

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

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**To:** Governor's Office of Land Use and Climate  
Innovation – State Clearinghouse  
1400 Tenth St, Suite 222  
Sacramento, CA 95814-5502

**From:** South Coast Air Quality Management  
District  
21865 Copley Drive  
Diamond Bar, CA 91765

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**Project Title:** Proposed Amended Regulation III – Fees, which includes Proposed Amended Rule (PAR) 301 – Permitting and Associated Fees, PAR 303 – Hearing Board Fees, PAR 304 – Equipment, Materials, and Ambient Air Analyses, PAR 304.1 – Analyses Fees, PAR 306 – Plan Fees, PAR 307.1 – Alternative Fees for Air Toxics Emissions Inventory, PAR 308 – On-Road Motor Vehicle Mitigation Options Fees, PAR 309 – Fees for Regulation XVI and Regulation XXV, PAR 311 – Air Quality Investment Program (AQIP) Fees, PAR 313 – Authority to Adjust Fees and Due Dates, PAR 314 – Fees for Architectural Coatings, PAR 315 – Fees for Training Classes and License Renewal, PAR 316 – Fees for Rule 2305, and PAR 316.2 – Fees for Rule 2306

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

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**Description of Nature, Purpose, and Beneficiaries of Project:** Regulation III establishes the fee rates and schedules to recover South Coast AQMD's reasonable costs of regulating and providing services, primarily to permitted sources. Amendments to Regulation III are proposed which include: 1) an increase of most fees by 3.2 percent (%) consistent with the California Consumer Price Index (CPI) and Rule 320; and 2) new or modified fees to provide cost recovery for regulatory actions taken by the South Coast AQMD which revise: a) Rule 301 to add refund criteria for rejected permit applications, include a fee category for laser cutters, and remove the maximum fee cap for Continuous Emission Monitoring Systems (CEMS) and alternative systems evaluations; and b) Rule 303 to include diesel particulate matter as a toxic air contaminant, clarify South Coast AQMD Hearing Board petition filing fees and refund applicability, correct excess emission fees for toxic air contaminants, remove the Consent Calendar fee table, and add a fee for verifying excess emission fee calculations. Other administrative changes to Regulation III are also proposed, which have no fee impact and include: 1) clarifications to the public notice distribution fee and clean fuel fees; 2) changes to the deadlines for emission reports and payments; 3) optional periodic invoicing for processing Title V permit initial applications and renewals; and 4) clarifications of the preparation activities for which costs are recovered related to the California Environmental Quality Act (CEQA). The proposed project will ensure that the South Coast AQMD will have the necessary resources to provide cost recovery while implementing rule requirements through issuance and implementation of permits.

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**Public Agency Approving Project:**  
South Coast Air Quality Management District

**Agency Carrying Out Project:**  
South Coast Air Quality Management District

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**Exempt Status:**

CEQA Guidelines Section 15061(b)(3) – Common Sense Exemption  
CEQA Guidelines Section 15273 – Rates, Tolls, Fares, and Charges

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**NOTICE OF EXEMPTION FROM CEQA (concluded)**

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

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**Date of Project Approval:**

South Coast AQMD Governing Board Public Hearing: May 1, 2026

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**Proposed Amended Regulation III**

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**Date Received for Filing:** \_\_\_\_\_

**Signature:**



May 1, 2026

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Kevin Ni  
Program Supervisor, CEQA  
Planning, Rule Development, and  
Implementation