impacts will be considered significant if they create a significant hazard to the public or the environment through the transport, use, disposal, or other handling of hazardous materials, or through reasonably foreseeable upset and accident conditions involving the release of hazardous materials; result in the handling of hazardous materials or wastes within 1/4 mile of an existing or proposed school; are located on a site included on a list of hazardous materials sites compiled pursuant to Government Code section 65962.5; impair implementation of an adopted emergency response or evacuation plan; or increase fire hazard in areas with flammable materials.

Potential hazardous substance impacts include the risk of an upset or accidental release of hazardous substances, and human health impacts. Human health impacts include potential increased long-term (carcinogenic and chronic) and short-term (acute) human health impacts associated with the use of various replacement solvents in compliant coatings formulations.

VII. OTHER AREAS

In addition to the subject areas summarized above, the EIR will assess, as appropriate, the following environmental issues: irreversible environmental changes, potential growth inducing impacts, consistency with other plans, and project mitigation measures and alternatives.

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VIII. ENVIRONMENTAL EFFECTS THAT DO NOT REQUIRE ANALYSIS

The APCD has determined that the following areas need not be analyzed in the EIR.

1. Land Use and Planning
2. Population and Housing
3. Geophysical
4. Biological Resources
5. Energy and Mineral Resources
6. Noise
7. Aesthetics
8. Cultural Resources
9. Recreation

Attachments: Project Location Map
Environmental Initial Study

Figure 1-1 Project Location San Diego County

Appendix C:
Initial Study

June 1, 2001

CEQA Initial Study - Environmental Checklist Form

(Based on the State CEQA Guidelines, Appendix G Rev. 10/98)

1. Project Number(s)/Environmental Record Number/Title:

   ER 01-00-001/Proposed Amendments to Air Pollution Control District (APCD) Rule 67.0; Architectural Coatings

2. Lead agency name and address:

   San Diego County Air Pollution Control District
   9150 Chesapeake Drive
   San Diego, California 92123-1096

3. a. Lead Agency Contact: Robert Reider
   b. Title: Supervising Air Specialist, APCD
   c. Phone number: (858) 650-4670
   d. E-mail: rreideha@co.san-diego.ca.us

4. Participants in the preparation of this Initial Study:

   San Diego County APCD
   Robert Reider, Supervising Air Pollution Specialist
   Robert Mross, Associate Air Pollution Specialist
   Laura Yannayon, Senior Air Pollution Control Engineer
   Adeline Suson, Associate Air Pollution Control engineer

   San Diego County Department of Planning and Land Use

   Joseph M. DeStefano II, Environmental Management Specialist III
   Kristin Eberwein, Environmental Management Trainee

   San Diego County Office of County Counsel

   Terence Dutton, Esq., Sr. Deputy County Counsel

5. Project location:

   The project applies within the jurisdiction of the San Diego County APCD, which covers the entire area within the incorporated and the unincorporated portions of San Diego County, the southwestern-most county in the State of California

(Figure 1-1). San Diego County encompasses approximately 4,260 square miles and is bounded on the north by Orange and Riverside Counties, on the east by Imperial County, on the west by the Pacific Ocean, and on the south by the State of Baja California Norte, Mexico.

6. Project sponsor's name and address:

   San Diego Air Pollution Control District
   9150 Chesapeake Drive
   San Diego, CA 92123-1095

7. General Plan Designation

Community Plan:	Varies throughout San Diego County
Land Use Designation:	Varies throughout San Diego County
Density:	Varies throughout San Diego County

8. Zoning

Use Regulation:	Varies throughout San Diego County
Density:	Varies throughout San Diego County
Special Area Regulation:	Varies throughout San Diego County

9. Description of project (Describe the whole action involved, including but not limited to later phases of the project, and any secondary, support, or off-site features necessary for its implementation):

   The San Diego County Air Pollution Control District (APCD) is proposing to adopt amendments to APCD Rule 67.0, Architectural Coatings. Architectural coatings are defined as coatings applied to stationary structures and their accessories (usually for beautification and protection), and include such coatings as house paints, stains, varnishes, industrial maintenance coatings, and traffic marking coatings. When applied, the solvents in the coatings evaporate into the atmosphere and emit volatile organic compounds (VOCs), which contribute to the formation of ozone. San Diego County has been designated by the California Air Resources Board (ARB) as a "Serious" nonattainment area for the State ambient air quality standard for ozone.

   The Rule 67.0 amendments will incorporate VOC limits and other requirements contained in the Suggested Control Measure (SCM) for Architectural Coatings, adopted by the ARB on June 22, 2000. The SCM sets VOC content limits and other requirements that are feasible (based on existing and currently developing coating technologies) and that will achieve significant reductions in VOC emissions from architectural coatings. Local implementation would reduce VOC emissions in San Diego County by an estimated 1.5 tons per day.

   Amended Rule 67.0 would continue to apply to any person who supplies, sells, offers for sale, or manufactures an architectural coating for use within

San Diego County, as well as any person who applies or solicits the application of any architectural coating within San Diego County. The proposed rule amendments will lower the VOC content limit for a number of architectural coating categories, and include additional coating categories with VOC limits consistent with the SCM. The proposed VOC limits for most categories would become effective on January 1, 2003 (January 1, 2004, for industrial maintenance coatings.)

The lowered VOC limits are consistent with the corresponding limits in the SCM, and pertain to: clear wood coatings, (lacquers and varnishes); high temperature coatings; industrial maintenance coatings; magnesite cement coatings; multi-color coatings; pre-treatment wash primers; primers, sealers and undercoaters; quick dry enamels; quick-dry primers; roof coatings; stains; swimming pool coatings; swimming pool repair and maintenance coatings; traffic marking coatings (indicated as traffic paints in existing rule 67.0); waterproofing sealers; and wood preservatives. Added coating categories include antenna coatings, anti-fouling coatings; faux finishing compounds, flow coatings, rust preventative coatings, and temperature-indicator safety coatings.

Provisions for product-line averaging are included in the proposed rule amendments (consistent with the SCM), allowing manufacturers to average designated coatings such that their average cumulative emissions are less than or equal to the cumulative emissions that would be allowed under the rule. The averaging provision will only be in effect from January 1, 2003 until January 1, 2005. Additionally, the APCD is considering establishing a VOC ceiling (maximum allowable VOC content limit) when averaging. Ceiling limits would protect against regional differences that could result in high VOC products being sold in San Diego.

Amended Rule 67.0 does not include the SCM provision pertaining to petitioning the Air Pollution Control Officer to allow application of an industrial maintenance coating with a VOC content up to 340 grams per liter, since that provision only applies to the North Central Coast, San Francisco Bay Area, and the North Coast Air Basins.

10. Regulatory and Environmental Issues:

San Diego County has been designated a Serious nonattainment area for the State ambient air quality standard for ozone. Accordingly, the APCD proposes amending Rule 67.0 in order to meet the “every feasible control measure” requirement imposed on nonattainment areas by State law (California Health and Safety Code (H&SC) Section 40914), as well as the Best Available Retrofit Control Technology (BARCT) requirement (H&SC Section 40919). Section 40914 requires the APCD to adopt the most effective control measure to reduce VOC emissions from architectural coatings. Section 40919 requires the APCD to adopt an emission limitation

that is based on the maximum degree of reduction achievable, taking into account environmental, energy, and economic impacts by each class or category of sources.

11. Environmental Setting:

The San Diego Air Basin is contiguous with the political boundaries of San Diego County. The County of San Diego encompasses approximately 4,260 square miles and is bounded on the north by Orange and Riverside Counties, on the east by Imperial County, on the west by the Pacific Ocean, and on the south by the Mexican State of Baja California. The County is divided by the Laguna Mountain Range which runs approximately parallel to the coast about 45 miles inland and separates the coastal area from the desert portion of the County. The Laguna Mountains reach peaks of over 6,000 feet with Hot Springs Mountain peak rising to 6,533 feet, the highest point in the county. The coastal region is made up of coastal terraces that rise from the ocean into wide mesas which then, moving farther east, transition into the Laguna Foothills. Farther east, the topography gradually rises to the rugged mountains. On the east side, the mountains drop off rapidly to the Anza-Borrego Desert, which is characterized by several broken mountain ranges with desert valleys in between. To the north of the County are the Santa Ana Mountains which run along the coast of Orange County, turning east to join with the Laguna Mountains near the San Diego-Orange County border.

The climate of the San Diego Air Basin, as with all of Southern California, is largely dominated by the strength and position of the semi-permanent high-pressure system over the Pacific Ocean (known as the Pacific High). This high-pressure ridge over the West Coast often creates a pattern of late-night and early-morning low clouds, hazy afternoon sunshine, daytime onshore breezes, and little temperature variation year-round. The climatic classification for San Diego is a Mediterranean climate, with warm, dry summers and mild, wet winters. Average annual precipitation ranges from approximately 10 inches on the coast to over 30 inches in the mountains to the east (the desert regions of San Diego County generally receive between 4 and 6 inches per year).

The favorable climate of San Diego also works to create air pollution problems. Sinking, or subsiding air from the Pacific High creates a temperature inversion (known as a subsidence inversion), which acts as a lid to vertical dispersion of pollutants. Weak summertime pressure gradients further limit horizontal dispersion of pollutants in the mixed layer below the subsidence inversion. Poorly dispersed anthropogenic emissions, combined with strong sunshine lead to photochemical reactions, which create ozone in this surface layer.

Daytime onshore flow (i.e., sea breeze) and nighttime offshore flow (i.e., land breeze) are quite common in Southern California. The sea breeze helps to

moderate daytime temperatures in the western portion of San Diego County, which greatly adds to the climatic draw of the region. This also leads to emissions being blown out to sea at night and returning to land the following day. Under certain conditions, this atmospheric oscillation results in the offshore transport of air from the Los Angeles region to San Diego County, which often results in high ozone concentrations being measured at San Diego County air pollution monitoring stations. Transport of air pollutants from Los Angeles to San Diego has also been shown to occur aloft within the stable layer of the elevated subsidence inversion. In this layer, removed from fresh emissions of oxides of nitrogen, which would scavenge and reduce ozone concentrations, high levels of ozone are transported into San Diego County.

National and state air quality standards are set for criteria pollutants, which are widespread common pollutants known to be harmful to human health and welfare. Standards are set to protect the elderly, very young, and chronically sensitive portions of our population. Areas not meeting a particular standard are referred to as a non-attainment area for the pollutant. Of the six air pollutants regulated by the federal Environmental Protection Agency, and eight regulated by the California Air Resources Board, only ozone (smog) and inhalable particulate matter (PM_{10}) occur in concentrations sufficient to violate either federal or state standards in San Diego County.

San Diego County has experienced substantial improvement in ambient ozone levels over the past several years. The number of days above the federal one-hour ozone standard has decreased from 39 days in 1990 to none in 2000. Similarly, the number of days above the more stringent state standard has decreased from 139 days in 1990 to 24 days in 2000.

Federal standards for PM_{10} (particulate matter equal to or less than 10 microns in size) have never been exceeded. However, the stricter state standards are not met at this time.

12. Public Agency Involvement
    a. Other public agencies whose approval is, or may be, required (e.g., permits, financing approval, or participation agreement):

Permit Type/Action	**Agency**
Rule Approval	California Air Resources Board
SIP Approval	Environmental Protection Agency

    b. State agencies (not included in #11) that have jurisdiction by law over natural resources potentially affected by the project:

California Department of Transportation
California Regional Water Quality Control Board

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED: The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

☐ Aesthetics	☐ Agriculture Resources	☑ Air Quality
☐ Biological Resources	☐ Cultural Resources	☐ Geology /Soils
☑ Hazards & Haz. Materials	☑ Hydrology/Water Quality	☐ Land Use / Planning
☐ Mineral Resources	☐ Noise	☐ Population / Housing
☑ Public Services	☐ Recreation	☑ Transportation/Traffic
☑ Utilities / Service Systems	☑ Mandatory Findings of Significance	

DETERMINATION: (To be completed by the Lead Agency)
On the basis of this initial evaluation:

☐ On the basis of this Initial Study, the Department of Planning and Land Use finds that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

☐ On the basis of this Initial Study, the Department of Planning and Land Use finds that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

☑ On the basis of this Initial Study, the Department of Planning and Land Use finds that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

☐ I find that the proposed project MAY have a “potentially significant impact” or “potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

☐ On the basis of this Initial Study, the Department of Planning and Land Use finds that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

☐ On the basis of this Initial Study, the Department of Planning and Land Use believes the following: there are no new significant environmental effects and no substantial increase in severity of effects identified in an earlier NEGATIVE DECLARATION or ENVIRONMENTAL IMPACT REPORT for the proposed project or property are present as the result of either 1) changes in the project; 2) changes in circumstances under which the project is undertaken; or 3) new information which could not have been known without the exercise of reasonable diligence at the time the previous Negative Declaration was adopted or Environmental Impact Report was certified. Therefore, the previously adopted NEGATIVE DECLARATION or certified ENVIRONMENTAL IMPACT REPORT will be considered adequate upon completion of an ADDENDUM to reflect minor technical changes.

☐ On the basis of this Initial Study, the Department of Planning and Land Use believes the following: new significant environmental effects or an substantial increase in severity of effects identified in an earlier Negative Declaration or Environmental Impact Report for the proposed project or property are present as the result of either 1) changes in the project; 2) changes in circumstances under which the project is undertaken; or 3) new information which could not have been known without the exercise of reasonable diligence at the time the original earlier Negative Declaration or Environmental Impact Report was adopted. Therefore, a SUBSEQUENT/SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT is required.

Signature	Date
Robert Reider	Supervising Air Specialist
Printed Name	Title

INSTRUCTIONS ON EVALUATION OF ENVIRONMENTAL IMPACTS

1. A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).

2. All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.

3. Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.

4. "Less Than Significant With Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level.

5. Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:
    a) Earlier Analysis Used. Identify and state where they are available for review.
    b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
    c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures that were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.

6. Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.

7. The explanation of each issue should identify:
    a) The significance criteria or threshold, if any, used to evaluate each question; and
    b) The mitigation measure identified, if any, to reduce the impact to less than significance

I. AESTHETICS -- Would the project?

a) Have a substantial adverse effect on a scenic vista?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed amendments will not result in any new construction or the addition of any new equipment to existing facilities. Any new activity associated with the amendments will occur in existing facilities. Therefore, no impacts to aesthetics are anticipated.

b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed amendments will not result in any new construction or the addition of any new equipment to existing facilities. Any new activity associated with the amendments will occur in existing facilities. Therefore, no impacts to aesthetics are anticipated.

c) Substantially degrade the existing visual character or quality of the site and its surroundings?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed amendments will not result in any new construction or the addition of any new equipment to existing facilities. Any new activity associated with the amendments will occur in existing facilities. Therefore, no impacts to aesthetics are anticipated.

d) Create a new source of substantial light or glare, which would adversely affect day or nighttime views in the area?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed amendments will not result in any new construction or the addition of any new equipment to existing facilities. The proposed amendments are not anticipated to create new, or increase existing, light sources.

II. AGRICULTURE RESOURCES -- Would the project:

a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. No conversion of farmland will occur as a result of this rule change.

b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. No conflict with zoning will occur as a result of this rule change.

c) Involve other changes in the existing environment, which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. No changes in the environment, which would result in conversion of farmland, will occur as a result of this rule change.

III. AIR QUALITY -- Would the project:

a) Conflict with or obstruct implementation of the applicable air quality plan?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

The adoption and implementation of the proposed rule amendments is expected to produce substantial, long-term, VOC emission reductions. However, some companies in the architectural coatings industry have claimed that by lowering the VOC content of coatings, there will be an increase in VOC emissions for a variety of reasons including increased coating thickness, more thinning, more topcoats, more touch-ups, more priming, more frequent re-coating, more substitution with higher VOC coatings, and greater reactivity. These companies claim that the new formulations will result in more coating use, resulting in an overall increase in VOC emissions for a specific area covered or over time. Industry also asserts that more reactive solvents will be used in compliant formulation than those used in existing coatings, thus contributing to increased ozone formation.

The California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, air quality plan impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

As discussed above, the adoption and implementation of the proposed rule amendments is expected to produce substantial, long-term, VOC emission reductions. However, some companies in the architectural coatings industry have claimed that by lowering the VOC content of coatings, there will be an increase in VOC emissions for a variety of reasons including increased coating thickness, more thinning, more topcoats, more touch-ups, more priming, more frequent re-coating, more substitution with higher VOC coatings, and greater reactivity. These companies claim that the new formulations will result in more coating use, resulting in an overall increase in VOC emissions for a specific area covered or over time. Industry also asserts that more reactive solvents will be used in compliant

formulation than those used in existing coatings, thus contributing to increased ozone formation.

The California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, air quality impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

As discussed above, the adoption and implementation of the proposed rule amendments is expected to produce substantial, long-term, VOC emission reductions. However, some companies in the architectural coatings industry have claimed that by lowering the VOC content of coatings, there will be an increase in VOC emissions for a variety of reasons including increased coating thickness, more thinning, more topcoats, more touch-ups, more priming, more frequent re-coating, more substitution with higher VOC coatings, and greater reactivity. These companies claim that the new formulations will result in more coating use, resulting in an overall increase in VOC emissions for a specific area covered or over time. Industry also asserts that more reactive solvents will be used in compliant formulation than those used in existing coatings, thus contributing to increased ozone formation.

The California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, air quality impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

d) Expose sensitive receptors to substantial pollutant concentrations?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

As discussed above, the adoption and implementation of the proposed rule amendments is expected to produce substantial, long-term, VOC emission reductions. However, some companies in the architectural coatings industry have

claimed that by lowering the VOC content of coatings, there will be an increase in VOC emissions for a variety of reasons including increased coating thickness, more thinning, more topcoats, more touch-ups, more priming, more frequent re-coating, more substitution with higher VOC coatings, and greater reactivity. These companies claim that the new formulations will result in more coating use, resulting in an overall increase in VOC emissions for a specific area covered or over time. Industry also asserts that more reactive solvents will be used in compliant formulation than those used in existing coatings, thus contributing to increased ozone formation. This increase basin-wide has the potential to significantly impact sensitive populations.

The California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, air quality impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

e) Create objectionable odors affecting a substantial number of people?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

As a result of the change in VOC content required by this rule change, increased application of acetone-based coatings may be necessary which has the potential to increase objectionable odors.

The California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, objectionable odor impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

IV. BIOLOGICAL RESOURCES -- Would the project:

a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The implementation of this rule change is not expected to adversely impact existing plant or animal species or communities, unique or endangered plant or animal species, or agricultural crops. Improvements in air quality from implementation of these rule changes are expected to provide health benefits to plant and animal species as well as the human residents of the state. Further, the proposed amendments will not result in any new construction or increase impacts to biological resources.

b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The implementation of this rule change is not expected to adversely impact existing plant or animal species or communities, unique or endangered plant or animal species, or agricultural crops. Improvements in air quality from implementation of these rule changes are expected to provide health benefits to plant and animal species as well as the human residents of the state. Further, the proposed amendments will not result in any new construction or increase impacts to biological resources.

c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The implementation of this rule change is not expected to adversely impact existing plant or animal species or communities, unique or endangered plant or animal species, or agricultural crops. Improvements in air quality from implementation of these rule changes are expected to provide health benefits to plant and animal species as well as the human residents of the state. Further, the proposed amendments will not result in any new construction or increase impacts to biological resources.

d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The implementation of this rule change is not expected to adversely impact existing plant or animal species or communities, unique or endangered plant or animal species, or agricultural crops. Improvements in air quality from implementation of these rule changes are expected to provide health benefits to plant and animal species as well as the human residents of the state. Further, the proposed amendments will not result in any new construction or increase impacts to biological resources.

e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The implementation of this rule change is not expected to adversely impact existing plant or animal species or communities, unique or endangered plant or animal species, or agricultural crops. Improvements in air quality from implementation of these rule changes are expected to provide health benefits to plant and animal species as well as the human residents of the state. Further, the proposed amendments will not result in any new construction or increase impacts to biological resources.

f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The implementation of this rule change is not expected to adversely impact existing plant or animal species or communities, unique or endangered plant or animal species, or

agricultural crops. Improvements in air quality from implementation of these rule changes are expected to provide health benefits to plant and animal species as well as the human residents of the state. Further, the proposed amendments will not result in any new construction or increase impacts to biological resources.

