



# **Clean Transportation Policy Update**

March 15, 2018 – April 18, 2018

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## **Key State Activities**

# **REGULATORY ACTIVITIES**

# CEC WORKSHOP SET ON GOVERNOR'S EXECUTIVE ORDER FOR 5 MILLION ZEVs

On May 14, the California Energy Commission (CEC) will host a workshop about the Governor's Executive Order B-48-18, which calls for at least 5 million ZEVs by 2030, 250,000 charging stations by 2025 and 200 hydrogen fueling stations by 2025 in California. Needed actions to meet these targets will be discussed at the workshop, as well as the funding amounts of \$134 million for electric vehicle charging infrastructure and \$92 million for hydrogen fueling infrastructure.

More information is available at http://docketpublic.energy.ca.gov/PublicDocuments/18-HYD-01/TN223180 20180411T153528 Staff Workshop Notice.pdf

#### ARB APPROVES NEW GHG TARGET FOR SOUTH COAST

At its March meeting, the California Air Resources Board (ARB) approved updates to the regional GHG emission reduction targets under SB 375. For the South Coast, the new target requires the region to make a 19 percent reduction in GHG emissions per capita by 2035 – an increase from the previous target of 13 percent. This will mean that communities must reduce their per capita vehicle miles travelled considerably in order to meet the new target.

More information is available at <a href="https://www.arb.ca.gov/cc/sb375/sb375.htm">https://www.arb.ca.gov/cc/sb375/sb375.htm</a>

#### UPDATE TO INNOVATIVE CLEAN TRANSIT CONCEPT RELEASED

On March 27, the California Air Resources Board (ARB) released an update on the Innovative Clean Transit (ICT) regulatory concept. Since the December 15 workshop, staff has received numerous comments and suggested modifications, which are the basis for this update. ARB does not have a revised proposal yet, but the document contains likely areas of change based on stakeholder input. A revised proposal will be discussed at an upcoming public workshop to be held this spring.

#### For more information, please visit

https://arb.ca.gov/msprog/ict/meeting/mt180327/180327ictconcept.pdf

#### **FUNDING ACTIVITIES**

#### **CA CLIMATE INVESTMENTS ACTIVITIES**

Following are the current activities with respect to each CCI-funded program related to transportation:

Low Carbon Transportation Program (ARB)

There have been several work group meetings convened related to the FY 2018-19 Air Quality Improvement Program and Low Carbon Transportation Investments Funding Plan:

- April 12 The Heavy-Duty Projects Work Group held a meeting to discuss the development of the heavy-duty investments for the upcoming funding plan
- April 16 the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) and Low NOx Engine Incentives Work Group held a meeting to discuss project modifications to funding and eligibility requirements for these programs in the funding plan

The proposed funding plan for low carbon transportation incentives will be released in June, and the Board is slated to consider adoption in July.

For more information about the Low Carbon Transportation Program, please visit <a href="https://www.arb.ca.gov/msprog/aqip/aqip.htm">https://www.arb.ca.gov/msprog/aqip/aqip.htm</a>

#### Transit and Intercity Rail Capital Program (CaISTA)

On April 30, CalSTA is scheduled to publish the list of approved projects for the 2018 Transit and Intercity Rail Capital Program. The remaining schedule is as follows:

- May 16-17 Presentation of the project list to the California Transportation Commission (anticipated)
- By July 1 CalSTA approves the initial five-year program of projects for the program

More information can be found at <a href="http://www.dot.ca.gov/drmt/sptircp.html">http://www.dot.ca.gov/drmt/sptircp.html</a>

#### Low Carbon Transit Operations Program (Caltrans)

In May, Caltrans and ARB will approve the list of projects and submit the list to the State Controller's Office (SCO). By June 30, the SCO will release the approved project amounts to recipients.