V. CULTURAL RESOURCES -- Would the project:

a) Cause a substantial adverse change in the significance of a historical resource as defined in 15064.5?

☐ Potentially Significant Impact ☐ Less than Significant Impact
☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The implementation of this rule change is not expected to adversely impact cultural resources since the proposed amendments will not result in any new construction or increase existing impacts to such resources.

b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to 15064.5?

☐ Potentially Significant Impact ☐ Less than Significant Impact
☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The implementation of this rule change is not expected to adversely impact cultural resources since the proposed amendments will not result in any new construction or increase existing impacts to such resources.

c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?

☐ Potentially Significant Impact ☐ Less than Significant Impact
☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The implementation of this rule change is not expected to adversely impact cultural resources since the proposed

amendments will not result in any new construction or increase existing impacts to such resources.

d) Disturb any human remains, including those interred outside of formal cemeteries?

☐ Potentially Significant Impact ☐ Less than Significant Impact
☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The implementation of this rule change is not expected to adversely impact cultural resources since the proposed amendments will not result in any new construction or increase existing impacts to such resources.

VI. GEOLOGY AND SOILS -- Would the project:

a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:

i. Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.

☐ Potentially Significant Impact ☐ Less than Significant Impact
☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Implementation of these rule changes will not result in any construction and, therefore, will not have any significant effects on geologic resources.

ii. Strong seismic ground shaking?

☐ Potentially Significant Impact ☐ Less than Significant Impact
☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Implementation of these rule changes will not result in any construction and, therefore, will not have any significant effects on geologic resources.

iii. Seismic-related ground failure, including liquefaction?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Implementation of these rule changes will not result in any construction and, therefore, will not have any significant effects on geologic resources.

iv. Landslides?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Implementation of these rule changes will not result in any construction and, therefore, will not have any significant effects on geologic resources.

b) Result in substantial soil erosion or the loss of topsoil?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Implementation of these rule changes will not result in any construction and, therefore, will not have any significant effects on geologic resources.

c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Implementation of these rule changes

will not result in any construction and, therefore, will not have any significant effects on geologic resources.

d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Implementation of these rule changes will not result in any construction and, therefore, will not have any significant effects on geologic resources.

e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Implementation of these rule changes will not result in any construction and, therefore, will not have any significant effects on geologic resources.

VII. HAZARDS AND HAZARDOUS MATERIALS -- Would the project:

a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

The proposed rule could result in public hazards and environmental impacts due to potential additional vehicle trips caused by the disposal of coatings due to the possibility of shorter shelf or pot lives or lesser freeze-thaw capabilities. Further, the reformulation of coatings to utilize acetone could result in hazardous impacts due to its flammability. Although the California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the

scope of an Initial Study. Consequently, public and environmental hazard impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

The proposed rule could result in public hazards and environmental impacts due to potential additional vehicle trips caused by the disposal of coatings due to the possibility of shorter shelf or pot lives or lesser freeze-thaw capabilities. Further, the reformulation of coatings to utilize acetone could result in hazardous impacts due to its flammability. Although the California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, public hazard impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

The proposed rule could result in public hazards and environmental impacts due to potential additional vehicle trips caused by the disposal of coatings due to the possibility of shorter shelf or pot lives or lesser freeze-thaw capabilities. Further, the reformulation of coatings to utilize acetone could result in hazardous impacts due to its flammability. Although the California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, hazardous emission impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

The proposed rule could result in public hazards and environmental impacts due to potential additional vehicle trips caused by the disposal of coatings due to the possibility of shorter shelf or pot lives or lesser freeze-thaw capabilities. Further, the reformulation of coatings to utilize acetone could result in hazardous impacts due to its flammability. Although the California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, public hazard impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Implementation of these rule changes will not result in any construction and, therefore, will not create a safety hazard associated with development near an airport.

f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Implementation of these rule changes will not result in any construction and, therefore, will not create a safety hazard associated with development near an airport.

g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Implementation of these rule changes will not result in any construction and, therefore, will not interfere with emergency response plans.

h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?

☐ Potentially Significant Impact ☑ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Implementation of these rule changes could result in the reformulation of coatings to utilize acetone could result in hazardous impacts due to its flammability. However, proper use and/or storage of this coatings regulated under this rule will not result in an increase in a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands.

VIII. HYDROLOGY AND WATER QUALITY -- Would the project:

a) Violate any water quality standards or waste discharge requirements?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

Increased water demand from the manufacturing and use of complaint water-borne coatings, the use of exempt solvents (solvents not considered to be VOCs, such as acetone and Oxsol 100) and water quality impacts from future compliant water-borne coatings associated with manufacturing and cleanup practices could involve environmental impacts. Although the California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the

scope of an Initial Study. Consequently, water quality impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

Increased water demand from the manufacturing and use of complaint water-borne coatings, the use of exempt solvents (solvents not considered to be VOCs, such as acetone and Oxsol 100) and water quality impacts from future compliant water-borne coatings associated with manufacturing and cleanup practices could involve environmental impacts. Although the California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, groundwater impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner that would result in substantial erosion or siltation on- or off-site?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Compliance with this rule will not result in any construction that will alter drainage patterns or a course of a stream or river, therefore, will not have any significant water quality effects.

d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner that would result in flooding on- or off-site?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Compliance with this rule will not result in any construction that will increase the rate or amount of surface runoff, therefore, will not have any significant flooding effects.

e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Compliance with this rule will not result in any construction that will exceed the capacity of stormwater drainage systems, therefore, will not have any significant polluted runoff effects.

f) Otherwise substantially degrade water quality?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

Increased water demand from the manufacturing and use of complaint water-borne coatings, the use of exempt solvents (solvents not considered to be VOCs, such as acetone and Oxsol 100) and water quality impacts from future compliant water-borne coatings associated with manufacturing and cleanup practices could involve environmental impacts. Although the ARB has already analyzed these issues in the Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, water quality impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The amendments to this rule will not result in any construction, and therefore will not create a flood hazards.

h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The amendments to this rule will not result in any construction, and therefore will not create a flood hazards.

i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The amendments to this rule will not result in any construction, and therefore will not create a flood hazards.

j) Inundation by seiche, tsunami, or mudflow?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The amendments to this rule will not result in any construction, and therefore will not create an inundation hazard.

IX. LAND USE AND PLANNING -- Would the project:

a) Physically divide an established community?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The amendments to this rule will not result in any construction, and therefore will not physically divide an established community.

b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed amendments will not result in any new construction or the addition of any new equipment to existing facilities. Any new activity associated with the amendments will occur in existing facilities. Therefore, no impacts to land use and planning are anticipated.

c) Conflict with any applicable habitat conservation plan or natural community conservation plan?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed amendments will not result in any new construction or the addition of any new equipment to existing facilities. Any new activity associated with the amendments will occur in existing facilities. Therefore, no impacts to conservation plans are anticipated.

X. MINERAL RESOURCES -- Would the project:

a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed amendments will not result in any new construction or the addition of any new equipment to existing facilities. Any new activity associated with the amendments will occur in existing facilities. Therefore, no impacts to mineral resources are anticipated.

b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed amendments will not result in any new construction or the addition of any new equipment to existing facilities. Any new activity associated with the amendments will occur in existing facilities. Therefore, no impacts to mineral resources are anticipated.

XI. NOISE -- Would the project result in:

a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed amendments will not result in any new construction or the addition of any new equipment to existing facilities. Any new activity associated with the amendments will occur in existing facilities. Therefore, no noise impacts are anticipated.

b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed amendments will not result in any new construction or the addition of any new equipment to existing facilities. Any new activity associated with the amendments will occur in existing facilities. Therefore, no noise impacts are anticipated.

c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed amendments will not result in any new construction or the addition of any new equipment to existing facilities. Any new activity associated with the amendments will occur in existing facilities. Therefore, no noise impacts are anticipated.

d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed amendments will not result in any new construction or the addition of any new equipment to existing facilities. Any new activity associated with the amendments will occur in existing facilities. Therefore, no noise impacts are anticipated.

e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed amendments will not result in any new construction or the addition of any new equipment to existing facilities. Any new activity associated with the amendments will occur in existing facilities. Therefore, no noise impacts are anticipated.

f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed amendments will not result in any new construction or the addition of any new equipment to existing facilities. Any new activity associated with the amendments will occur in existing facilities. Therefore, no noise impacts are anticipated.

XII. POPULATION AND HOUSING -- Would the project:

a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed project is not expected to increase the need for infrastructure improvement. Therefore, no housing impacts are anticipated.

b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed project is not expected

to increase the need for infrastructure improvement. Therefore, no housing impacts are anticipated.

c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The proposed project is not expected to increase the need for infrastructure improvement. Therefore, no housing impacts are anticipated.

XIII. PUBLIC SERVICES

a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance service ratios, response times or other performance objectives for any of the public services:

i. Fire protection?
ii. Police protection?
iii. Schools?
iv. Parks?
v. Other public facilities?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

The proposed rule presents the potential for increased maintenance at public facilities and increased need for fire protection due to use of exempt solvents or other replacement solvents from implementing the proposed rule amendments. Although the California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, public utility impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

XIV. RECREATION

a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project is not expected to create additional demand on existing or proposed recreational facilities because it does not require facility expansion.

b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project is not expected to create additional demand on existing or proposed recreational facilities because it does not require facility expansion.

XV. TRANSPORTATION/TRAFFIC -- Would the project:

a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

The proposed rule could result in Transportation/Circulation impacts due to potential additional vehicle trips caused by the disposal of coatings due to the possibility of shorter shelf or pot lives or lesser freeze-thaw capabilities. Although the California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, traffic impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

The proposed rule could result in Transportation/Circulation impacts due to potential additional vehicle trips caused by the disposal of coatings due to the possibility of shorter shelf or pot lives or lesser freeze-thaw capabilities. Although the California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, traffic impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?

☐ Potentially Significant Impact ☑ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

The proposed rule could result in Transportation/Circulation impacts due to potential additional vehicle trips caused by the disposal of coatings due to the possibility of shorter shelf or pot lives or lesser freeze-thaw capabilities. However, these impacts are expected to occur to ground transportation, with minimal increases, if any, to air traffic patterns. As such the impact to air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks, is less than significant.

d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Compliance with this rule will not result in any construction or new road design features and, therefore, will not create additional traffic hazards.

e) Result in inadequate emergency access?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Compliance with this rule will not result in any construction or new road design features and, therefore, will not create inadequate emergency access.

f) Result in inadequate parking capacity?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Compliance with this rule will not result in any construction or new road design features and, therefore, will not create inadequate parking capacity.

g) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Compliance with this rule will not result in any construction or new road design features and, therefore, will not conflict with policies regarding alternative transportation.

XVI. UTILITIES AND SERVICE SYSTEMS -- Would the project:

a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

Increased water demand from the manufacturing and use of complaint water-borne coatings, the use of exempt solvents (solvents not considered to be VOCs, such as acetone and Oxsol 100) and water quality impacts from future compliant water-borne coatings associated with manufacturing and cleanup practices could involve environmental impacts. Although the California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, wastewater treatment impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

Increased water demand from the manufacturing and use of complaint water-borne coatings, the use of exempt solvents (solvents not considered to be VOCs, such as acetone and Oxsol 100) and water quality impacts from future compliant water-borne coatings associated with manufacturing and cleanup practices could involve environmental impacts. Although the California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, wastewater treatment impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

The proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. Compliance with this rule will not result in any construction of any kind, including storm water drainage facilities, therefore, will not have any significant environmental effects.

d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

Increased water demand from the manufacturing and use of complaint water-borne coatings, the use of exempt solvents (solvents not considered to be VOCs, such as acetone and Oxsol 100) and water quality impacts from future compliant water-borne coatings associated with manufacturing and cleanup practices could involve environmental impacts. Although the California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, water supply impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

e) Result in a determination by the wastewater treatment provider, which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

Increased water demand from the manufacturing and use of complaint water-borne coatings, the use of exempt solvents (solvents not considered to be VOCs, such as acetone and Oxsol 100) and water quality impacts from future compliant water-borne coatings associated with manufacturing and cleanup practices could involve environmental impacts. Although the California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, wastewater treatment impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

The proposed rule change could involve potential impacts from increased disposal of compliant coatings due to the possibility of shorter shelf or pot lives or lesser freeze-thaw capabilities and increased water demand from the manufacturing and use of compliant water-borne coatings. Although the California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, landfill capacity impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

g) Comply with federal, state, and local statutes and regulations related to solid waste?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

The proposed rule change could involve potential impacts from increased disposal of compliant coatings due to the possibility of shorter shelf or pot lives or lesser freeze-thaw capabilities and increased water demand from the manufacturing and use of compliant water-borne coatings. Although the California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. Further review of these issues to ensure that District level impacts have been adequately assessed is beyond the scope of an Initial Study. Consequently, solid waste impacts will be analyzed in a Tier II EIR prepared for proposed amendments to Rule 67.0.

XVII. MANDATORY FINDINGS OF SIGNIFICANCE --:

a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?

☐ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☑ No Impact

Discussion/Explanation:

As discussed in the sections regarding Biological Resources, Cultural, and Paleontological Resources, the proposed project consists of amendments to the APCD Rule 67.0, which limits the amount of VOCs in architectural coatings. The implementation of these rule changes will not degrade the quality of the environment and will not substantially reduce the habitat of a fish or wildlife species. The project will not cause a fish or wildlife population to drop below self-sustaining levels and will

not threaten to eliminate a plant or animal community. Also, the project would not reduce the number or restrict the range of a rare or endangered plant or animal and will not eliminate important examples of the major periods of California history or prehistory.

b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

As a result of the possible adverse effects possible adverse effects on air quality, water resources, hazards, transportation/circulation, hazardous wastes, and public utilities/serves, the proposed project has the potential to adversely affect the quality of the environment. There may be adverse human health impacts associated with exposure to both carcinogenic and non-carcinogenic toxic air contaminants (TACs). These impacts may occur individually, such as elevated exposure to TACs, or cumulatively, if different environmental impacts reinforce each other.

The California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the ARB on June 22, 2000. However, further review of these issues to ensure that District level impacts have been adequately assessed is required. As such, a Tier II Environmental Impact Report should be prepared to assess local impacts from the Rule 67.0 amendments.

c) Does the project have environmental effects, which will cause substantial adverse effects on human beings, either directly or indirectly?

☑ Potentially Significant Impact ☐ Less than Significant Impact

☐ Less than Significant Impact with Mitigation Incorporated ☐ No Impact

Discussion/Explanation:

As a result of the possible adverse effects possible adverse effects on air quality, water resources, hazards, transportation/circulation, hazardous wastes, and public utilities/serves, the proposed project has the potential to adversely affect the quality of the environment. There may be adverse human health impacts associated with exposure to both carcinogenic and non-carcinogenic toxic air contaminants (TACs). These impacts may occur individually, such as elevated exposure to TACs, or cumulatively, if different environmental impacts reinforce each other.

The California ARB has analyzed these issues in a Tier I Environmental Impact Report prepared for the statewide SCM for Architectural Coatings, adopted by the

ARB on June 22, 2000. However, further review of these issues to ensure that District level impacts have been adequately assessed is required. As such, a Tier II Environmental Impact Report should be prepared to assess local impacts from the Rule 67.0 amendments.

SAN DIEGO AIR POLLUTION CONTROL DISTRICT

PROPOSED AMENDMENTS TO RULE 67.0

Amendments are to read as follows:

RULE 67.0. ARCHITECTURAL COATINGS

(a) **APPLICABILITY**

(1) Except as provided in Section (b), t~~T~~his rule is applicable to any person who manufactures, supplies, sells, offers for sale, applies, or solicits the application of~~,~~ any architectural coating for use within San Diego County.

(2) Rule 66 shall not apply to any coating subject to this rule.

(b) **EXEMPTIONS**

~~The provisions of Section (d) of this rule shall not apply to the following coatings:~~

(1) This rule shall not apply to:

(i) Any architectural coating that is sold or manufactured for use outside of San Diego County or for shipment to other manufacturers for reformulation or repackaging.

(ii) Any ~~non-refillable~~ aerosol coating product.

(iii) Any architectural coating that is sold in a container with a volume of one liter (1.057 quart) or less.

~~(1) Architectural coatings supplied in containers having capacities of one liter or less;~~

~~(2) Architectural coatings sold in non-refillable aerosol containers having capacities of one liter or less:~~

(iv~~3~~) Emulsion-type bituminous pavement sealers applied to roads.

(2) The provisions of Subsection (d)(1) shall not apply to lacquers applied on days with relative humidity greater than 70 percent and temperatures below 65°F. On such days, up to ten~~10~~ percent by volume of VOC may be added to a lacquer, ~~at the time of~~

~~application~~, to avoid blushing of the finish, provided that the lacquer contains acetone and no more than 550 grams of VOC per liter of lacquer, less water and exempt compounds, prior to the addition of VOC.

(c) **DEFINITIONS**

(1) "**Adhesive**" means any chemical substance that is applied for the purpose of bonding two surfaces together other than by mechanical means.

(2) "**Aerosol Coating Product**" means a pressurized coating product containing pigments or resins that dispenses product ingredients by means of a propellant, and is packaged in a disposable can either for hand-held application or use in specialized equipment for ground traffic/marking applications.

(3) "**Antenna Coating**" means a coating labeled and formulated exclusively for application to equipment and associated structural appurtenances that are used to receive or transmit electromagnetic signals.

(4) "**Antifouling Coating**" means a coating labeled and formulated for application to submerged stationary structures and their appurtenances to prevent or reduce the attachment of marine or freshwater biological organisms. To qualify as an antifouling coating, the coating must be registered with both the U.S. Environmental Protection Agency (EPA) under the Federal, Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. Section 136, et seq.) and with the California Department of Pesticide Regulation.

(5) "**Appurtenance**" means any accessory to a stationary structure coated at the site of installation, whether installed or detached, including but not limited to: bathroom and kitchen fixtures; cabinets; concrete forms; doors; elevators; fences; hand railings; heating equipment, air conditioning equipment, and other fixed mechanical equipment or stationary tools; lampposts; partitions; pipes and piping systems; rain gutters and down-spouts; stairways, fixed ladders, catwalks, and fire escapes; and window screens.

~~(1) "**Appurtenance**" means an accessory to an architectural structure including but not limited to: hand railings, cabinets, bathroom and kitchen fixtures, fences, rain gutters and down spouts, window screens, lamp posts, heating and air conditioning equipment, large fixed stationary tools, and concrete forms.~~

(62) "**Architectural Coating**" means a~~ny~~ coating to be applied to stationary structures and/or their appurtenances at the site of installation (stationary source), to portable buildings including mobile homes, at the site of installation, ~~coated onsite or in close proximity to the intended installed location, to~~ ~~mobile homes,~~ to pavement, or to curbs. Coatings applied in off-site shop applications or to non-stationary structures such as airplanes, ships, boats, railcars, and automobiles, and a~~A~~dhesives are not considered architectural coatings for the purposes of this rule.

~~(3) "**Below-Ground Wood Preservative**" means a coating formulated to protect below-ground wood from decay or insect attack and which contains a wood preservative chemical registered by the California Department of Food and Agriculture.~~

(7) "**Bitumens**" means black or brown materials including, but not limited to, asphalt, tar, pitch, and asphaltite that are soluble in carbon disulfide, consisting mainly of hydrocarbons, and obtained from natural deposits or as residues from the distillation of crude petroleum or coal.