For more information, please visit <a href="http://www.dot.ca.gov/drmt/splctop.html">http://www.dot.ca.gov/drmt/splctop.html</a>

<u>Affordable Housing and Sustainable Communities Program (SGC)</u> Awards for the Strategic Growth Council's (SGC)'s 2016-17 Affordable Housing and Sustainable Communities Program will be announced in June.

More information is available at <a href="http://sgc.ca.gov/programs/ahsc/">http://sgc.ca.gov/programs/ahsc/</a>

#### WORKSHOP HELD ON SO CAL INCENTIVE PROJECT FOR EVs

On April 17, the CEC held a workshop for the Southern California Incentive Project, part of the California Electric Vehicle Infrastructure Project (CALeVIP) funded by the Alternative and Renewable Fuel and Vehicle Technology Program. The project region includes Los Angeles, Orange, Riverside Counties and parts of San Bernardino County and is designed to provide the project with adequate infrastructure to support EV growth through 2025. At the workshop, staff received public input from stakeholders to help inform the project. Written comments are due by April 27.

For more information, please visit <a href="http://www.energy.ca.gov/altfuels/zev/2017-EVI-01/documents/">http://www.energy.ca.gov/altfuels/zev/2017-EVI-01/documents/</a>

#### ANNUAL REPORT ON CAP-AND-TRADE FUNDING AVAILABLE

On March 15, the Department of Finance and ARB released the "2018 Annual Report to the Legislature on California Climate Investments using Cap-and-Trade Auction Proceeds." In 2017, more than \$720 million in investments were made for projects to help reduce GHG emissions. The \$2 billion in implemented projects from the beginning of the program through 2017 are expected to reduce GHG emissions by more than 23 million MTCO2 (metric tons of carbon dioxide equivalents) over their respective GHG emission reduction timeframes (which show when projects are implemented based on the quantification period). Of those, projects implemented in 2017 are expected to reduce GHG emission reduction period.

The report is available at <a href="https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/2018\_cci\_annual\_report.pdf">https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/2018\_cci\_annual\_report.pdf</a>

#### UPCOMING HEARINGS IN THE SENATE AND ASSEMBLY

**Assembly** – The following hearings can be heard online at <a href="http://assembly.ca.gov/dailyfile">http://assembly.ca.gov/dailyfile</a>

- April 19, 1:00 p.m. The Joint Legislative Committee on Climate Change Policies will be holding an information hearing titled, "Building a Healthy and Resilient 2050"
- April 23, 2:30 The Natural Resources Committee will hear AB 3201 (California Clean Truck, Bus and Off-Road Vehicle and Equipment Technology Program)
- April 23, 2:30 The Transportation Committee will hear AB 2885 (Clean Vehicle Rebate Project)

Senate – None on relevant bills or topics.

# LEGISLATION

#### **CLEAN FUEL VEHICLES AND TECHNOLOGY**

#### AB 33 (Quirk)

#### Summary

This bill requires the California Public Utilities Commission (CPUC), in consultation with ARB and CEC, to consider authorizing utilities to offer programs and investments in electric vehicle service equipment installed in residential garages.

This is a 2-year bill.

#### **Complete Bill Information**

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180AB33

# AB 193 (Cervantes)

#### Summary

This bill would require ARB to establish the Clean Reused Vehicle Rebate Project, as part of the Air Quality Improvement Program, to provide rebates for: the acquisition of eligible used vehicles (those eligible under the Clean Vehicle Rebate Project); the replacement or refurbishment of an electric battery and related components for an eligible used vehicle or a vehicle service contract for the battery or related components; or a vehicle service contract to cover unexpected vehicle repairs not covered by the manufacturer's warranty related to unique problems in eligible used vehicles.

This is a 2-year bill.

#### **Complete Bill Information**

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180AB193

#### AB 1745 (Ting) Summary

Beginning January 1, 2040, this bill would prohibit the Department of Motor Vehicles from registering a new motor vehicle unless it is a ZEV.