~~(4) "**Bituminous Coating**" means a black or brownish coating material, soluble in carbon disulfide, consisting mainly of hydrocarbons and which is obtained from natural deposits or as residue from the distillation of crude petroleum oils or of low grades of coal.~~

(8) "**Bituminous Roof Coating**" means a coating which incorporates bitumens that is labeled and formulated exclusively for roofing.

(9) "**Bituminous Roof Primer**" means a primer which incorporates bitumens that is labeled and formulated exclusively for roofing.

(105) "**Bond Breaker**" means a coating labeled and formulated for application ~~applied~~ between layers of concrete to prevent a ~~the~~ freshly-poured top layer of concrete from bonding to the layer over which it is poured.

(11) "**Clear Brushing Lacquers**" mean clear wood finishes, excluding clear lacquer sanding sealers, formulated with nitrocellulose or synthetic resins to dry by solvent evaporation without chemical reaction and to provide a solid, protective film, which are intended exclusively for application by brush, and which are labeled as specified in Subsection (e)(1)(v).

(12) "**Clear Wood Coatings**" mean clear and semi-transparent coatings, including lacquers and varnishes, applied to wood substrates to provide a transparent or translucent solid film.

(13) "**Coating**" means a material applied onto or impregnated into a substrate for protective, decorative, or functional purposes. Such materials include, but are not limited to, paints, varnishes, sealers, and stains.

(14) "**Colorant**" means a concentrated pigment dispersion in water, solvent and/or binder that is added to an architectural coating after packaging in sale units to produce the desired color.

(15~~6~~) "**Concrete Curing Compound**" means a coating labeled and formulated for application ~~applied~~ to freshly poured concrete to retard the evaporation of water.

(16~~7~~) "**Dry Fog Coating ~~(Mill White Coating)~~**" means a coating labeled and formulated only for spray application such that overspray droplets dry before subsequent contact with incidental ~~other~~ surfaces in the vicinity of the surface coating activity.

(17~~8~~) "**Exempt Compound ~~Solvent~~**" means the same as defined in Rule 2.

(18) "**Faux Finishing Coating**" means a coating labeled and formulated as a stain or glaze to create artistic effects including, but not limited to, dirt, old age, smoke damage, and simulated marble and wood grain.

(19) "**Fire-Resistive Coating**" means an opaque coating labeled and formulated to protect structural integrity by increasing the fire endurance of interior or exterior steel and other structural materials, and that has been fire tested and rated by a testing agency approved by building code officials for use in bringing assemblies of structural materials into compliance with federal, state, and local building code requirements. The fire-resistive coating and the testing agency must be approved by building code officials ~~registered with the State Fire Marshal~~.

(20~~9~~) "**Fire-Retardant Coating**" means a coating labeled and formulated to retard ignition and ~~which has a~~ flame spread, and that has been fire tested and rated by a testing

agency approved by building code officials for use in bringing building and construction materials into compliance with federal, state, and local building code requirements. The fire-retardant coating and the testing agency must be approved by building code officials ~~registered with the State Fire Marshal.~~ ~~index of less than 25~~ ~~when tested in accordance with the current version of ASTM Designation E 84-87, "Standard Test method for Surface Burning Characteristics of Building Material," after application to Douglas fir according to the manufacturer's recommendation.~~

(21) "**Flat Coating**" means a coating that is not defined under any other definition in this rule and that registers a gloss of less than 15 on an 85° meter, or less than 5 on a 60° meter.

(22) "**Floor Coating**" means an opaque coating that is labeled and formulated for application to flooring, including, but not limited to, decks, porches, steps, and other horizontal surfaces which may be subject to foot traffic.

(23) "**Flow Coating (Electrical Transformers)**" means a coating labeled and formulated exclusively for use by electric power companies or their subcontractors to maintain the protective coating systems present on utility transformer units.

(24~~10~~) "**Form-Release Compound**" means a coating labeled and formulated for application ~~applied~~ to a concrete form to prevent the freshly-poured concrete from bonding to the form. The form may consist of wood, metal, or some material other than concrete.

(25~~11~~) "**Graphic Arts Coating or ~~(~~Sign Paint ~~Coating)~~**" means a coating ~~which is~~ labeled and formulated for ~~and~~ hand application~~applied~~ by artists using brush or roller techniques to indoor and outdoor signs (excluding structural components) and murals~~,~~ ~~excluding structural components,~~ including lettering enamels, poster colors, copy blockers, and bulletin enamels.

(26~~12~~) "**High-Temperature ~~Industrial Maintenance~~ Coating**" means a high performance ~~an industrial maintenance~~ coating ~~which is~~ labeled and formulated for application ~~and applied~~ to substrates exposed continuously or intermittently to temperatures above 400°F (204°C). ~~degrees Fahrenheit.~~

~~(13) "**Industrial Maintenance Anti-graffiti Coating**" means a two-component clear industrial maintenance coating which is formulated for and applied to exterior walls and murals to resist repeated scrubbing and exposure to harsh solvents.~~

(27~~14~~) "**Industrial Maintenance Coating**" means a high performance architectural coating ~~which is formulated for and applied~~, including primers, sealers, undercoaters, intermediate coats, and topcoats, formulated for application to substrates exposed to one or more of the following extreme environmental conditions and labeled as specified in Subsection (e)(1)(iv):

(i)~~(ii)~~ Immersion in water, wastewater, or chemical solutions (aqueous and non-aqueous solutions), or chronic exposure of interior surfaces to moisture condensation;

(ii)~~(iii)~~ Acute or chronic exposure to corrosive, caustic, or acidic agents, or to chemicals, chemical fumes, or chemical mixtures or solutions;

(iii)~~(iv)~~ Repeated exposure to temperatures above ~~in excess of~~ 250°F (121°C); ~~or~~

(iv)~~(i)~~ Repeated (frequent) heavy abrasion, including mechanical wear and repeated (frequent) scrubbing with industrial solvents, cleansers, or scouring agents; or

(v) Exterior exposure of metal structures and structural components.

(28~~15~~) "**Lacquer**" means a clear or opaque wood ~~pigmented~~ coating, including clear lacquer sanding sealers, formulated with cellulosic ~~nitrocellulose~~ or synthetic resins to dry by evaporation without chemical reaction and to provide a solid, protective film.

(29) "**Low-Solids Coating**" means a coating that contains one~~t~~ pound or less of solids per gallon (120 grams or less of solids per liter) of coating material.

(30~~16~~) "**Magnesite Cement Coating**" means a coating labeled and formulated for application ~~and applied~~ to magnesite cement decking to protect the magnesite cement substrate from erosion by water.

(31) "**Manufacturer's Maximum Thinning Recommendation**" means the maximum recommended thinning ratio that is indicated on the label or lid of the coating container ~~or in the technical data sheet for the coating~~.

(32~~17~~) "**Mastic Texture Coating**" means a coating labeled and ~~which is~~ formulated to cover holes and minor cracks and to conceal surface irregularities, and is applied in a single coat ~~thickness~~ of at least 0.010 inch (10 mils) dry film thickness ~~(dry, single coat)~~.

(33~~18~~) "**Metallic Pigmented Coating**" means a coating containing at least 0.4 pounds of elemental metallic pigment ~~metal particles~~ per gallon (48 grams of elemental metallic pigment per liter) of coating as applied.

(34~~19~~) "**Multi-Colored Coating**" means a coating that ~~which exhibits more than one color when applied and which~~ is packaged in a single container~~,~~ and exhibits more than one color when applied in a single coat.

(35~~20~~) "**Nonflat ~~Non-Flat~~ ~~Architectural~~ Coating**" means a coating that is not defined under any other definition in this rule, and that ~~which~~ registers a gloss of 15 or greater on an 85° meter or 5 or greater on a 60° meter~~, and which is identified on the label as a gloss, semi-gloss, or eggshell enamel coating~~.

(36) "**Nonflat-High Gloss Coating**" means a nonflat coating that registers a gloss of 70 or above on a 60° meter.

(37) "**Non-~~i~~Industrial Use**" means any use of architectural coatings except in the construction or maintenance of any of the following: facilities used in the manufacturing of goods and commodities; transportation infrastructure, including highways, bridges, airports, and railroads; facilities used in mining activities, including petroleum extraction; and utilities infrastructure, including power generation and distribution, and water treatment and distribution systems.

~~(21) "**Opaque Stain**" means any stain that is not classified as a semi-transparent stain.~~

~~(22) "**Opaque Wood Preservative**"means any wood preservative that is not classified as a semi-transparent wood preservative or as a below-ground wood preservative.~~

(38) "**Post-Consumer Coating**" means a finished coating ~~the unused portion of coating after completion of a consumer's project~~ that would have been disposed of in a

landfill, having completed its usefulness to a consumer. Post-consumer coating does not include manufacturing wastes.

(3925) "**Pre-Treatment ~~Pretreatment Primer (Wash Primer)~~**" means a ~~coating~~ primer that ~~which~~ contains a minimum of 0.5 percent acid, by weight, and is labeled and formulated for application ~~applied~~ directly to bare metal surfaces ~~and is necessary~~ to provide corrosion resistance and to promote adhesion of subsequent topcoats ~~surface etching~~.

(4026) "**Primer**" means a coating labeled and formulated for application to a substrate ~~which is intended to be applied to a surface~~ to provide a firm bond between the substrate and subsequent coats.

(4124) "**Quick-Dry Enamel**" means a nonflat coating that is labeled as specified in Subsection (e)(1)(viii) and that is formulated to have the following characteristics: ~~which can be applied directly from the container by brush or roller at ambient temperatures between 60° F and 80° F and which is formulated to have a gloss of 70 or greater on a 60° meter and to have the following drying characteristics when tested in accordance with the current version of ASTM D 1640~~:

(i) Capable of being applied directly from the container under normal conditions at ambient temperatures between 60 and 80°F (16 and 27°C);

(ii) When tested in accordance with ASTM Designation D 1640-95, sets to touch in ~~2~~two hours or less, is tack free in ~~4~~four hours or less, and dries hard in ~~8~~eight hours or less by the mechanical test method; and

(iii) Has a dried film gloss of 70 or above on a 60° meter.

~~(i) Set to touch in not more than two hours; be tack-free (mechanical tester) in not more than four hours; and~~

~~(ii) Dry hard in not more than eight hours.~~

(4223) "**Quick-Dry Primer, Sealer, and Undercoater**" means a primer, sealer, or undercoater that ~~which~~ is dry to the touch in 30 minutes ~~one-half hour~~ and can be recoated in two hours~~, as determined under the current version of ASTM D1640 and which is~~

~~intended to be applied to a surface for one or more of the following reasons: to provide a firm bond between the substrate and subsequent coats, or to prevent subsequent coatings from being absorbed by the substrate, or to prevent harm to subsequent coatings by materials in the substrate, or to provide a smooth surface for subsequent coats~~.

(43) "**Recycled Coating**" means an architectural coating formulated such that not less than 50 percent of the total weight consists of secondary and post-consumer coating, with not less than ten~~10~~ percent of the total weight consisting of post-consumer coating.

(44~~27~~) "**Roof Coating**" means a non-bituminous coating labeled and ~~which is~~ formulated exclusively for application to ~~for and applied to exterior~~ roofs for the primary purpose of preventing penetration of the substrate by water~~,~~ or reflecting heat and ~~reflecting~~ ultraviolet radiation. ~~Metallic-pigmented~~ R~~r~~oof coatings, which qualify as m~~M~~metallic p~~P~~pigmented c~~C~~coating~~s~~ shall not be considered to be in this category, but shall be considered to be in the m~~M~~metallic p~~P~~pigmented c~~C~~coating~~s~~ category.

(45) "**Rust Preventative Coating**" means a coating formulated ~~exclusively~~ for non-industrial use to prevent the corrosion of metal surfaces and labeled as specified in Subsection (e)(1)(vi).

(46~~28~~) "**Sanding Sealer**" means a clear or semi-transparent wood coating labeled and formulated for application ~~and applied~~ to bare wood ~~for sanding and~~ to seal the wood and to provide a coat that can be abraded ~~(sanded)~~ to create a smooth surface for subsequent application~~s~~ of coatings ~~varnish~~. ~~To be considered a sanding sealer a coating must be clearly labeled as such.~~ A sanding sealer that also meets the definition of a lacquer is not included in this category, but is included in the lacquer category.

(47~~29~~) "**Sealer**" means a coating labeled and formulated for application ~~and applied~~ to a substrate~~s~~ for either of the following purposes: to prevent subsequent coatings from being absorbed by the substrate~~,~~ or to prevent harm to subsequent coatings by materials in the substrate.

(48) "**Secondary Coating (Rework)**" means the fragment of a finished coating or the finished coating from a manufacturing process that has converted resources into a commodity of real economic value, but does not include excess virgin resources of the manufacturing process.

~~(30)~~ "**~~Semi-Transparent Stain~~**" ~~means a coating which is formulated to change the color of a surface but not conceal the surface.~~

~~(31)~~ "**~~Semi-Transparent Wood Preservative~~**" ~~means a wood preservative stain, including clear wood preservatives, which is formulated and used to protect exposed wood from decay or insect attack by the addition of a wood preservative chemical registered by the California Department of Food and Agriculture, and which changes the color of a surface but does not conceal the surface.~~

(49~~32~~) "**Shellac**" means a clear or opaque ~~pigmented~~ coating formulated solely with the resinous secretions of the lac beetle (*L~~l~~accifer lacca*), thinned with alcohol, and formulated to dry by evaporation without a chemical reaction.

(50) "**Shop Application**" means application of a coating to a product or a component of a product in or on the premises of a factory or a shop as part of a manufacturing, production, or repairing process (e.g., original equipment manufacturing coatings).

(51~~50~~33) "**Solicit**" means to require for use or to specify, by written or oral contract.

(52~~51~~) "**Specialty Primer, Sealer, and Undercoater**" means a coating that is labeled as specified in Subsection (e)(1)(vii) and formulated for application to a substrate to seal fire, smoke, or water damage; to condition excessively chalky surfaces, or to block stains. An excessively chalky surface is one that is defined as having a chalk rating of four or less.

(53~~52~~) "**Stain**" means a clear, semitransparent, or opaque coating labeled and formulated to change the color of a surface but not conceal the grain pattern or texture.

(54~~53~~34) "**Swimming Pool Coating**" means a coating labeled and formulated ~~and used~~ to coat the interior of swimming pools and to resist swimming pool chemicals.

(55~~54~~35) "**Swimming Pool Repair and Maintenance Coating**" means a rubber-based ~~chlorinated rubber-based~~ coating labeled and formulated to be used over existing rubber-based coatings for the repair and maintenance of swimming pools ~~over existing chlorinated rubber-based coatings~~.

(56~~55~~) "**Temperature-Indicator Safety Coating**" means a coating labeled and formulated as a color-changing indicator coating for the purpose of monitoring the temperature and safety of the substrate, underlying piping, or underlying equipment, and for application to substrates exposed continuously or intermittently to temperatures above 400°F (204°C).

(57~~56~~) "**Tint Base**" means an architectural coating to which colorant is added after packaging to produce a desired color.

(58~~57~~~~36~~) "**Traffic Marking Coating**" means a coating labeled and ~~which is~~ formulated for marking and stripping ~~and applied to public~~ streets, highways, or other traffic surfaces including, but not limited to, curbs, berms, driveways, ~~and~~ parking lots, sidewalks, and airport runways.

(59~~58~~~~37~~) "**Undercoater**" means a coating labeled and ~~which is~~ formulated ~~for and applied to substrates~~ to provide a smooth surface for subsequent coats.

(60~~59~~~~38~~) "**Varnish**" means a clear or semi-transparent wood coating ~~finish~~, excluding lacquers and shellacs, formulated ~~with various resins~~ to dry by chemical reaction on exposure to air. Varnishes may contain small amounts of pigment to color a surface, or to control the final sheen or gloss of the finish.

(61~~60~~~~39~~) "**Volatile Organic Compound (VOC)**" means the same as defined in Rule 2.

~~any compound of carbon which may be emitted to the atmosphere during the application of or subsequent drying or curing of coatings subject to this rule, except methane, carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, ammonium carbonate, and exempt compounds. VOC content of coatings is expressed in grams of VOC per liter of coating, as applied, less water and less exempt compounds. (Rev. Effective 5/15/96)~~

(62~~61~~) "**VOC Content Per Volume of Coating, Less Water and Exempt Compounds**" means the same as defined in Rule 2 and calculated as specified in Subsection (e)(2).

(63~~62~~) "**VOC Content Per Volume of Material**" means the same as defined in Rule 2 and calculated as specified in Subsection (e)(2).

~~(40) "**Waterproofing Mastic Coating**" means a weatherproof or waterproof coating which is formulated to cover holes and minor cracks and to conceal surface irregularities and which is to be applied in thicknesses of at least 15 mils.~~

(64~~63~~) "**Waterproofing Concrete/Masonry Sealer**" means a clear or pigmented film-forming coating that is labeled and formulated for sealing concrete and masonry to provide resistance against water, alkalis, acids, ultraviolet light, and staining.

(65~~6441~~) "**Waterproofing Sealer**" means a ~~colorless~~ coating labeled and ~~which is~~ formulated for application to a ~~and applied for the sole purpose of protecting~~ porous substrate~~s~~ for the primary purpose of ~~by~~ preventing the penetration of water. ~~and which does not alter surface appearance or texture.~~

(66~~65~~) "**Wood Preservative**" means a coating labeled and formulated to protect exposed wood from decay or insect attack, that is registered with both the U.S. EPA under the Federal Insecticide, Fungicide, and Rodenticide Act (7 United States Code Section 136, *et seq.*) and with the California Department of Pesticide Regulation.

(d) **STANDARDS ~~AND REQUIREMENTS~~**

(1) **VOC CONTENT LIMITS**

Except as provided in Subsections (b)(2), (d)(2), (d)(3), and (d)(5)~~(d)(4)~~, no ~~a~~ person shall ~~not~~:

(i) manufacture, blend, or repackage for sale within San Diego County;

(ii) supply, sell, or offer for sale within San Diego County; ~~apply,~~ or

(iii) solicit for ~~the~~ application or apply within San Diego County, ~~of~~ any architectural coating with a VOC content in excess of the corresponding limits specified in Table I~~1~~ after the specified effective dates.

~~for use within San Diego County which at the time of sale or manufacture contains more than 250 grams of VOC per liter of coating (excluding water and exempt solvents and any colorant added to tint bases).~~

Table 1~~1~~I - VOC Standards

Coating Categories	Effective *(Date of Adoption)* Limit[1,2] lb/gal	(g/l)	Effective 1/1/2003 Limit[1,2] lb/gal	(g/l)	Effective 1/1/2004 Limit[1,2] lb/gal	(g/l)
General Coatings:						
Flat Coatings	2.1	(250)	0.8	(100)		
Nonflat Coatings	2.1	(250)	1.3	(150)		
Nonflat Coatings – High Gloss	2.1	(250)				
Specialty Coatings:						
Antenna Coatings	4.4	(530)				
Antifouling Coatings	3.3	(400)				
Bituminous Roof Coatings	2.5	(300)				
Bituminous Roof Primers	2.9	(350)				
Bond Breakers	2.9	(350)				
Clear Wood Coatings:						
Clear Brushing Lacquer	5.7	(680)				
Lacquers	5.7	(680)	4.6	(550)		
(including lacquer sanding sealers)	4.6	(550)				
Sanding Sealers	~~2.9~~	~~(350)~~	2.9	(350)		
(other than lacquer sanding sealers)						
Varnishes	2.9	(350)				
Concrete Curing Compounds	2.9	(350)				
Dry Fog Coatings	3.3	(400)				
Faux Finishing Coatings	2.9	(350)				
Fire Resistive Coatings	2.9	(350)				
Fire Retardant Coatings:						
Clear	5.4	(650)				
Opaque	2.9	(350)				
	3.3	(400)				
Floor Coatings	~~2.1~~	~~(250)~~	2.1	(250)		
Flow Coatings	3.5	(420)				
Form-Release Compounds	2.1	(250)				
Graphic Arts Coatings (Sign Paints)	4.2	(500)				
	5.4	(650)				
High Temperature Coatings	~~3.5~~	~~(420)~~	3.5	(420)		
	3.5	(420)				
Industrial Maintenance Coatings	~~2.8~~	~~(340)~~			2.1	(250)
Low-Solids Coatings[3]	1.0	(120)				
	5.0	(600)				
Magnesite Cement Coatings	~~3.8~~	~~(450)~~	3.8	(450)		
Mastic Texture Coatings	2.5	(300)				
Metallic Pigmented Coatings	4.2	(500)				
	4.8	(580)				
Multi-Color Coatings	~~3.5~~	~~(420)~~	2.1	(250)		
	6.5	(780)				
Pre-Treatment Wash Primers	~~3.5~~	~~(420)~~	3.5	(420)		
Primers, Sealers, and Undercoaters	2.9	(350)	1.7	(200)		
Quick-Dry Enamels	3.3	(400)	2.1	(250)		
	4.4	(525)				
Quick-Dry Primers, Sealers, Undercoaters	~~3.8~~	~~(450)~~	1.7	(200)		
Recycled Coatings	2.1	(250)				

Table I - VOC Standards - Continued

Coating Categories	Effective *(Date of Adoption)* Limit[1,2] lb/gal	(g/l)	Effective 1/1/2003 Limit[1,2] lb/gal	(g/l)	Effective 1/1/2004 Limit[1,2] lb/gal	(g/l)
	2.5	(300)				
Roof Coatings	~~2.1~~	~~(250)~~	2.1	(250)		
Rust Preventative Coatings[4]	3.3	(400)				
Shellacs:						
Clear	6.1	(730)				
Opaque	4.6	(550)				
Specialty Primers, Sealers, and Undercoaters	2.9	(350)				
Stains	2.9	(350)	2.1	(250)		
	5.4	(650)				
Swimming Pool Coatings	~~2.8~~	~~(340)~~	2.8	(340)		
	5.4	(650)				
Swimming Pool Repair & Maintenance Coatings	~~2.8~~	~~(340)~~	2.8	(340)		
Temperature-Indicator Safety Coatings	4.6	(550)				
	2.1	(250)				
Traffic Marking Coatings	~~1.3~~	~~(150)~~	1.3	(150)		
Waterproofing Sealers	3.3	(400)	2.1	(250)		
Waterproofing Concrete/Masonry Sealers	3.3	(400)				
Wood Preservatives	2.9	(350)				

[1] Remains in effect unless revised limits are indicated in subsequent columns. The VOC content limits take into account the "Manufacturer's Maximum Thinning Recommendation," if any.

[2] Expressed in ~~lb~~pounds VOC per gallon (or grams VOC per liter) of coating, as applied, less water, ~~and~~ exempt compounds, and colorant added to tint bases.

[3] VOC content limits are expressed in ~~lb~~pounds of VOC per gallon (or grams of VOC per liter) of coating, as applied, including water and exempt compounds.

~~[4] *Effective January 1, 2004, this category only applies to non-industrial uses. Industrial uses are regulated under Industrial Maintenance Coatings on or after January 1, 2004.*~~

(2) **COATINGS NOT LISTED IN TABLE ~~1~~I**

For any coating that does not meet any of the definitions for the specialty coatings categories listed in Table ~~1~~I, the VOC content limit shall be determined by classifying the coating as a flat coating or a nonflat coating, based on its gloss, as defined in Subsections (c)(21), (c)(35) and (c)(36) and the corresponding flat or nonflat VOC content limit shall apply.

(3) **MOST RESTRICTIVE VOC LIMITS**

If anywhere on the container of any architectural coating, or any label or sticker affixed to the container, or in any sales, advertising, or technical literature supplied by a manufacturer or anyone acting on their behalf, any representation is made that indicates that the coating meets the definition of or is recommended for use for more than one of the

coating categories listed in Table ~~1~~I, then the most restrictive VOC content limit shall apply. This provision does not apply to the coating categories specified below:

(i) Antenna coatings,

(ii) Antifouling Coatings,

(iii)~~(ii)~~ Bituminous roof primers,

(iv)~~(iii)~~ Fire-retardant coatings,

(v)~~(iv)~~ Flow coatings (Electrical Transformers),

(vi)~~(v)~~ High-temperature coatings,

(vii)~~(vi)~~ Industrial maintenance coatings,

(viii)~~(vii)~~ Lacquers (including lacquer sanding sealers),

(ix)~~(viii)~~ Low-solids coatings,

(x)~~(ix)~~ Metallic pigmented coatings,

(xi)~~(x)~~ Pre-treatment wash primers,

(xii)~~(xi)~~ Shellacs,

(xiii)~~(xii)~~ Specialty primers, sealers, and undercoaters,

(xiv)~~(xiii)~~ Temperature-indicator safety coatings, or

(xv)~~(xiv)~~ Wood preservatives.

(4) **SELL-THROUGH OF COATINGS**

(i) A coating manufactured prior to the January 1, 2003, or January 1, 2004, effective date specified for that coating in Table ~~1~~I may be sold, supplied, or offered for sale for up to three years after the specified effective date. In addition, a coating manufactured before the effective date specified for that coating in Table ~~1~~I may be applied at any time, both before and after the specified effective date, so long as the coating complied with the standards in effect at the time the coating was manufactured. This Subsection does not apply to any coating that does not display the date or date-code required by Subsection (e)(1)(i).

(ii) A coating included in an approved Averaging Program that does not comply with the specified limit in Table ~~1~~I may be sold, supplied, or offered for sale for up to three years after the end of the compliance period specified in the approved Averaging Program. In addition, such a coating may be applied at any time, both

during and after the compliance period. This Subsection does not apply to any coating that does not display on the container either the statement: "This product is subject to architectural coating averaging provisions in California" or a substitute symbol specified by the Executive Officer of the CARB. This Subsection shall remain in effect until January 1, 2008.

(5) **RUST PREVENTIVE COATINGS**

After ~~Effective~~ January 1, 2004, a ~~no~~ person shall only apply or solicit the application of a ~~any~~ rust preventative coating for non-industrial uses, unless the ~~such a~~ rust preventative coating complies with the industrial maintenance coating VOC limit specified in Table ~~1~~I.

(6) **STATEWIDE AVERAGING COMPLIANCE OPTION**

On or after January 1, 2003, in lieu of compliance with the limits specified in Table~~1~~I for floor coatings; industrial maintenance coatings; primers, sealers, and undercoaters; quick-dry primers, sealers, and undercoaters; quick-dry enamels; roof coatings; bituminous roof coatings; rust preventative coatings; stains; waterproofing sealers, as well as flats and nonflats (excluding recycled coatings), manufacturers may average designated coatings such that their actual ~~statewide~~ cumulative emissions from the averaged coatings are less than or equal to the cumulative ~~statewide~~ emissions that would have been allowed under those limits over a compliance period not to exceed one year. Such manufacturers must also comply with the ~~statewide~~ averaging provisions contained in Appendix A, as well as maintain and make available for inspection records for at least three years after the end of the compliance period. This Subsection and Appendix A shall cease to be effective on January 1, 2005, after which averaging will no longer be allowed.

(7) **THINNING**

No person who applies or solicits the application of any architectural coating shall apply a coating that is thinned to exceed the applicable VOC limit specified in Table I.

(8) **PAINTING PRACTICES**

Any person who stores, transfers, applies or otherwise uses architectural coatings, thinners, cleanup solvents, or other materials which contain volatile organic compounds shall comply with the requirements of Rule 67.17 – Storage of Materials Containing Volatile Organic Compounds.

~~(2) A person shall not manufacture, blend or repackage for use or sale within San Diego County any architectural coating listed in the table of standards below which contains VOC (excluding water and exempt solvents, and excluding any colorant added to tint bases), in excess of the corresponding limit specified in the following table, after the corresponding date specified.~~

~~Table of Standards~~
~~(grams of VOC per liter)~~

	~~Effective 12/1/87~~	~~Effective 2/2/90~~
~~Below-Ground Wood Preservative~~		~~600~~
~~Bond Breakers~~		~~350~~
~~Concrete-Curing Compounds~~	~~350~~	~~350~~
~~Dry-Fog Coatings~~	~~400~~	~~400~~
~~Fire-Retardant Coating~~		
~~Clear~~		~~650~~
~~Pigmented~~		~~350~~
~~Form-Release Compounds~~	~~250~~	
~~Graphics Arts (Sign) Coatings~~		~~500~~
~~High-Temperature Industrial Maint. Coatings~~		~~650~~
~~Industrial Maintenance Anti-graffiti Coatings~~		~~600~~
~~Industrial Maintenance Coatings~~	~~420~~	~~420~~
~~Lacquer~~	~~680~~	~~680~~
~~Magnesite Cement Coatings~~		~~600~~
~~Mastic Texture Coatings~~		~~300~~
~~Metallic-Pigmented Coatings~~		~~500~~
~~Multi-Color Coatings~~		~~580~~
~~Opaque Stains~~	~~350~~	~~350~~
~~Opaque Wood Preservatives~~	~~350~~	~~350~~
~~Pretreatment (Wash) Primer~~		~~780~~
~~Primers, Sealers & Undercoaters~~	~~350~~	~~350~~
~~Quick Dry Enamels~~	~~400~~	~~400~~
~~Quick Dry Primers, Sealers & Undercoaters~~		~~525~~
~~Roof Coatings~~	~~300~~	~~300~~
~~Sanding Sealers~~		~~550~~
~~Semi-Transparent Stains~~	~~350~~	~~350~~
~~Semi-Transparent & Clear Wood~~		
~~Preservatives~~	~~350~~	~~350~~
~~Shellac~~		
~~Clear~~		~~730~~
~~Pigmented~~		~~550~~
~~Swimming Pool Coatings~~		~~650~~
~~Swimming Pool Repair & Maintenance Coatings~~		~~650~~
~~Traffic Paints~~		~~250~~
~~Varnish~~	~~350~~	~~350~~
~~Waterproofing Sealers~~	~~400~~	~~400~~
~~Waterproofing Mastic Coatings~~	~~300~~	~~300~~

~~(3) A person shall not supply, ship or distribute into San Diego County any architectural coating, for use within San Diego County, subject to the requirements of Sub-section (d)(2) which contains VOC (excluding water and exempt solvents, and excluding any colorant added to tint bases) in excess of the corresponding limit specified in the Table of Standards in Subsection (d)(2) for more than three months after December 4, 1990.~~

~~(4) A person shall not sell, offer for sale, apply or solicit the application of any architectural coating subject to the requirements of Subsection (d)(2) for use within San Diego County which, at the time of sale, contains VOC (excluding water and exempt solvents, and excluding any colorant added in tint bases) in excess of the corresponding new or revised limit that is effective on February 2, 1990 specified in the Table of Standards in Subsection (d)(2) for more than three years after the effective date of the standard.~~

~~(5) A person shall not sell, offer for sale, or supply any architectural coating for use within San Diego County unless the coating container displays the date of manufacture of the contents or a code indicating the dates of manufacture. The manufacturers of such coatings shall file an explanation of each code with the Air Pollution Control Officer and the Executive Officer of the CARB.~~

~~(6) A person shall not sell, offer for sale, or supply any architectural coating for use within San Diego County unless the coating container carries a statement of the manufacturer's recommendation regarding thinning of the coating. This requirement shall not apply to the thinning of architectural coatings with water. A person shall not sell or offer for sale any architectural coating for use within San Diego County unless the thinning recommended on the label for normal environmental and application conditions would not cause the coating to exceed its applicable standard.~~

~~(7) A person shall not manufacture, sell, or offer for sale any architectural coating manufactured after December 4, 1991 for use within San Diego County unless the coating container or top of the lid displays the maximum VOC content of the coating as applied and after any thinning as recommended by the manufacturer. The VOC content shall be displayed as grams of VOC per liter of coating (less water and exempt solvents and excluding any colorant added to tint bases). The VOC content displayed may be calculated using product formulation data or may be determined using the test method in Section (h).~~

(e) **ADMINISTRATIVE REQUIREMENTS**

(1) **CONTAINER LABELING REQUIREMENT:**

Each manufacturer of any architectural coating subject to this rule shall display the information listed in Subsections (e)(1)(i) through (e)(1)(ix) on the coating container (or label) in which the coating is sold or distributed.

(i) **Date Code:** The date the coating was manufactured, or a date code representing the date, shall be indicated on the label, lid, or bottom of the container. If the manufacturer uses a date code for any coating, the manufacturer shall file an explanation of each code with the Executive Officer of the CARB.

(ii) **Thinning Recommendations:** A statement of the manufacturer's recommendation regarding thinning of the coating shall be indicated on the label or lid of the container. This requirement does not apply to the thinning of architectural coatings with water. If thinning of the coating prior to use is not necessary, the recommendation must specify that the coating is to be applied without thinning.

(iii) **VOC Content:** Each container of any coating subject to this rule shall display either the maximum or the actual VOC content of the coating, as supplied, including the maximum thinning as recommended by the manufacturer. VOC content shall be displayed as grams of VOC per liter of coating. VOC content displayed shall be calculated using product formulation data or determined using the test methods in Subsection (f)(2). The equations in Subsection (e)(2) shall be used to calculate VOC content.

(iv) **Industrial Maintenance Coatings**: In addition to the information specified in Subsections (e)(1)(i), (e)(1)(ii), and (e)(1)(iii), each manufacturer of any industrial maintenance coating subject to this rule shall display on the label or lid of the container in which the coating is sold or distributed one or more of the descriptions listed in Subsections (e)(1)(iv)(A) through (e)(1)(iv)(C).

(A) "For industrial use only."

(B) "For professional use only."

(C) "Not for residential use" or "Not intended for residential use."

(v) **Clear Brushing Lacquers:** Effective January 1, 2003, the labels of all clear brushing lacquers shall prominently display the statements "For brush application only," and "This product must not be thinned or sprayed."

(vi) **Rust Preventative Coatings:** Effective January 1, 2003, the labels of all rust preventative coatings shall prominently display the statement "For Metal Substrates Only."

(vii) **Specialty Primers, Sealers, and Undercoaters:** Effective January 1, 2003, the labels of all specialty primers, sealers, and undercoaters shall prominently display one or more of the descriptions listed in Subsections (e)(1)(vii)(A) through (e)(1)(vii)(E).

(A) For blocking stains.

(B) For fire-damaged substrates.

(C) For smoke-damaged substrates.

(D) For water-damaged substrates.

(E) For excessively chalky substrates.

(viii) **Quick-Dry Enamels:** Effective January 1, 2003, the labels of all quick-dry enamels shall prominently display the words "Quick Dry" and the dry hard time.

(ix) **Nonflat–High Gloss Coatings:** Effective January 1, 2003, the labels of all nonflat–high gloss coatings shall prominently display the words "High Gloss."

(2) **CALCULATION OF VOC CONTENT**

For the purpose of determining compliance with the VOC content limits in Table ~~1~~I, the VOC content of a coating shall be determined by using the procedures described in Subsections (e)(2)(i) or (e)(2)(ii), as appropriate. The VOC content of a tint base shall be determined without colorant that is added after the tint base is manufactured.

(i) With the exception of low-solids ~~-~~coatings, determine the VOC content in grams of VOC per liter of coating thinned to the manufacturer's maximum thinning recommendation, excluding the volume of any water and exempt compounds. Determine the VOC content using the following equation:

$$\text{VOC Content} = (W_s - W_w - W_{ec}) / (V_m - V_w - V_{ec})$$

Where: VOC content = grams of VOC per liter of coating

W_s = weight of all volatiles, in grams

W_w = weight of water, in grams

W_{ec} = weight of exempt compounds, in grams

V_m = volume of coating, in liters

V_w = volume of water, in liters

V_{ec} = volume of exempt compounds, in liters

(ii) For low-solids coatings, determine the VOC content in units of grams of VOC per liter of coating thinned to the manufacturer's maximum recommendation, including the volume of any water and exempt compounds. Determine the VOC content using the following equation:

$$\text{VOC Content}_{ls} = (W_s - W_w - W_{ec}) / (V_m)$$

Where: VOC content_{ls} = the VOC content of a low solids coating in grams of VOC per liter of coating

W_s = weight of all volatiles, in grams

W_w = weight of water, in grams

W_{ec} = weight of exempt compounds, in grams

V_m = volume of coating, in liters

(f) **MONITORING AND RECORDS**

(1) **REPORTING REQUIREMENTS**

(i) **Clear Brushing Lacquers:** Each manufacturer of clear brushing lacquers shall, on or before April 1 of each calendar year beginning in the year 2004, submit an annual written report to the Executive Officer of the CARB. The report shall specify the number of gallons of clear brushing lacquers sold in California during the preceding calendar year, and shall describe the method used by the manufacturer to calculate State sales.

(ii) **Rust Preventative Coatings:** Each manufacturer of rust preventative coatings shall, on or before April 1 of each calendar year beginning in the year 2004, submit an annual written report to the Executive Officer of the CARB. The report shall specify the number of gallons of rust preventative coatings sold in California

during the preceding calendar year, and shall describe the method used by the manufacturer to calculate State sales.

(iii) **Specialty Primers, Sealers, and Undercoaters:** Each manufacturer of specialty primers, sealers, and undercoaters shall, on or before April 1 of each calendar year beginning in the year 2004, submit an annual written report to the Executive Officer of the CARB. The report shall specify the number of gallons of specialty primers, sealers, and undercoaters sold in California during the preceding calendar year, and shall describe the method used by the manufacturer to calculate State sales.

(iv) **Toxic Exempt Compounds:** For each architectural coating that contains perchloroethylene or methylene chloride, the manufacturer shall, on or before April 1 of each calendar year beginning in the year 2004, report in writing to the Executive Officer of the CARB the following information for products sold in California during the preceding year:

(A) the product brand name and a copy of the product label with legible usage instructions;

(B) the product category listed in Table ~~1~~I to which the coating belongs;

(C) the total sales in California during the calendar year to the nearest gallon; the volume percent, to the nearest 0.10 percent, of perchloroethylene and methylene chloride in the coating.

(v) **Recycled Coating:** Manufacturers of recycled coatings must submit a letter to the Executive Officer of the CARB certifying their status as a Recycled Paint Manufacturer. The manufacturer shall, on or before April 1 of each calendar year beginning in the year 2004, submit an annual written report to the Executive Officer of the CARB. The report shall include, for all recycled coatings, the total number of gallons distributed in California during the preceding year, and shall describe the method used by the manufacturer to calculate California's distribution.

(vi) **Bituminous Coatings:** Each manufacturer of bituminous roof coatings or bituminous roof primers shall, on or before April 1 of each calendar year beginning in the year 2004, submit an annual written report to the Executive Officer of the CARB. The report shall specify the number of gallons of bituminous roof coatings or bituminous roof primers sold in California during the preceding calendar year, and shall describe the method used by the manufacturer to calculate California's sales.

(2) **TESTING PROCEDURES**

(i) **VOC Content:** To determine the physical properties of a coating in order to perform the Subsection (e)(2)calculations, the reference method for VOC content is U.S. EPA Method 24, incorporated by reference in Subsection (f)(2) (iv)(K), except as provided in Subsections (f)(2)(ii) and (f)(2)(iii). An alternative method to determine the VOC content of coatings is SCAQMD Method 304-91 (Revised February 1996), incorporated by reference in Subsection (f)(2)(iv)(L). The exempt compounds content shall be determined by South Coast Air Quality Management District (SCAQMD) Method 303-91 (Revised August 1996), incorporated by reference in Subsection (f)(2)(iv)(J). To determine the VOC content of a coating, the manufacturer may use U.S. EPA Method 24, or an alternative method as provided in Subsection (f)(2)(ii), formulation data, or any other reasonable means for predicting that the coating has been formulated as intended (e.g. quality assurance checks, recordkeeping). However, if there are any inconsistencies between the results of a Method 24 test and any other means for determining VOC content, the Method 24 test results will govern, except when an alternative method is approved as specified in Subsection (f)(2)(ii). The Air Pollution Control Officer may require the manufacturer to conduct a Method 24 analysis.