#### **Complete Bill Information**

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180AB1745

#### AB 1184 (Ting) Summary

# This bill requires ARB to report to the Legislature by January 1, 2019, the funding levels necessary to support continuous, year-round operation of each of its ZEV and near-ZEV incentive programs, as well as any changes necessary to these programs to increase the market penetration of ZEVs.

This is a 2-year bill.

#### **Complete Bill Information**

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180AB1184

# AB 2061 (Frazier)

#### Summary

This bill, known as the Clean Truck Deployment Act, would remove weight-limit barriers that currently constrain the use of zero and near-zero emission trucks in California. Cleaner energy trucks weigh more than traditional internal combustion engines (by as much as 2,000 pounds) so they currently must reduce their carrying capacity in order to comply with state weight laws, providing a disincentive for businesses to invest in cleaner trucks. This bill would increase the weight limits for zero emission and near-zero emission vehicles so they can compete on an equal playing field with diesel and gasoline powered trucks.

#### **Complete Bill Information**

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180AB2061

# AB 2127 (Ting)

#### Summary

This bill would require the CEC, in consultation with ARB and the CPUC, to create a statewide assessment of electric vehicle charging infrastructure needed to support the levels of electric vehicle adoption needed for the state to reduce emissions of greenhouse gases to 40% below 1990 levels by 2030.

#### **Complete Bill Information**

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180AB2127

#### AB 2885 (Rodriguez) Summary

Beginning January 1, 2019, ARB would be required to provide outreach to low-income households and disadvantaged communities to increase consumer awareness of the Clean Vehicle Rebate Project and to prioritize rebate payments to both low-income applicants and applicants that have eligible vehicles registered in disadvantaged communities.

#### **Complete Bill Information**

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180AB2885

#### AB 2940 (Caballero)

#### Summary

Existing law allows the DMV to issue a temporary permit to operate diesel-fueled commercial vehicles even if that registration may be refused for failure to comply with emission standard requirements. This bill would require the DMV to issue the permit within 48 hours of a determination of noncompliance with current emission requirements. Additionally, the bill authorizes DMV to allow the registration of low-use vehicles (less than 5,000 miles annually) and agricultural vehicles even if they are not compliant with required air pollution control technology.

#### **Complete Bill Information**

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180AB2940

## AB 3201 (Daly)

#### Summary

This bill relates to the California Clean Truck, Bus and Off-Road Vehicle and Equipment Technology Program and would make the following changes:

- · Add large-scale deployment of transit buses to the program's list of eligible projects
- Require the annual framework and plan for the program to instead be a 3-year framework and plan
- Revise the definition of zero- and near-zero emission to include infrastructure that reduces GHG emissions and improve air quality

#### **Complete Bill Information**

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180AB3201

# SB 1000 (Lara)

#### Summary

This bill would require the CEC, in consultation with ARB, to:

- Develop minimum charging speed standards for direct current fast charging stations and for EV batteries
- Assess whether charging station infrastructure is disproportionately deployed by population density, geographical area, affluence or identifiable subgroup served
- Use state money and other funding mechanisms, including incentives, to more proportionately deploy new charging infrastructure if such disproportionate deployment is found

## **Complete Bill Information**

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180SB1000

#### SB 1014 (Skinner) Summary

This bill requires the CPUC to establish the Clean Miles Standard and Incentive Program for ZEVs used by participating prearranged transportation services for compensation for a transportation network company with the goal to ZEV increase passenger miles used on behalf of transportation network companies so all passenger miles are provided by ZEVs by December 31, 2028.

#### **Complete Bill Information**

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180SB1014

## **CLIMATE INVESTMENTS**

## AB 2492 (Salas)

#### Summary

This bill would require ARB to adopt a pilot program to provide incentives for emissions repairs and to reduce GHG emissions of class 3 medium-duty trucks. Money would be authorized from the Greenhouse Gas Reduction Fund to implement the program.