(ii) **Alternative Test Method:** Other test methods demonstrated to provide results that are acceptable for purposes of determining compliance with Subsection (f)(2)(i), after review and approval in writing by the staffs of the District, the CARB, and the U.S. EPA, may also be used.

(iii) **Methacrylate Traffic Marking Coatings:** Analysis of methacrylate multi-component coatings used as traffic marking coatings shall be conducted

according to a modification of U.S. EPA Method 24 (Appendix A), incorporated by reference in Subsection (f)(2)(iv)(M). This method has not been approved for methacrylate multi-component coatings used for purposes other than as traffic marking coatings or for other classes of multi-component coatings.

(iv) **Test Methods:** The following test methods are incorporated by reference herein, and shall be used to test coatings subject to provisions of this rule:

(A) Flame Spread Index: The flame spread index of a fire-retardant coating shall be determined by ASTM Designation E 84-99, "Standard Test Method for Surface Burning Characteristics of Building Materials," (see Subsection (c)(20), Fire-Retardant Coating).

(B) Fire Resistance Rating: The fire resistance rating of a fire-resistive coating shall be determined by ASTM Designation E 119-98, "Standard Test Methods for Fire Tests of Building Construction Materials," (see Subsection (c)(19), Fire-Resistive Coating).

(C) Gloss Determination: The gloss of a coating shall be determined by ASTM Designation D 523-89 (1999), "Standard Test Method for Specular Gloss," (see Subsections (c)(21), (c)(35), (c)(36) and (c)(41), Flat Coating, Nonflat Coating, Nonflat-High Gloss Coating, and Quick-Dry Enamels).

(D) Metal Content of Coatings: The metallic content of a coating shall be determined by SCAQMD Method 318-95, "Determination of Weight Percent Elemental Metal in Coatings by X-Ray Diffraction," SCAQMD "Laboratory Methods of Analysis for Enforcement Samples," (see Subsection (c)(33), Metallic Pigmented Coating).

(E) Acid Content of Coatings: The acid content of a coating shall be determined by ASTM Designation D 1613-96, "Standard Test Method for Acidity in Volatile Solvents and Chemical Intermediates Used in Paint, Varnish, Lacquer, and Related Products," (see Subsection (c)(39), Pre-Treatment Wash Primers).

(F) Drying Times: The set-to-touch, dry-hard, dry-to-touch, and dry-to-recoat times of a coating shall be determined by ASTM Designation D 1640-95, "Standard Test Methods for Drying, Curing, or Film Formation of Organic Coatings at Room Temperature~~,~~" (see Subsections (c)(41) and (c)(42), Quick-Dry Enamel and Quick-Dry Primer, Sealer, and Undercoater). The tack-free time of a quick-dry enamel coating shall be determined by the Mechanical Test Method of ASTM Designation D 1640-95.

(G) Surface Chalkiness: The chalkiness of a surface shall be determined using ASTM Designation D 4214-98, "Standard Test Methods for Evaluating the Degree of Chalking of Exterior Paint Films~~,~~" (see Subsection (c)(52~~51~~), Specialty Primer, Sealer, and Undercoater).

(H) Exempt Compounds – Siloxanes: Exempt compounds that are cyclic, branched, or linear completely methylated siloxanes, shall be analyzed as exempt compounds (for compliance with Subsection (e)(2)) by Bay Area Air Quality Management District (BAAQMD) District Method 43, "Determination of Volatile Methylsiloxanes in Solvent-Based Coatings, Inks, and Related Materials," BAAQMD Manual of Procedures, Volume III, adopted 11/6/96, (see Subsection (c)(61~~60~~), Volatile Organic Compounds and Subsection (e)(2)(i)).

(I) **(**Exempt Compounds – Parachlorobenzotrifluoride PCBTF): The exempt compound parachlorobenzotrifluoride, shall be analyzed as an exempt compound for compliance with Subsection(f)(2) by BAAQMD Method 41, "Determination of Volatile Organic Compounds in Solvent-Based Coatings and Related Materials Containing Parachlorobenzotrifluoride," BAAQMD Manual of Procedures, Volume III, adopted 12/20/95, (see Subsection (c)(61~~60~~), Volatile Organic Compound and Subsection (f)(2)(i)).

(J) Exempt Compounds: The content of compounds exempt under U.S. EPA Method 24 shall be analyzed by SCAQMD Method 303-91 (August ~~Revised~~ 1996~~3~~), "Determination of Exempt Compounds," SCAQMD

"Laboratory Methods of Analysis for Enforcement Samples~~,~~" (see Subsection (c)(61~~60~~), Volatile Organic Compound and Subsection (f)(2)(i)).

(K) VOC Content of Coatings: The VOC content of a coating shall be determined by U.S. EPA Method 24 as it exists in appendix A of 40 Code of Federal Regulations (CFR) part 60, "Determination of Volatile Matter Content, Water Content, Density, Volume Solids, and Weight Solids of Surface Coatings~~,~~" (see Subsection (f)(2)(i)).

(L) Alternative VOC Content of Coatings: The VOC content of coatings may be analyzed either by U.S. EPA Method 24 or SCAQMD Method 304-91 (February ~~Revised~~ 1996~~3~~), "Determination of Volatile Organic Compounds (VOC) in Various Materials," SCAQMD "Laboratory Methods of Analysis for Enforcement Samples~~,~~" (see Subsection (f)(2)(i)).

(M) Methacrylate Traffic Marking Coatings: The VOC content of methacrylate multi-component coatings used as traffic marking coatings shall be analyzed by the procedures in 40 CFR Part 59, Subpart D, Appendix A, "Determination of Volatile Matter Content of Methacrylate Multicomponent Coatings Used as Traffic Marking Coating~~,~~" (September 11,1998), (see Subsection (f)(2)(i)).

Existing Sections (e), (f) and (g) are deleted in their entirety.

~~(e) If anywhere on the container of any coating listed on the Table of Standards, on any sticker or label affixed thereto, or in any sales or advertising literature, any representation is made that the coating may be used as, or is suitable for use as, a coating for which a lower VOC standard is specified in the table or in Subsection (d)(1), then the lowest VOC standard shall apply. This requirement does not apply to the representation of the following coatings in the manner specified:~~

~~(1) High Temperature Industrial Maintenance Coatings, which may be represented as metallic-pigmented coatings for use consistent with the definition of high temperature industrial maintenance coatings;~~

~~(2) Lacquer Sanding Sealers, which may be recommended for use as sanding sealers in conjunction with clear lacquer topcoats;~~

~~(3) Metallic-Pigmented Coatings, which may be recommended for use as primers, sealers, undercoaters, roof coatings, or industrial maintenance coatings;~~

(4) Shellacs; and

(5) Fire Retardant Coatings.

(f) Rule 66 shall not apply to the sale or application of coatings subject to this rule.

(g) **TEST METHODS**

Measurement of VOC in architectural coatings shall be conducted and reported in accordance with EPA Test Method 24 (40 CFR 60, Appendix A) as it exists on December 4, 1990.

Measurement of the water content and exempt solvent content shall be conducted and reported in accordance with ASTM Test Methods D 4457-85 and D 3792-86.

Calculation of the VOC content of coatings less water and exempt solvents shall be performed in accordance with ASTM Standard Practice D 3960-87.

Measurement of acid content shall be conducted and reported in accordance with ASTM Test Method D 1613-81.

Measurement of elemental metal content shall be conducted and reported in accordance with the Spectrographic Method used by Pacific Spectrochemical Laboratory, Inc. for the analysis of carbon dust and carbon laminates, as it exists on December 4, 1990.

New proposed Appendix A is added to Rule 67.0.

Appendix A

A.1 AVERAGING PROVISION

The manufacturer shall demonstrate that actual emissions from the coatings being averaged are less than or equal to the allowable emissions, for the specified compliance period using the following equation:

$$\sum_{i=1}^{n} GiMi \leq \sum_{i=1}^{n} GiViLi$$

Where:

$\sum_{i=1}^{n} GiMi$ = Actual Emissions

$\sum_{i=1}^{n} GiViLi$ = Allowable Emissions

Gi = Total Gallons of Product (i) subject to Averaging;

Mi = Material VOC Content of Product (i), in pounds per gallon;

$$Mi = \frac{Ws - Ww - Wec}{Vm}$$

Vi = Percent by Volume Solids and VOC in Product (i);

$$Vi = \frac{Vm - Vw - Vec}{Vm}$$

Where: Ws, Ww, Wec, Vm, Vw, and Vec are defined in Subsection (e)(2), except that in this Appendix weights are in pounds and volumes are in gallons.

For Non-Zero VOC Coatings:

$$Vi = \frac{\text{Material VOC (also known as VOC Actual)}}{\text{Coating VOC (also known as VOC Regulatory)}}$$

Where: $\text{Coating VOC} = \frac{Ws - Ww - Wec}{Vm - Vw - Vec}$

For Zero VOC Coatings:

Vi = Percent Solids by Volume

Li = Regulatory VOC Content Limit for Product (i), in pounds per gallon (as listed in Table ~~1~~I)

The averaging is limited to coatings that are designated by the manufacturer. Any coating not designated in the averaging Program shall comply with the VOC limit in Table ~~1~~I. The manufacturer shall not include any quantity of coatings that it knows or should have known will not be used in California, if statewide coatings data are used. If district-specific coatings data are used, the manufacturer shall not include any quantity of coatings that it knows or should have known will not be used in the District.

A.1.1 In addition to the requirements specified in Section A.1, manufacturers shall not include in an Averaging Program any coating with a VOC content in excess of the following maximum VOC content, for the applicable categories.

Averaging Categories and VOC Ceiling (Maximum VOC Allowed)				
Category	~~Rule~~/VOC Limit ~~(In Effect or~~ E~~e~~ffective 1/1/2003 ~~or 1/1/2004)~~		Averaging VOC Ceiling (Maximum)	
	lb/gal	g/l	lb/gal	g/l
Flat Coating	0.8	100	2.1	250
Nonflat Coating	1.3	150	2.1	250
Floor Coatings	2.1	250	3.3	400
Industrial Maintenance Coatings	2.1*	250*	3.5	420
Primers, Sealers, and Undercoaters	1.7	200	2.9	350
Quick-Dry Primers, Sealers, & Undercoaters	1.7	200	3.8	450
Quick-Dry Enamels	2.1	250	3.3	400
Roof Coatings	2.1	250	2.1	250 ~~300~~
Bituminous Roof Coatings	2.5	300	2.1	300
Rust Preventative Coatings	3.3	400	3.3	400
Stains	2.1	250	2.9	350
Waterproofing Sealers	2.1	250	3.3	400

*Effective 1/1/2004

A.2 AVERAGING PROGRAM (PROGRAM)

At least six months prior to the start of the compliance period, manufacturers shall submit an Averaging Program to the Executive Officer of the Air Resources Board. As used in this Appendix A, "Executive Officer" means the Executive Officer of the Air Resources Board. Averaging may not be implemented until the Program is approved in writing by the Executive Officer.

Within 45 days of submittal of a complete Program, the Executive Officer shall either approve or disapprove the Program. The Program applicant and the Executive Officer may agree to an extension of time for the Executive Officer to take action on the Program.

A.3 GENERAL REQUIREMENTS

The Program shall include all necessary information for the Executive Officer to make a determination as to whether the manufacturer may comply with the averaging requirements over the specified compliance period in an enforceable manner. Such information shall include, but is not limited to, the following:

A.3.1 An identification of the contact persons, telephone numbers, and name of the manufacturer who is submitting the Program.

A.3.2 An identification of each coating that has been selected by the manufacturer for inclusion in this program that exceeds the applicable VOC limit in Table ~~1~~I, its VOC content specified in units of both VOC actual and VOC regulatory, and the designation of the coating category.

A.3.3 A detailed demonstration showing that the projected actual emissions will not exceed the allowable emissions for a single compliance period that the Program will be in effect. In addition, the demonstration shall include VOC content information for each coating that is below the compliance limit in Table ~~1~~I. The demonstration shall use the equation specified in Section A.1 of this Appendix for projecting the actual emissions and allowable emissions during each compliance period. The demonstration shall also include all VOC content levels and projected volume sold within the State for each coating listed in the Program during each compliance period. The requested data can be summarized in a matrix form.

A.3.4 A specification of the compliance period(s) and applicable reporting dates. The length of the compliance period shall not be more than one year or less than six months.

A.3.5 An identification and description of all records to be made available to the Executive Officer upon request, if different than those identified under Section A.3.6.

A.3.6 An identification and description of specific records to be used in calculating emissions for the Program and subsequent reporting, and a detailed explanation as to how those

records will be used by the manufacturer to verify compliance with the averaging requirements.

A.3.7 A statement, signed by a responsible party for the manufacturer, that all information submitted is true and correct, and that records will be made available to the Executive Officer upon request.

A.4 REPORTING REQUIREMENTS

A.4.1 For every single compliance period, the manufacturer shall submit a mid-term report listing all coatings subject to averaging during the first half of the compliance period, detailed analysis of the actual and allowable emissions at the end of the mid-term, and an explanation as to how the manufacturer intends to achieve compliance by the end of the compliance period. The report shall be signed by the responsible party for the manufacturer, attesting that all information submitted is true and correct. The mid-term report shall be submitted within 45 days after the midway date of the compliance period. A manufacturer may request, in writing, an extension of up to 15 days for submittal of the mid-term report.

A.4.2 Within 60 days after the end of the compliance period or upon termination of the Program, whichever is sooner, the manufacturer shall submit to the Executive Officer a report listing all coatings subject to averaging during the compliance period, providing a detailed demonstration of the balance between the actual and allowable emissions for the compliance period, any identification and description of specific records used by the manufacturer to verify compliance with the averaging requirement, and any other information requested by the Executive Officer to determine whether the manufacturer complied with the averaging requirements over the specified compliance period. The report shall be signed by the responsible party for the manufacturer, attesting that all information submitted is true and correct, and that records will be made available to the Executive Officer upon request. A manufacturer may request, in writing, an extension of up to 30 days for submittal of the final report.

A.5 RENEWAL OF A PROGRAM

A Program automatically expires at the end of the compliance period. The manufacturer may request a renewal of the Program by submitting a renewal request that shall include an updated Program, meeting all applicable Program requirements. The renewal request will be considered conditionally approved until the Executive Officer makes a final decision to deny or approve the renewal request based on a determination of whether the manufacturer is likely to comply with the averaging requirements. The Executive Officer shall base such determination on all available information, including but not limited to, the mid-term and the final reports of the preceding compliance period. The Executive Officer shall make a decision to deny or approve a renewal request no later than 45 days from the date of the final report submittal, unless the manufacturer and the Executive Officer agree to an extension of time for the Executive Officer to take action on the renewal request.

A.6 MODIFICATION OF A PROGRAM

A manufacturer may request a modification of the Program at any time prior to the end of the compliance period. The Executive Officer shall take action to approve or disapprove the modification request no longer than 45 days from the date of its submittal. No modification of the compliance period shall be allowed. A Program need not be modified to specify additional coatings to be averaged that are below the applicable VOC limits.

A.7 TERMINATION OF A PROGRAM

A.7.1 A manufacturer may terminate its Program at any time by filing a written notification to the Executive Officer. The filing date shall be considered the effective date of the termination, and all other provisions of this rule including the VOC limits shall immediately thereafter apply. The manufacturer shall also submit a final report 60 days after the termination date. Any exceedance of the actual emissions over the allowable emissions over the period that the Program was in effect shall constitute a separate violation for each day of the entire compliance period.

A.7.2 The Executive Officer may terminate a Program if any of the following circumstances occur:

A.7.2.1 The manufacturer violates the requirements of the approved Program, and at the end of the compliance period, the actual emissions exceed the allowable emissions.

A.7.2.2 The manufacturer demonstrates a recurring pattern of violations and has consistently failed to take the necessary steps to correct those violations.

A.8 CHANGE IN VOC LIMITS

If the VOC limits of a coating listed in the Program are amended such that its effective date is less than one year from the date of adoption, the affected manufacturer may base its averaging on the prior limits of that coating until the end of the compliance period immediately following the date of adoption.

A.9 LABELING

Each container of any coating that is included in averaging program, and that exceeds the applicable VOC limit in the table in Section 301 shall display the following statement: "This product is subject to architectural coatings averaging provisions in California." A symbol specified by the Executive Officer may be used as a substitute.

A.10 VIOLATIONS

The exceedance of the allowable emissions for any compliance period shall constitute a separate violation for each day of the compliance period. However, any violation of the requirements of the Averaging Provision of this rule, which the violator can demonstrate~~,~~ to the Executive Officer, did not cause or allow the emission of an air

contaminant and was not the result of negligent or knowing activity may be considered a minor violation.

A.11 SUNSET OF AVERAGING PROVISION

The averaging provision set forth in Appendix A shall cease to be effective on January 1, 2005, after which averaging will no longer be allowed.

ATTACHMENT V

Proposed Amendments to Rule 67.0 Architectural Coatings Socioeconomic Impact Analysis

The Air Resources Board (ARB) analyzed the economic impacts that would result from implementation of the Suggested Control Measure (SCM) volatile organic compound (VOC) content limits. In addition, the South Coast Air Quality Management District (SCAQMD) analyzed economic impacts when it amended its architectural coating Rule 1113 in 1996 and 1999. The interim VOC limits from those adoptions and the June 2000 SCM adopted by ARB are consistent. SCAQMD routinely runs regional economic models to determine socioeconomic impacts of its rule adoptions and did so for its Rule 1113 adoptions. ARB and the District have evaluated the results of this modeling analysis and believe that it provides a worst-case scenario for potential employment impacts in San Diego when interpolated by population correction factors. The applicability of these results to the San Diego area is premised on the idea that economic relationships between San Diego and South Coast suppliers and users of architectural coatings do not differ significantly.

Correspondence from ARB states that its analysis (Chapter VIII, Economic Impacts, from the SCM staff report) is appropriate for use by the San Diego County Air Pollution Control District (District) for determining costs and economic impacts from the proposed amendments to Rule 67.0 (Kenny, Oct. 24, 2000). In addition, this ARB letter confirms the District's assessment that it is not necessary to use a regional economic model to perform the economic analysis for the purpose of adopting amendments to Rule 67.0 "because the cost increase associated with the SCM is small."

Thus, for the purpose of this socioeconomic impact analysis, the District has summarized the relevant published cost, economic, and employment impacts from ARB and SCAQMD reports without doing additional economic surveys or running economic computer models.

Types of Affected Business and Industry Including Small Business

The proposed amendments to Rule 67.0 would potentially impact: (i) industries engaged in manufacturing paint, varnishes, enamels and allied products (SIC 2851); (ii) end users of architectural coatings, including do-it-yourself consumers, painting contractors (SIC 1721) that may be small businesses, and maintenance personnel; and (iii) suppliers, sellers, and solicitors of architectural coatings (SIC 5198, 5231). New construction and maintenance of the following may be impacted by these proposed amendments:

- Buildings
- Transportation infrastructure
- Industrial structures such as aboveground tanks
- Any stationary structure or appurtenance

EMPLOYMENT AND ECONOMIC IMPACTS

SCAQMD and ARB used different approaches in analyzing the employment and economic impacts of the proposed standards. The SCAQMD used a regional economic model to

quantify the employment impacts for all businesses in the region, and that approach assumed all costs would be passed on to the end user. In contrast, the ARB analysis focused on the impact of the SCM on the profitability of coating manufacturers, and its analysis assumed that all costs would be absorbed by the industry rather than passed through to the end users. ARB relied heavily on survey responses from coating manufacturers. ARB evaluated employment, business creation, and business competitiveness for the coating manufacturers in California.

While ARB determined there would be little impact on coating manufacturers using its assessment techniques, the SCAQMD analysis actually predicts employment gains for coating manufacturers in the chemical industry. Both analyses support a determination that the proposed amendments to Rule 67.0 will not have an unacceptable adverse impact on employment and the economy in San Diego County.

ARB Analysis

According to ARB, the SCM is not expected to cause a noticeable change in California employment and payroll of the coating manufacturers because the analysis shows that the proposal will not significantly alter their profitability.

ARB estimated profitability impacts by analyzing the impact of the costs to comply on return on owner's equity (ROE) for selected sample coating manufacturers. The approach used to determine these economic impacts was as follows:

1. Select a sample of three representative businesses of different sizes from the list of 135 affected businesses. Selection is based on the sales revenues and the quantity of noncompliant coatings manufactured.
2. Estimate the cost of compliance with the SCM proposal for each of these businesses.
3. Adjust the estimated cost for federal and state taxes.
4. Calculate the three-year average ROE where data are available for each of the selected businesses by averaging their ROEs for 1997 through 1999. ROE is calculated by dividing the net profit by the net worth.
5. Subtract the adjusted cost from the net profit data, then use this result to calculate an adjusted three-year average ROE.
6. Compare the adjusted ROE with the ROE before the subtraction of the adjusted cost to determine the potential impact on the profitability of all affected businesses.

ROE reductions ranged from negligible to a decline of two percent. A decrease of ten percent in ROE or more was considered to be a significant adverse economic impact. ARB has used the threshold value of ten percent consistently since 1990 to determine impact severity of proposed regulations. This threshold is consistent with the thresholds used by the EPA and others.

In reaching this conclusion, ARB assumed that coating manufacturers, both in and outside California, would absorb all the costs from the adoption of this proposal. Consequently, this analysis represents the maximum impact on the manufacturers. This assumption of absorption of all costs would mean decreased profits for the coating manufacturers; however, since coating manufacturing profitability is unlikely to be significantly reduced, ARB concluded that employment, business creation and expansion, and business competitiveness should not be significantly affected for that industry. ARB noted that its estimates of the reductions in ROE might be high. They also acknowledged, however, that since its analysis

was based on assumptions that may not be true for all businesses, it was possible that some businesses might be adversely affected.

SCAQMD Analysis

A more broad-based approach to examining employment and economic impacts within the District is to scale the results of the SCAQMD analysis of the interim SCAQMD Rule 1113 VOC limits, which are the same VOC limits contained in the SCM and are the basis for the proposed amendments to Rule 67.0. In its 1999 socioeconomic report and computer modeling of employment impacts, SCAQMD estimated that 374 jobs could be forgone in the year 2002, which is when the interim VOC standards become effective for SCAQMD. Non-farm employment in the South Coast district is about 6.5 million jobs. These SCAQMD results were projected through the use of the Regional Economic Models, Inc. (REMI) computer model.

The REMI model is an economic and demographic forecasting and simulation model designed to examine the economic and demographic effects resulting from policy initiatives or external events in a local economy. The employment impacts from the REMI model runs for the SCAQMD interim VOC limits are summarized in Table 1.

Table 1 – Employment Impact of SCAQMD Rule 1113 Interim VOC Limits

INDUSTRY(SIC)	**2002**	**INDUSTRY(SIC)**	**2002**
Lumber (24)	-1	Local/Interurban (41)	-2
Furniture (25)	-4	Air Transp. (45)	-1
Stone, Clay (32)	-1	Other Transp. (44, 46-47)	-1
Primary Metals (33)	0	Communication (48)	-4
Fabricated Metal (34)	-2	Public Utilities (49)	-3
Non-electric Machinery (35)	-3	Banking (60)	-10
Electric Equipment (36)	-2	Insurance (63, 64)	-8
Motor Vehicle (371)	-1	Credit & Finance (61-62)	-8
Rest of Transp. Equip(372-379)	-1	Real Estate (65)	-11
Instruments (38)	-2	Eating & Drinking (58)	-34
Misc. Manufacturing (39)	-1	Rest of Retail (52-57, 59)	-76
Food (20)	-3	Wholesale (50-51)	-17
Tobacco Manufacturing (21)	0	Hotels (70)	-2
Textiles (22)	-1	Services & Repair (72, 76)	-15
Apparel (23)	-3	Private Household (88)	-6
Paper (26)	0	Auto Repair/ Service (75)	-9
Printing (27)	-2	Misc. Business Serv. (73)	-26
Chemicals	30	Amuse & Recreation (79)	-14
Petroleum Products (29)	-1	Motion Pictures (78)	-1
Rubber (30)	0	Medical (80)	-4
Leather (31)	0	Prof. Serv. (81, 87, 89)	-21
Mining (10,12-14)	-1	Education (82)	-21
Construction (15-17)	-44	Non-Profit Org. (83)	-23
Railroad (40)	0	Agri./Forest/Fish (07-09)	-3
Trucking (42)	-3	Government	-8
		TOTAL	**-374**

The sector with the greatest job impacts from the proposed amendments is the construction sector (SICs 15-17). The increased costs of paints and contractor-provided painting services would reduce consumer spending on other goods and services. As a result, it is expected that

there would be jobs forgone in the industries of eating and drinking (SIC 58), rest of retail (SICs 52-57, 59), wholesale (SICs 50-51), miscellaneous business services (SIC 73), medical (SIC 80), and miscellaneous professional services (SICs 81, 87, 89). The chemical industry (SIC 28) is expected to add jobs in the SCAQMD because increased expenditures made on reformulated coatings (and other associated activities) in this sector. Because coating manufacturers in San Diego County already manufacture products that meet the future limits in the proposed rule, these added jobs are not relevant for our assessment.

Conclusion

In the District, there are two known coating manufacturers. One is currently manufacturing coatings which comply with the January 1, 2003, VOC content limits. The other manufacturer makes only a few architectural coatings, and is expected to comply with the future limits in the proposed rule. Since it is unlikely that there will be any cost impacts to these manufacturers, there should be no impact on ROE and no impacts on employment, business creation and expansion, and business competitiveness for these companies.

The employment and economic impacts from South Coast's ten percent increase in architectural coatings prices (as noted, SCAQMD assumed all manufacturing cost increases would be passed on) may be scaled for San Diego. The number of jobs in the District is approximately one fourth the number for SCAQMD. Thus, if one extrapolates SCAQMD data from Table 1 to San Diego, the number of jobs lost would be (374 + 30)/5.4 or 76. Note that the 30 manufacturing jobs created in SCAQMD that acted to reduce total job loss were added because no similar job creation is expected in San Diego, given that the San Diego paint manufacturers already make complying products and will not need to reformulate.

RANGE OF PROBABLE COSTS

The above analysis focuses principally on employment impacts to coating manufacturers. In this section, the more general cost impacts associated with the proposed new requirements are discussed. For this analysis, unlike the employment analysis, ARB and SCAQMD both assumed costs would be passed on to the end user.

The cost impacts on manufacturers and consumers were examined by looking at both the ARB and SCAQMD analyses. ARB prepared a detailed assessment of the expected costs in the SCM staff report. They examined both the economic impacts on the coating manufacturers and the consumers of coatings.

The proposed amendments to Rule 67.0 may impact consumers and other users of architectural coatings in the form of increased coating costs for coatings manufactured outside the District. ARB determined the maximum potential cost to consumers by assuming that manufacturers will pass on all increases in reformulation costs. An evaluation of cost impacts to coating manufacturers is needed to perform this worst-case cost analysis for consumer impacts.

Cost Data Sources

ARB relied on the December 1999 ARB Economic Impacts Survey for coating costs specific to manufacturers. ARB used the best estimates from 23 out of 25 coating manufacturers including nonrecurring and recurring costs. (Two of the respondents reported coating line

reformulation costs three to ten times higher than other respondents and were considered statistical outliers by ARB.) Nonrecurring costs include research and development costs, product and consumer testing costs, new or modified capital equipment costs, and one-time marketing/label change costs. Recurring costs include raw material costs, recordkeeping costs, and reporting costs. The survey responses included a variety of large, medium, and small producers and provided a good sampling of products from all coating categories affected by the proposed amendments.

In addition to the cost data supplied by manufacturers, ARB researched the raw material costs needed for coating reformulation. Primary sources included spot raw material prices from the Chemical Market Reporter and aggregate ingredient prices reported in the 1997 U.S. Economic Census for SIC Code 2851. For ingredients not shown in these two sources, ARB relied on prices reported confidentially by individual coating manufacturers or on published coating literature. A default value of $1.50 per pound was assigned to those infrequent cases where no ingredient price information was available. This value is higher than most of the ingredient prices used in the raw material cost analysis, including resins, which are the most expensive main ingredient.

SCAQMD's cost estimates were based on similar cost information supplied by resin suppliers and some coating manufacturers. For the most part, resin suppliers were the most cooperative in providing price information.

Costs to Manufacturers

ARB determined the costs to manufacturers to reformulate noncompliant coatings to comply with the proposed VOC limits for each of the affected coating categories. This analysis considered manufacturers located inside California, but outside the SCAQMD. The total annualized non-SCAQMD cost was $23.8 million. For comparison, the total annualized cost to manufacturers estimated by SCAQMD to meet the same VOC limits (not including the relatively small categories for multicolor coatings and swimming pool repair coatings) was $19.7 million. The total annual costs reported from ARB and SCAQMD analyses are in agreement. About 45 percent of California's population live in the South Coast District and 45 percent of the total annual cost is spent in the South Coast District. Thus, the regional cost to the manufacturers is directly proportional to the population of that region.

Conclusion

Based on these two analyses, manufacturers will spend approximately $43 million to reformulate coatings to comply with the SCM's VOC limits in California. Apportioning that cost to San Diego using a population factor (San Diego population to the population of the state excluding South Coast), the annualized costs to manufacturers to comply with Rule 67.0 would be about $3.6 million per year. As a comparison, the San Diego Gross County Product is about $93 billion (based on data published by the California Department of Finance in California Statistical Abstract, 2000).

COST TO CONSUMERS

ARB Analysis

ARB projected the maximum potential impact on consumers by assuming that all reformulation costs in the previous section are passed on in the form of higher coating prices. Using this assumption, the producer cost increases range from $1.20 to $1.70 per gallon with an average of $1.40 per gallon. The retail price increase is estimated using a 4X multiplier that assumes both the wholesaler and retailer double the price. Part of this cost increase results from the training and service provided by wholesalers and retailers to their customers. Thus, the estimated maximum retail price increase would be $4.80 to $6.80 per reformulated gallon with an average of $5.60 per gallon. This would translate to an average 12 percent increase in retail prices with the largest price increases occurring at industrial maintenance and other commercial coating applications.

ARB also estimated the expected costs to consumers. For ordinary consumers who use flat and non-flat house paints, ARB projects no price increase for a typically reformulated flat paint and a 21 percent maximum increase for a typically reformulated non-flat paint. They note that consumers may purchase currently available compliant flat and non-flat coatings with no increase in price due to reformulation. The competition among suppliers of these coatings will likely constrain any price increases from reformulated coatings. Furthermore, ARB surveyed the availability and costs of coatings that currently comply with the proposed VOC limits. The survey indicated that complying coatings are available with prices similar to comparable noncomplying coatings (see Table 2). Thus, costs to consumers from the proposed amendments to Rule 67.0 should be small.

Table 2 – Shelf Survey of Complying and Noncomplying Coatings Costs

Coating Category	Cost of Compliant Coatings	Cost of Noncompliant Coatings
Flats	$13.40 - $32.99	$12.29 - $34.49
Floor Coatings	$15.00 - $58.00	N/A
Industrial Maintenance	$24.28	$24.78 – $78.39
Lacquer	$29.95	$20.95
Multi-color Coatings	$35.75 - $75.70	$75.66 – $91.00
Nonflats	$21.99 - $34.69	$24.99 – $39.49
Primers, Sealers, and Undercoaters	$25.49 - $28.49	$25.49 - $30.99
Quick-Dry Enamels	$24.70 - $34.90	$23.60 - $34.41
Quick-Dry Primers, Sealers, and Undercoaters	$7.37 - $25.00	N/A
Stains	$4.00 - $36.00	$7.00 - $35.00
Swimming Pool Repair Coatings	$32.99 - $59.99	$43.95 - $84.99
Waterproofing Sealers	$13.00 - $28.00	$10.00 - $30.00

SCAQMD Analysis

Results of the SCAQMD analysis are similar to the results of the ARB analysis. Based on available information, SCAQMD estimated that the interim Rule 1113 VOC standards, which were the basis for the SCM, would result in maximum price increases for future complying coatings of up to ten percent. The 1999 SCAQMD Socioeconomic Report for Rule 1113

projects a worst-case ten percent increase across-the-board for all major categories. The SCAQMD price determinations for complying coatings were supported by information received from resin suppliers and coating manufacturers. The following sources were cited by SCAQMD to provide coating price estimates:

- A case study by Devoe & Reynolds Co. published in Stirring Up Innovation (1994) noted a ten percent increase in costs for <250 g/l industrial maintenance, non-flat and wood stain coatings.

- A Superior Coating paper at the April 28, 1998, SCAQMD Architectural Coatings Technology Conference (*Superior Performance Coatings*) noted a zero to ten percent increase in the cost per gallon of zero-VOC non-flat, primer sealer and undercoater, rust preventative, industrial maintenance, and stain coatings.

- Another paper at the 1998 Architectural Coating Technology Conference indicated examples of zero-VOC flats, non-flats, primer sealer and undercoaters, rust preventatives, quick-dry enamels, floor coatings, industrial maintenance coatings, wood sealers, and wood stain coatings that have superior or matching coating performance while simultaneously reducing production and application costs (VOC Free Paints and Inks at No Extra Cost by G. Sugerman of PPA Technologies, a resin supplier).

- Norman Mowrer of Ameron International also presented a paper at the 1998 Architectural Coating Technology Conference that reported reduced costs for industrial maintenance coatings based on cost per performance characteristics.

Conclusion

The projected worst-case price increases are summarized in the following table from both SCAQMD and ARB reports.

Table 3 – Estimates of Projected Maximum Coating Price Increases

Coating Category	Typical Retail Price per Gallon	ARB Cost per Gallon Increase	SCAQMD Cost per Gallon Increase
Industrial Maintenance	$34 to $100+	$6.80	$4.00
Rust Preventative Coatings	$30	$4.80	Info Not Available
Floor Coatings	$21 to $24	$4.80 to $6.80	$3.00
Non-Flats	$3 to $35	$3.70	$2.00
Primers, Sealers & Undercoaters (PSU)	$9 to $31	$4.80 to $6.80	$2.00
Quick-Dry PSU	$3 to $25	$4.80 to $6.80	$2.00
Quick-Dry Enamels	$25 to $35	$4.80 to $6.80	$2.00
Stains	$4 to $36	$4.80 to $6.80	$2.50
Waterproof Wood Sealers	$10 to $30	$4.80 to $6.80	$2.00

COST TO SMALL BUSINESS

The costs of the proposal to small businesses including small coating manufacturers, retailers, wholesalers, and painting contractors were evaluated based on studies performed by ARB and SCAQMD. ARB again focused on the cost incurred by coating manufacturers while the SCAQMD evaluated the cost impacts on painting contractors. The District believes that these studies are applicable to the San Diego region because the economic factors affecting architectural coating manufacturers, wholesalers, retailers, and painting contractors is similar throughout California.

ARB Analysis

ARB analyzed the impact of the SCM on the competitiveness of small business coating manufacturers that compete with large coating manufacturers. According to ARB, smaller coating manufacturers tend to cater to niche markets that are based on competitive factors other than price. These companies depend on specialty coatings, brand loyalty, customer service, and other non-price related factors.

According to ARB, small business retailers and wholesalers generally sell products from all types of manufacturers and should be unaffected by the proposed amendments to Rule 67.0. High-performance coatings that currently comply with the proposed VOC limits are available now from many different manufacturers. Thus, retailers should have an ample supply and a variety of products to sell.

SCAQMD Analysis

The SCAQMD also analyzed the cost impacts to painting contractors in its analysis of amendments to Rule 1113. Based on data from industry sources, the estimated annual cost of SCAQMD's interim VOC limits was $10.9 million 1998 dollars to consumers and $8.9 million 1998 dollars to painting contractors (SIC 1721). According to SCAQMD, painting contractors and consumers could incur additional costs beyond these amounts. For the painting contractor, it could be the cost of training, learning, and testing the new reformulated coatings, frequent painting, possible construction defects, and litigation costs. These additional costs are based on claims made by some coating manufacturers and some paint contractors and not on any empirical studies. These costs assume coating manufacturers pass through all reformulation costs to end users.

Conclusion

An estimate of cost impacts to painting contractors in San Diego was made by assuming that the cost breakdown (consumer vs. painting contractor) is similar to that found in the South Coast AQMD. This is a reasonable assumption because the type and quantity of work performed by painting contractors is expected to be similar in both regions on a per capita basis. SCAQMD estimates that 45 percent of the cost impact is experienced by painting contractors. Thus, the cost impact to San Diego area painting contractors would be 45 percent of $3.6 million, which is $1.6 million.

COST-EFFECTIVENESS OF THE PROPOSAL

Both ARB and SCAQMD reported cost-effectiveness calculations for the SCM VOC limits and interim Rule 1113 standards, respectively. Both the SCM and interim SCAQMD Rule 1113 are the basis for the proposed amendments to Rule 67.0. In addition, ARB performed a

sensitivity analysis with the increase in resin costs as the dependent parameter. This ARB analysis was performed using resin costs increasing at ten percent, 20 percent, and 50 percent per year. Both reports include cost-effectiveness values for each of the major coating categories that are proposed for amendment.

The overall cost-effectiveness of the proposal is $3.19 per pound of VOC reduced according to ARB or $2.45 per pound of VOC reduced according to SCAQMD. The ARB cost-effectiveness value assumes that resin costs for reformulation will increase by 20 percent. This assumption of 20 percent increase in resin costs is based on socioeconomic analyses performed by SCAQMD and confidential comments provided by some manufacturers to ARB. The South Coast AQMD cost-effectiveness overall value does not include the impact from flats or lacquer coatings which were amended by SCAQMD in 1996 instead of 1999 for the rest of the categories, which would have made the result even less than the estimated $2.45. These cost-effectiveness results are summarized in the following table. The table reports the comparison between the ARB and SCAQMD analyses and shows the results of the sensitivity analysis performed by ARB that uses projected resin price increases as the dependent variable.

Table 4 – Reported Cost-Effectiveness in $ per Pound of VOC Reduced

Coating Category	ARB: Baseline	ARB: 10% Increase	ARB: 20% Increase	ARB: 50% Increase	SCAQMD Interim VOC Limit	SCAQMD Final VOC Limit
Flats	($1.64)	($0.97)	($0.30)	$1.71	0	$2.85
Industrial Maintenance	$5.37	$5.48	$5.59	$5.91	$3.03	$8.76
Lacquer	$1.59	$1.59	$1.59	$1.59	$1.06	$0.60
Multicolor	$2.55	$2.69	$2.83	$3.26	N/A	N/A
Non-flat (low & medium gloss)	$3.13	$3.75	$4.37	$6.23	$5.64	$10.73
Primers, Sealers, Undercoaters (PSU)	$7.36	$7.50	$7.65	$8.08	$1.11	$12.46
Quick-Dry Enamel	$3.77	$3.87	$3.97	$4.28	$1.01	$4.63
Quick-Dry PSU	($0.47)	($0.36)	($0.25)	$0.08	$0.48	$9.79
Stains	$2.04	$2.09	$2.14	$2.30	$0.89	$0.89
Swimming Pool Repair	$0.48	$0.65	$0.83	$1.36	N/A	N/A
Waterproofing Sealers	($0.72)	($0.61)	($0.50)	($0.16)	$0.90	$0.90
Overall Cost-Effectiveness	$2.72	$2.96	$3.19	$3.88	$2.45	$8.18

Conclusion

From the Costs to Manufacturers section, the total annualized cost to comply with the proposed Rule 67.0 limits would be about $3.6 million. The VOC emission reductions, based on 1996 data, are anticipated to be 1.5 tons/day (see Emission Reduction Potential of the Rule section). The estimated cost-effectiveness is $3.28 per pound of VOC emission reduced. This cost-effectiveness is comparable to the cost-effectiveness of other District-adopted VOC regulations. Generally, the cost-effectiveness of past VOC rule adoptions in this District has been in the one-dollar to three-dollar range.

AVAILABILITY AND COST-EFFECTIVENESS OF AN ALTERNATIVE TO THE PROPOSAL

ARB looked at seven alternatives that were found infeasible. Staff also looked at these seven alternatives and found them infeasible. Following is a brief description of these alternatives, and a discussion of why they were found infeasible:

1. Performance-Based Standards
   Rather than establish lower VOC content requirements for specified categories of coatings, this alternative would establish emission standards based on performance standards such as "emissions per area covered" or "coating durability." This alternative has been rejected as infeasible because it would be too difficult to reach a consensus among involved parties as to how to create the standards to cover the multitude of coatings reformulations with varying performance characteristics.

2. Seasonal Regulation
   Under this alternative, the VOC content limits proposed for various coatings in Rule 67.0 would be in effect during the "high-ozone season" (typically the summer months). During the "low-ozone season" (typically the winter months), coatings formulators could sell and distribute, and contractors and do-it-yourself consumers could use coatings with higher VOC contents. This alternative was found infeasible because it is too difficult to implement and enforce. It would be difficult for coatings formulators, distributors, and retail stores to manage their inventories to ensure that only complying coatings are sold during the high-ozone season. Knowledge of and enforcement of these requirements at the end-user level would be difficult and would require significant additional enforcement resources. In addition, there have been State violations ("high ozone") in all months of the year except February and December based on data from 1980 - 1995.

3. Regional Regulation
   Under this alternative, areas within a District that do not have an ozone problem or contribute to a District's ozone problem would be exempted from the VOC requirements of Rule 67.0. This alternative was rejected as infeasible for two main reasons. First, in order to determine the viability of such an approach, the District would have to conduct an extensive analysis involving ambient air quality modeling to determine which geographical areas would be subject to the lower VOC requirements and which would be exempted. This type of analysis would be difficult to complete due to the inherent variability of meteorological conditions within San Diego County. Different meteorological scenarios would drastically alter the determination of those geographical area. In addition, there have been state ozone violations throughout the area.

   Second, even if a reliable technical determination could be made regarding the geographical areas, the problem of enforcing this regulatory approach remains. Enforcement at the retail level, as well as the end-user level would be difficult and would require significant additional enforcement resources, as identified in the "Seasonal Regulation" alternative.

4. Exceedance Fees

This alternative would allow purchases of noncompliant coatings on payment of a fee, similar to the system that exists in the national Architectural and Industrial Maintenance (AIM) coatings rule. The system used in the national AIM rule allows coatings manufacturers and importers to sell coatings that exceed the applicable VOC limit if they pay a fee of $0.0028 per gram of excess VOC. Essentially, this is a "pay-to-pollute" approach. The District does not support such an approach because it does nothing to bring the air into compliance with the state ozone standards, and may actually hinder efforts to attain the state and federal ozone standards. This type of approach could eliminate or substantially reduce the emission reductions expected from the proposed revisions to Rule 67.0. Additional problems include concern regarding whether the fee is high enough to discourage the manufacture and sale of high-VOC coatings, enforcement at the district-wide level, and extensive recordkeeping requirements. For all of these reasons, an exceedance fee approach is not considered a feasible alternative.

5. Tonnage Exemption

As with the "Exceedance Fees" alternative, this type of alternative is part of the national AIM coatings rule. A tonnage exemption would allow coatings manufacturers and importers to sell limited quantities of coatings that exceed the applicable VOC limit in Rule 67.0, without paying an "exceedance fee." The calculation would be based on the total mass of VOC contained in all exempt coatings. The limit of the exemption, on a "per manufacturer" or "per importer" basis, would be on a sliding scale that would decrease in future years.

Like the "Exceedance Fee" approach, a tonnage exemption would do nothing to bring the air into compliance with ozone standards, may actually hinder efforts to attain both the state and federal ozone standards, and could substantially reduce the emission reductions expected from the proposed revisions to Rule 67.0. Additional problems include enforcement, recordkeeping, and reporting requirements. For these reasons, a tonnage exemption is not considered a feasible alternative.

6. Low Vapor Pressure (Low Volatility) Exemption

Under this alternative, VOCs with low vapor pressures (i.e., "low vapor-pressure VOCs" or "LVP-VOCs") would be exempted as VOCs in determining the overall VOC content of a coating. This type of exemption is based on an assumption that low vapor-pressure VOCs volatilize more slowly, and as a result emit less VOCs to the atmosphere and contribute very little to ozone formation in the atmosphere. The ARB Final Program EIR identified a number of reasons why this alternative should be rejected as infeasible. Due to the extensive and technical nature of the reasoning behind this determination, the reasons have not been fully summarized in this report. For an extensive explanation of the ARB's determination of infeasibility, the reader should reference the ARB Final Program EIR, Pages V-142 to V-151.

The same reasons identified in the ARB Final Program EIR are applicable to the proposed project. The District has concluded that this alternative is not feasible because exempting LVP-VOCs would not achieve regulatory consistency, LVP-VOCs in architectural coatings will eventually evaporate and enter the atmosphere, and

EPA's Test Method 24 automatically excludes VOCs that do not evaporate into the atmosphere.

7. Reactivity-Based VOC Limits
   This alternative would involve establishing coating VOC limits based on the reactivity characteristics (i.e., the tendency to react in the atmosphere to form ozone) of the compounds contained in the coating, instead of the mass-based VOC limits that are used in the proposed revisions to Rule 67.0. Historically in the State of California and in San Diego County in particular, control of VOC emissions has been through mass-based reductions. ARB has committed to evaluating the feasibility of reactivity-based regulations for certain VOC source categories, and a number of specific studies relating to VOC photochemical activity are listed on Pages V-152 and V-153 of the ARB Final Program EIR. In addition, ARB has begun to incorporate reactivity characteristics of compounds into some of its existing and proposed regulations. However, at this time, a number of issues need to be addressed before this type of control strategy could be developed for architectural coatings. These issues are described in the ARB Final Program EIR (Pages V-155 to V-158). As discussed in the Program EIR, additional data are necessary before assessing the feasibility of a reactivity-based control strategy for architectural coatings. Because additional reductions are needed in the near-term, and historical data indicate mass-based controls effectively reduce ozone formation, it is necessary to proceed with mass-based VOC limits at this time.

The District looked at three feasible alternatives to the proposed amendments to Rule 67.0. These alternatives were to not amend the rule, to extend the compliance deadline by one year, or to further reduce the VOC limits.

1. The first alternative to not adopt the rule is not recommended because it would result in fewer emission reductions than the proposed amendments to Rule 67.0 and the District needs the emission reductions to achieve the state ozone standards.

2. The second alternative to extend the compliance deadlines by one year is not recommended because the VOC limits in the proposed rule are feasible by January 1, 2003 (January 1, 2004, for Industrial Maintenance Coatings), and additional time to comply is not necessary. Both the federal and state mandates that air quality standards be attained as expeditiously as practicable, and the District's air quality problems require that any delay in achieving emission reductions must be technically or economically justified. Based on the information received to date, such a delay is not warranted.

3. The last alternative is to further reduce the VOC limits. The District looked at the cost-effectiveness of the currently adopted form of SCAQMD Rule 1113, Architectural Coatings, which include more stringent VOC content requirements for coatings with a future effective date of 2006. This alternative was analyzed by the SCAQMD for cost-effectiveness and availability.

According to SCAQMD staff report, the overall cost-effectiveness of the final VOC limits, effective 2006, is $8.18 per pound of VOC reduced. Although the adopted final VOC limits

will reduce more VOC emissions than the interim limits, it is a more expensive control measure when compared to the $3.19 per pound of VOC reduced for the SCM.

Although the alternative to the proposal could still be considered cost-effective at $8.18 per pound of VOC reduced, staff is not proposing this alternative for several reasons:

First, ARB staff also considered this alternative in the SCM but declined to include it because there were insufficient time and resources to do a thorough evaluation.

Second, the SCM provides consistency statewide that provides a uniform regulation for coating manufacturers in all of California except the South Coast district.

Third, a statewide averaging provision from the SCM is being proposed and uniform standards are needed for this provision to be workable.

Fourth, the alternative is in many ways technology-forcing, the South Coast AQMD will be doing technology assessments to determine the progress of complying coating technologies in meeting future VOC limits, and District staff can reassess the need to adopt the more stringent standards in response to these future analyses.

EMISSION REDUCTION POTENTIAL OF THE RULE

The estimated emissions from architectural coatings in 2000 are 10.33 tons of VOC per day. The estimated emission reduction for the proposed rule based on a 15 percent overall control factor is 1.5 tons of VOC per day.

ATTACHMENT VI

COMPARISON OF PROPOSED RULE REQUIREMENTS WITH OTHER AIR POLLUTION CONTROL REQUIREMENTS

Health and Safety Code Section 40727.2 requires air districts to compare the requirements of a proposed revised rule with other air pollution control requirements. These other air pollution control requirements include federal regulations, Best Available Control Technology (BACT), and any other district rule applying to the same equipment or process. The proposed amendments to Rule 67.0 are based on the Air Resources Board Suggested Control Measure for Architectural Coatings (SCM). The proposed amendments establish more stringent VOC content limits than those found in the United States Environmental Protection Agency's (EPA) National Architectural Coatings Rule. Architectural coating operations are exempt from permits and, therefore, not subject to Best Available Control Technology requirements. No other District rules have air pollution control requirements that would conflict with Rule 67.0 requirements.

Comparison with EPA's National Architectural Coatings Rule

There are several significant differences between the proposed amended Rule 67.0 and the National Architectural Coatings Rule, which became effective on September 13, 1999. The National Rule only applies to manufacturers and importers of architectural coatings while Rule 67.0 has, in the past, and will continue to apply to manufacturers, distributors, retailers, and users of architectural coatings. The National Rule generally has less stringent VOC limits than Rule 67.0. For example, the VOC content limits in the National Rule for the three largest categories (flats, non-flats, and industrial maintenance coatings) are 250, 380, and 450 grams per liter, respectively. The VOC limits for the same categories in the proposed amendments to Rule 67.0 are 100, 150 (excluding high-gloss nonflats), and 250 grams per liter, respectively. The National Rule includes 16 additional specialty coating categories not included in the state SCM nor the proposed amendments to Rule 67.0. ARB has analyzed these additional national categories and found it was not necessary to add them to the SCM because either: (1) they are included in other specialty coating categories in existing district rules; (2) they are not architectural coatings; or, (3) they are not sold in California. The District has reviewed the additional National Rule categories and concurs with ARB's analysis.

Comparison of Air Pollution Control Requirement Elements

Health and Safety Code Section 40727.2.(c) requires review of the following elements in the comparative analysis:

- Averaging provisions, units, and any other pertinent provisions associated with emission limits.
- Operating parameters and work practice requirements.
- Monitoring, reporting and recordkeeping requirements, including test methods, format, content, and frequency.
- Any other element the district determines warrants review.

The coating (emission) limits in proposed amendments to Rule 67.0 are stated in units of grams of VOC per liter of coating, which are identical to the units in the state SCM and the EPA National Rule.

There are no air pollution control requirements involving operating parameters in any of the rules subject to this analysis. The proposed amendments to Rule 67.0 do not include the state SCM's work practice requirement to close coating and solvent containers when not in use. However, this requirement is already addressed under existing District Rule 67.17.

There are no monitoring or recordkeeping requirements (except for the optional manufacturer averaging provisions) in the proposed amendments to Rule 67.0. ARB reporting requirements have been included for manufacturers to report sales of the following specialty coatings: clear brushing lacquers; rust preventative coatings; specialty primers, sealers and undercoaters; recycled coatings; and bituminous coatings. In addition, manufacturers of coatings containing perchloroethylene or methylene chloride must report sales in California for the prior year. These reporting requirements are not required by EPA's National Rule but were included in the state SCM.

The proposed amendments to Rule 67.0 include test methods needed to determine VOC content and other coating characteristics. These test methods do not conflict with test methods cited in the National Rule.

The District has determined there are no other air pollution control requirements of proposed amended Rule 67.0 subject to review in this comparative analysis.

Attachment VII

Incremental Cost-Effectiveness Analysis

Health and Safety Code Section 40920.6(a) requires air districts to identify one or more potential control options that achieve at least the same benefit as the proposed rule, assess the cost-effectiveness of those options, and calculate the incremental cost-effectiveness. The proposed amendments to Rule 67.0 are based on the Air Resources Board Suggested Control Measure (SCM) for Architectural Coatings. The only alternative that achieves at least the same benefit is the adoption of the final VOC limits, effective 2005 and 2006 contained in South Coast Air Quality Management District's (SCAQMD) Rule 1113. The overall cost-effectiveness of the final VOC limits in Rule 1113 estimated by the South Coast district is $8.18 per pound of VOC reduced. The incremental cost-effectiveness of adopting the SCAQMD VOC limits instead of the proposed Rule 67.0 limits is $10.49 per pound of VOC reduced. The incremental cost-effectiveness is calculated by dividing the incremental annualized costs by the incremental annual emission reductions projected to occur in the District. These calculations are summarized in the following table.

Table 5 - Calculation of Incremental Cost-Effectiveness for SCAQMD Rule 1113 Final VOC Limits Option

SDAPCD Rule 67.0 Architectural Coatings

Baseline Inventory	10.3 tons/day
Annualized Emissions Reductions	1.5 tons/day = 1,095,000 lbs/year
Cost Effectiveness	$3.19/lb
Annualized Cost for Proposed Rule 67.0	$3,493,000

SCAQMD Rule 1113 Architectural Coatings

Control Efficiency	46%
Cost-Effectiveness	$8.18
Emission Reductions	4.7 tons/day = 3,458,740 lbs/year
Annualized Cost	($8.18)(3,458,740 lbs/yr) = $28,292,493

Incremental Impacts

Incremental Annualized Cost	$28,292,493 – $3,493,050 = $24,799,443
Incremental Annual Emission Reductions	3,458,740 – 1,095,000 = 2,363,740 lbs/yr
Incremental Cost-Effectiveness	$24,799,443 / 2,363,740 = $10.49 per pound

AIR POLLUTION CONTROL DISTRICT
COUNTY OF SAN DIEGO

PROPOSED AMENDED RULE 67.0 – ARCHITECTURAL COATINGS

WORKSHOP REPORT

A notice for a workshop on the proposed Rule 67.0 amendments was mailed to all known manufacturers, distributors, and retail sellers of architectural coatings located in San Diego County. Notices were also mailed to all Economic Development Corporations and Chambers of Commerce in San Diego County, the U.S Environmental Protection Agency (EPA), the California Air Resources Board (ARB), and other interested parties. The workshop was held on September 6, 2001. Oral and written comments were received from affected manufacturers, distributors, end users, and ARB. The comments and District responses are as follows:

1. WORKSHOP COMMENT

The term "industrial use" in Subsection (d)(5) should be defined or clarified. As written, after January 1, 2004, a Rust Preventive coating can be applied for industrial uses only if it meets the Industrial Maintenance coating VOC content limit specified in Table 1. This implies that Rust Preventative coatings can be used for industrial use which conflicts with the Subsection (c)(45) definition which states that they are coatings "...formulated exclusively for non-industrial use…"

DISTRICT RESPONSE

The Subsection (d)(5) language has been modified as follows: After January 1, 2004, a person shall only apply or solicit the application of a rust preventative coating for non-industrial uses, unless the rust preventative coating complies with the industrial maintenance coating VOC limit specified in Table 1. In addition, the definition for Rust Preventative coatings has been revised to delete the word "exclusively."

2. WORKSHOP COMMENT

Would a coating applied to a warehouse component, such as shelving, be considered 'non-industrial' use?

DISTRICT RESPONSE

Yes. Coatings applied to warehouse components, such as shelving, would be considered a 'non-industrial' use. An industrial maintenance coating could be applied to shelving within a warehouse if the shelving was exposed to one or more of the extreme environmental conditions specified in the definition of industrial maintenance coating.

3. WORKSHOP COMMENT

The amendments to Rule 67.0 propose to lower the VOC content limits of 12 coating categories upon adoption. ARB's Suggested Control Measure (SCM) does not propose lower limits for these coatings until January 1, 2003, or January 1, 2004, for Industrial Maintenance coatings. The District should not be more stringent than the SCM. It will take time for coating manufacturers to produce and distribute coatings that meet the lower VOC content limits.

DISTRICT RESPONSE

The District agrees. Rule 67.0 has been revised to propose that these coatings meet the lower VOC limits by January 1, 2003 (January 1, 2004, for Industrial Maintenance coatings), consistent with the SCM.

4. WORKSHOP COMMENT

The District should reconsider the proposed VOC content limit of 250 grams per liter (g/l) for Floor coatings. These coatings are currently marketed in California as Industrial Maintenance coatings or Quick Dry Enamels with VOC content limits of 420 and 400 g/l, respectively. The District should retain a minimum VOC content limit of 400 g/l for Floor coatings.

DISTRICT RESPONSE

The District agrees. The VOC content limit has been revised to 400 g/l, effective upon adoption, and 250 g/l effective January 1, 2003, consistent with the SCM. Coatings that meet the definitions of both Floor and Industrial Maintenance coatings will be treated as Industrial Maintenance coatings for determining allowable VOC content, pursuant to Subsection (d)(3).

5. WORKSHOP COMMENT

If a coating is purchased before the lower VOC content limits take effect on January 1, 2003, is there a date by which the coating must be applied?

DISTRICT RESPONSE

No. If a coating complies with the VOC content limits applicable when it is manufactured, there are no restrictions on when the coating may be used. The appropriate VOC content limit is determined by the manufactured date, which is required to be listed on all coating containers.

6. WORKSHOP COMMENT

The Appendix A averaging provisions contain ceiling limits specifying the maximum allowable VOC content for coatings eligible for averaging. The ceiling limits are unnecessary since EPA's National Architectural Coating Rule provides upper bound ceiling limits. In addition, as long as the same emission reductions are achieved, ceiling limits only serve to limit a coating manufacturer's compliance flexibility.

DISTRICT RESPONSE

The District disagrees. Ceiling limits, recommended by ARB, are necessary to protect against regional differences that could result in high VOC products being sold in San Diego County. Using EPA's National Architectural Rule to provide upper bound ceiling limits would allow coatings with VOC contents higher than those allowed by current Rule 67.0, which has been in effect for over 10 years. Although these emissions would be offset from a statewide perspective, VOC emissions could increase in San Diego. Including the ceiling limits eliminates this potential.

7. WORKSHOP COMMENT

The imposition of ceiling limits diminishes the flexibility otherwise provided to manufacturers to utilize averaging to produce limited quantities of higher-performing coatings.

DISTRICT RESPONSE

The ceiling limits reflect the VOC content limits found in California air district Architectural Coating rules. There is no need to allow the use of coatings with higher VOC content limits, since coatings which meet these limits have been readily available for nearly 10 years. In addition, the ceiling limits will ensure that existing State Implementation Plan (SIP) emission reduction commitments are met throughout the state.

8. WORKSHOP COMMENT

The proposed Appendix A averaging program will sunset on January 1, 2005. The District should consider removing the sunset provision. If averaging achieves the same emission reductions, then it should remain a viable alternative to reformulating all coating categories.

DISTRICT RESPONSE

The Appendix A averaging program will be a statewide program authorized by district rules, but implemented by the ARB. Therefore, consistency between air district rules is important. To maintain statewide consistency, the District will retain the January 1,

2005, sunset provision. However, the District is not proposing to submit the amended version of Rule 67.0 for inclusion in the federal SIP. The emission reductions are not currently necessary to demonstrate compliance with federal attainment requirements. If the District, other air districts, or ARB determines it necessary to extend the sunset provision, the District will consider recommending such a change at that time.

9. WORKSHOP COMMENT

Are graphic arts operations subject to the Graphic Arts coating category contained in Rule 67.0?

DISTRICT RESPONSE

No. Rule 67.0 regulates coatings applied to stationary structures and their appurtenances at the site of installation. District Rule 67.16 (Graphic Arts Operations) applies to web or sheet fed graphics art operations, typically conducted at a graphic arts business.

10. WORKSHOP COMMENT

Technology assessments are still occurring for several coating categories. The District should not submit Rule 67.0 for inclusion in the SIP to avoid locking in VOC content limits that may be unachievable.

DISTRICT RESPONSE

The District agrees. The District is not proposing to submit amended Rule 67.0 as a SIP revision unless the emission reductions are determined in the future to be needed for a federal attainment demonstration or to meet other federal requirements.

11. WORKSHOP COMMENT

The District should revise Rule 67.0 to include a coating category for Concrete Protective coatings with a VOC content limit of 400 g/l, consistent with the category provided in EPA's National Architectural Coating Rule, which defines it as follows: "Concrete Protective Coating means a high-build coating, formulated and recommended for application in a single coat over concrete, plaster or other cementitious surfaces. These coatings are formulated to be primeless, one-coat systems that can be applied over form oils and/or uncured concrete. These coatings prevent the spalling of concrete in freezing temperatures by providing long-term protection from water and chloride ion intrusion."

This is a high performance, primerless, one-coat system that can be applied over form oils and/or uncured concrete. The coating achieves excellent adhesion to the concrete and cures to a hard protective coating, lasting for periods of over 20 years without

requiring recoating. The coating's primerless, single coat application and longevity features not only reduce VOC emissions, they also reduce worker safety risks. The use of this coating results in fewer overall emissions. Less than 50,000 gallons of this coating was sold in California by our company in 2000.

DISTRICT RESPONSE

The addition of a Concrete Protective Coating category was raised during the development of the SCM. The District concurs with the conclusion in ARB's SCM Staff Report, that "Concrete Protective Coatings" are already included under the Waterproofing Concrete/Masonry Sealer category with a VOC limit of 400 g/l. Accordingly, it is not necessary to add a new coating category for "Concrete Protective Coatings."

12. WORKSHOP COMMENT

The District should revise Rule 67.0 to include a coating category for Anti-Graffiti coatings with a VOC content limit of 600 g/l. Anti-Graffiti coatings are used on top of paints, coatings, or murals to protect the film underneath. A sacrificial anti-graffiti coating (waterborne) will typically be reapplied after one to three washings. Our high performance urethane anti-graffiti coating lasts for ten to 15 washings. This eliminates the need for successive recoatings and reduces VOC emissions, as repainting is required less often when the underlying coating is protected by a hard, permanent anti-graffiti system. With the extremely low volume of anti-graffiti coatings used, less than 0.01% nationwide, raising the limit to 600 g/l would have minimal impact on the total VOC's in the region.

DISTRICT RESPONSE

The South Coast Air Quality Management District (SCAQMD) and ARB have identified both permanent and sacrificial anti-graffiti coatings that comply with the 250 g/l future effective limit for Industrial Maintenance coatings. No specific performance data has been provided to the District or ARB to indicate performance problems with the low VOC anti-graffiti coatings. The product information sheets for some of these products indicate that graffiti can be removed without residual "shadowing" (ghosting) and/or that the coating forms a non-porous, monolithic surface, resulting in a very low coefficient of friction. One product has been successfully used by Caltrans since 1999. Given the availability of low-VOC anti-graffiti coatings, there is no need for a separate coating category at 600 g/l.

13. WORKSHOP COMMENT

The Rule 67.0 definition of Specialty Primer should be revised to be consistent with the National Paint and Coating Association definition as follows: "Specialty primer means a coating formulated and recommended for application to a substrate to block stains, odors, or efflorescence; to seal fire, smoke or water damage; to condition excessively chalky surfaces; or recommended for application to exterior wood or wood-based surfaces, or for highly alkaline cement, plaster and or other cementitious surfaces. An excessively chalky surface is one that is defined as having a chalk rating of four or less as determined by ASTM Designation D 4214-98 Photographic Reference Standard No. 1 of the Federation of Societies for Coatings Technology 'Pictorial Standards for Defects'." (*Emphasis added.*)

The proposed modification to the Specialty Primer definition would allow the use of primers specifically formulated for use on concrete, plaster, wood and other masonry surfaces or for highly alkaline cement, plaster and other cementitious surfaces. Without this change, these types of primers would be classified as general primers, with VOC content limits of 200 g/l effective January 1, 2003.

At 200 g/l, the ability to maintain a viable primer for specific concrete and masonry applications is totally lost. The result would be holidays (holes in the coating), dry spray particles, and heavy overlapped films. The use of acetone will not achieve a 200 g/l VOC coating and would further contribute to film formation and application problems, especially cob webbing. Waterborne primers used in such applications, as well as the top coat applied on it, peel off in large sheets, resulting in the entire building being recoated. Latex primers or coatings will not adhere to surfaces previously coated with silanes or siloxanes, while solvent borne primers will penetrate these hard substrates, forming a strong bond with the surface.

DISTRICT RESPONSE

The current Subsection (c)(52) definition of Specialty Primer is consistent with the SCM definition and already includes excessively chalky surfaces (defined as having a chalk rating of four or less). Therefore, exterior wood or wood-base surfaces and highly alkaline cement plaster or other cementitious surfaces with excessively chalky surfaces are already included in this coating category and it is not necessary to change the definition as suggested.

14. WORKSHOP COMMENT

The Rule 67.0 definition of Waterproofing Concrete/Masonry Sealer should be revised as follows: "Waterproofing concrete/masonry sealer means a clear or pigmented film-forming or non film-forming coating that is labeled or formulated for sealing concrete and masonry to provide resistance against water, alkalis, ultraviolet light, and staining."

The addition of the phrase "non-film forming" is recommended so that all concrete and masonry sealers are included in this category. We believe it was the intent to have these materials included. However, the way the category is worded makes it sound as though only film-forming sealers are allowed.

DISTRICT RESPONSE

The Waterproofing Concrete/Masonry Sealer coating category is a specialty type of Waterproofing Sealer, and thus allowed a higher VOC content limit of 400 g/l. Non film-forming Waterproofing Sealers that comply with the 250 g/l VOC content limit are readily available. Therefore, it is not necessary to include non film-forming Waterproofing Sealers in the specialty category of Waterproofing Concrete/Masonry Sealers.

15. WORKSHOP COMMENT

We are a specialty, high-performance coating manufacturer and therefore do not manufacture coatings which lend themselves to very low VOC content, e.g., flat interior coatings. We do make every effort to lower the content of our coatings, however, as evidenced by the use of our acrylic technology for our concrete protective coatings. The averaging provisions can only be effectively used by companies with diverse coating lines and this penalizes our company, which has devoted its efforts to developing niche market coatings that otherwise would not have been developed, because the volumes are too small to interest large manufacturers with diverse product lines.

DISTRICT RESPONSE

The VOC content limits for Architectural Coatings have been tightening gradually for several years as the technology has developed to lower the VOC contents of various types of coatings. Higher VOC content limits are provided within the rule for various specialty coatings. The VOC content limits proposed within proposed Rule 67.0 are currently available or are considered technologically feasible. ARB and the District are committed to monitoring industry's progress in complying with the proposed limits. (See Written Comment 16 below.) The averaging provision was adopted in the SCM and Rule 67.0 to provide industry with flexibility in meeting new and lower limits. However, use of the averaging program is not necessary to comply with the Rule 67.0 coating VOC content limits.

16. WRITTEN COMMENT
Metropolitan Water District of Southern California

The Board Resolution adopting proposed amendments to Rule 67.0 should contain the following or equivalent wording: "SDAPCD will monitor the progress and results of the

technical assessment being conducted by SCAQMD and the essential public services agencies, and will make future modifications to the Rule that may be appropriate."

DISTRICT RESPONSE

ARB plans to conduct technology assessments for each coating category with lower future effective VOC limits (2003 or 2004) prior to the effective dates in order to monitor the industry's progress in complying with the proposed limits. These technology assessments will consider the Essential Public Services Agencies' test programs, the Southern California Alliance of Publicly Owned Treatment Works test program, and the National Technical Systems test program. In addition, ARB will be working with the South Coast Air Quality Management District (SCAQMD) to identify any potential problems industry is having in meeting the lower VOC limits. District staff will follow ARB's technology assessment and SCAQMD's work to monitor the industry's progress in complying with the standards and make any appropriate changes to the rule as needed. The commitment to do this will be included in the Board resolution for Rule 67.0.

17. ARB WRITTEN COMMENT

The ARB Suggested Control Measure for Architectural Coatings (SCM) definition for "Residential" does not appear in Rule 67.0. "Residential" is used in the labeling requirements for industrial maintenance coatings. We do not believe that a simple dictionary definition of residential is adequate to describe the important labeling restrictions for industrial maintenance coatings. To maintain compliance integrity of the rule, relevant definitions contained in the SCM should appear in the rule.

DISTRICT RESPONSE

The District disagrees. As currently written, both the SCM and Rule 67.0 only require Industrial Maintenance coatings to be labeled using the term "residential." There is no specific requirement or standard based upon this term, only that the label states such coatings are not for residential use.

18. ARB WRITTEN COMMENT

The exemption for emulsion-type bituminous pavement sealers does not exist in the SCM. This provision should either be deleted or reworded to make it clear that these products are subject to the District's cutback and emulsified asphalt rules. We believe do-it-yourself repair coatings for driveways are architectural coatings, and could be unintentionally exempted by Subsection (b)(1)(iv). The ARB is currently collecting speciated survey information to better understand bituminous coatings, and it is possible that in the future, driveway repair coatings will be defined as a separate category.

DISTRICT RESPONSE

The District agrees. Subsection (b)(1)(iv) has been revised to specify that only bituminous pavement sealers applied to roads are exempt from Rule 67.0. These sealers are subject to the requirements of District Rule 67.7.

19. ARB WRITTEN COMMENT

The sentence in the Architectural Coatings definition explaining that coatings used in shop application are not architectural coatings has been omitted. We believe that the rule needs an explanation that coatings applied in a factory or shop are not architectural, since this is a common question asked by both end users and manufacturers. We understand that District staff feels that it is important to clarify that spray booths located within a facility painting appurtenances create an exception to the shop application definition. District staff has suggested that the second sentence of the SCM definition be changed to read as follows: "Coatings applied in offsite shop applications or to non-stationary structures such as airplanes, ships, boats, railcars, and automobiles, and adhesives are not considered architectural coatings for the purposes of this rule." The word "offsite" would clarify that painting of appurtenances done in spray booths within a facility is classified as an architectural coating and would leave intact the intent that coatings applied in a factory or spray booth away from the facility are not considered architectural. It is also consistent with the definition of appurtenance. We agree with this solution.

DISTRICT RESPONSE

Subsection (c)(6) has been revised as suggested.

20. ARB WRITTEN COMMENT

SCM Subsections 3.4 (Painting Practices) and 3.5 (Thinning) have been omitted in proposed amended Rule 67.0. We understand that storage of VOC-containing materials is covered in Rule 67.17, but this rule is not specific for painting practices. Therefore, we believe that SCM Subsection 3.4 should be added to Rule 67.0, or at a minimum, Rule 67.0 should reference Rule 67.17. We note that the District references Rule 2 to define the term VOC. We believe that District inspectors should use discretion in not issuing an uncovered container citation for both Rules 67.17 and 67.0.

We understand that SCM Subsection 3.5 is not included in Rule 67.0 because District staff feels that it is redundant since it is covered in footnote 1 of Table 1. However, footnote 1 is simply a statement that VOC content is calculated to include the manufacturer's maximum thinning recommendation on the label. In contrast, SCM Subsection 3.5 prohibits the application of a product thinned more than the manufacturer recommends. We added this Subsection to the SCM to enhance enforceability and clarify that excess thinning is a violation.

The ARB believes that, for statewide uniformity and to maintain compliance integrity of the rule, all of Section 3 (Standards) in the SCM should appear in district rules (except Section 3.8, which does not apply to San Diego County).

DISTRICT RESPONSE

District Rule 67.17 already regulates the storage of materials containing volatile organic compounds which include architectural coatings. The District will include a reference to Rule 67.17 in Rule 67.0. In addition, if Rule 67.0 amendments are approved, the District will be notifying affected persons of the new requirements. At that time, the District will remind parties of the Rule 67.17 requirements.

To provide consistency with the SCM, Subsection (d)(7) has been added to prohibit thinning beyond the manufacturer's maximum thinning recommendation.

21. ARB WRITTEN COMMENT

Subsection (f)(1) states that an annual report to the Executive Officer be submitted. We recommend that the District indicate that the report to the Executive Officer must be in writing.

DISTRICT RESPONSE

The District has revised Subsection (f)(1) as suggested.

22. ARB WRITTEN COMMENT

In Subsection (f)(2)(iv), references to EPA-approved State or local methods do not include a complete title and do not specify the version date. We recommend changing portions of the rule to read as follows:

For subsection (J): "Exempt Compounds: `The content of compounds…SCAQMD Method 30~~3~~4-91 (~~Revised~~ August 199~~6~~3), Determination of Exempt Compounds, …"; and

For subsection (L): "Alternative VOC Content of Coatings: The VOC…SCAQMD Method 304-91 (Revised February 199~~6~~3), Determination of Volatile Organic Compounds (VOC) in Various Materials, ..."

DISTRICT RESPONSE

Subsections (f)(2)(iv)(J) and (L) have been revised as suggested.

23. ARB WRITTEN COMMENT

The word “statewide” appears four times in Subsection (d)(6), presumably to emphasize that the averaging program is being managed by the ARB statewide, rather than by each district individually. The word "statewide" is inappropriate; it precludes a manufacturer from submitting a district-specific averaging plan, which he can choose to do.

DISTRICT RESPONSE

The District disagrees. The proposed wording does not prelude a manufacturer from submitting a district-specific averaging plan. However, to provide consistency with the averaging program provisions being adopted by other districts, the term “statewide” has been deleted from the text and will only be retained in the Section header.

24. ARB WRITTEN COMMENT

The Table in Appendix A titled “Averaging Categories and VOC Ceiling (Maximum VOC allowed)” has no units indicated. We recommend that the District add units to the table. We also recommend changing the second column title of the table to read as follows: Rule/VOC Limit (In effect 1/1/2003 except Industrial Maintenance Coatings).

DISTRICT RESPONSE

The District agrees. The Table has been revised as suggested. The special effective date for Industrial Maintenance Coating will be included as a footnote.

SAN DIEGO AIR POLLUTION CONTROL DISTRICT

Comments Received During the Public Review Period for The Draft Environmental Impact Report on Proposed Amendments to Rule 67.0—Architectural Coatings

Pursuant to the California Environmental Quality Act, a Draft Environmental Impact Report (EIR) was prepared by the San Diego County Air Pollution Control District (SDAPCD) assessing potential environmental impacts resulting from implementing the proposed amendments to Rule 67.0, Architectural Coatings. The Draft EIR was circulated for a 45-day public comment period and comments were received from the National Paint and Coatings Association (NPCA) and Benjamin Moore & Co., a member of the NPCA, on October 24, 2001. The same NPCA comments were previously submitted by NPCA to other agencies for architectural coatings-related actions at those agencies. The comments received by the SDAPCD pertain not to the environmental analyses in SDAPCD's Draft EIR but, rather, to technical and economic issues associated with the proposed rule amendments. Specifically, the following comments were received and can be accessed on the SDAPCD's website at http://www.sdapcd.co.san-diego.ca.us/rules/notices/FinalEIR/responses.pdf.

Item A. Transmittal letter for the NPCA Comments Received by the SDAPCD on October 24, 2001.

Item B. Position of the NPCA Concerning the July 20, 2001, South Coast Air Quality Management District (AQMD) Status Report on Rule 1113 - Architectural Coatings.

Item C. May 18, 2001, NPCA Comments to the Sacramento Metropolitan AQMD.

Item D. April 20, 2001, NPCA Comments to the Sacramento Metropolitan AQMD.

Item E. June 21, 2000, NPCA Comments to the California Air Resources Board (ARB) regarding proposed Suggested Control Measure for Architectural and Industrial Maintenance Coatings.

Item F. August 21, 2000, NPCA Comments to the Northeast Ozone Transport Commission Architectural and Industrial Maintenance (NE OTC AIM) Workgroup.

Item G. December 11, 2000, NPCA Comments to the NE OTC AIM Workgroup.

Item H. August 21, 2000, NPCA Comments to the California ARB on the Draft EIR for Suggested Control Measure for Architectural and Industrial Maintenance Coatings.

Item I. October 24, 2001, Comments from Benjamin Moore & Co. transmitted by NPCA.

SDAPCD Responses to Items D through H

Specifically, Item D comments are addressed in responses 1 through 6 of the Sacramento Comments and Responses document; Item E comments are addressed in responses 7 through 25 of the Sacramento document; Item F comments are addressed in responses 26 through 35 of the Sacramento document; Item G comments are addressed in responses 69 through 80 of the Sacramento document; and Item H comments are addressed in comments 36 through 68 of the Sacramento document.

The comments in Items D through H were analyzed and addressed in "Sacramento Metropolitan Air Quality Management District, Comments and Responses, Rule 442-Architectural Coatings" (May 17, 2001) [http://www.sdapcd.co.san-diego.ca.us/rules/notices/FinalEIR/SacR442.pdf]. The SDAPCD has reviewed and considered these responses and concurs with the determinations made therein. The SDAPCD incorporates the entire Sacramento Comments and Responses document by reference.

SDAPCD Response to Item B

The comments submitted by NPCA in Item B pertain to an annual status report issued by South Coast AQMD regarding issues related to their Rule 1113 – Architectural Coatings. Two of the major issues discussed in the NPCA comments are not related to SDAPCD's proposed amended Rule 67.0 (Architectural Coatings) for the following reasons:

1. Unlike Rule 1113, the Rule 67.0 definition of Specialty Primers includes the use of such primers for blocking stains [(e)(1)(vii)(A)], and

2. Unlike Rule 1113, Rule 67.0 proposes a VOC limit of 250 g/l for Floor coatings, which is consistent with the current version of Rule 67.0.

Other comments pertain to South Coast AQMD's conclusions regarding the results of technical assessments performed on Interior Stains, Essential Public Services Coatings and all other coating categories conducted by or for South Coast AQMD and ARB. These results will be monitored by the SDAPCD to determine if future Rule 67.0 modifications are appropriate based on technical feasibility.

SDAPCD Response to Item C

The NPCA Comments submitted to the Sacramento Metropolitan AQMD on May 18, 2001, pertain to a meeting held with NPCA and Sacramento Metropolitan AQMD Staff on May 10, 2001. The letter summarizes and reiterates positions previously expressed by NPCA in other comment letters (see items D thru H). The letter does not contain any comments that are not already addressed by the responses to Items D thru H. Accordingly, no additional responses are being provided for the Item C comments.

SDAPCD Response to Item I

Benjamin Moore & Co. requested a six-month period between rule adoption and implementation, followed by at least a three-year sell through or grandfather period for existing products. In response to comments received at the Public Workshop held on September 6, 2001, the effective date of the proposed lower VOC content limits for Rule 67.0 has been delayed until January 1, 2003, consistent with the Suggested Control Measure guidance. This new compliance date will allow sufficient time to address all of the issues raised in the manufacturer's comment.

As proposed, Rule 67.0 (d)(4) contains a sell through provision that allows coatings that were compliant at the time of manufacture to be sold for a period of three years after the effective date of the new lower VOC content limit. In addition, coatings that were compliant at the time of manufacture may be applied at any time.