#### **Complete Bill Information**

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\_id=201720180AB2492

## SB 1119 (Newman)

#### Summary

This bill relates to the Low Carbon Transit Operations Program (LCTOP) and expands the eligibility requirements for transit fare subsidies. It would allow the current requirement that at least 50% of the money that transit agencies receive from the LCTOP be spent on certain projects be satisfied if these projects include: transit fare subsidies, including student transit passes; transit connections to major employment areas, education centers or medical facilities for residents in disadvantaged or low-income communities; and technology improvements that reduce GHGs, including the purchase of zero-emission buses and infrastructure.

#### **Complete Bill Information**

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180SB1119

## **TRANSPORTATION OPERATIONS & FUNDING**

#### AB 91 (Cervantes) Summary

Beginning July 1, 2018, this bill would prohibit a high-occupancy vehicle lane from being established in Riverside County unless that lane is established only during the hours of heavy commuter traffic. Any existing HOV lanes would be required to be modified to operate under these same conditions.

This is a 2-year bill.

## **Complete Bill Information**

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180AB91

# AB 1756 (Brough)

Summary

This bill would repeal the Road Repair and Accountability Act of 2017 (SB 1).

#### **Complete Bill Information**

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180AB1756

# **DEFENDING CALIFORNIA'S POLICIES**

#### SB 49 (de León and Stern)

#### Summary

This bill is called the California Environmental, Public Health, and Workers Defense Act of 2017, and would:

- Make current federal clean air, climate, clean water, worker safety, and endangered species standards enforceable under state law, even if the federal government rolls back and weakens those standards
- Direct state environmental, public health, and worker safety agencies to take all actions within their authorities to ensure standards in effect and being enforced today continue to remain in effect
- Ensure California does not backslide as a result of rollbacks by the federal Administration, since federal laws in these areas set "baselines" but allow states to adopt more stringent standards

This bill is part of the "Preserve California" legislative package designed to insulate the state from rollbacks in federal environmental regulations and public health protections.

This is a 2-year bill.

#### **Complete Bill Information**

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\_id=201720180SB49

#### **Key Federal Activities**

## FEDERAL ADMINISTRATIVE ACTIVITIES

## EPA ANNOUNCES ROLL BACK OF LIGHT-DUTY VEHICLE STANDARDS

On April 2, the U.S. EPA Administrator announced that the agency would be reconsidering the Final Determination of the mid-term evaluation of GHG emission standards for model year 2022-2025 light-duty vehicles issued under the previous Administration because it claims the standards are too stringent and therefore not appropriate. The standards currently require light-duty vehicles to average 54.5 miles per gallon by 2025. According to the Federal Register notice, EPA and the National Highway Traffic Safety Administration will initiate a new rulemaking process to further consider appropriate standards for model year 2022-2025 light-duty vehicles.

To see the Federal Register notice, please visit

https://www.federalregister.gov/documents/2018/04/13/2018-07364/mid-term-evaluation-of-greenhouse-gas-emissionsstandards-for-model-year-2022-2025-light-duty

#### BILLS TO CODIFY LIGHT-DUTY GHG & FUEL ECONOMY STANDARDS INTRODUCED

Congresswoman Doris Matsui (D-CA-06) and 19 other Democratic Representatives introduced the Clean and Efficient Cars Act of 2018, which would preserve the standards created in 2012 for light-duty vehicle GHG emissions and CAFE (Corporate Average Fuel Economy) for model years 2022-2025. The bill also would prevent agencies from creating loopholes in the standards and block the Administration from reducing fuel economy or allowing for an increase in emissions through a rollback of the 2012 rules. As outlined above, at the beginning of April, EPA announced in its reconsideration of the Final Determination of the mid-term evaluation of GHG standards for model year 2022-25 light-duty vehicles that the agency will be revising the standards and withdrawing the previous Final Determination issued on January 12, 2017. The bill can be found here: <a href="https://matsui.house.gov/uploadedfiles/clean\_and\_efficient\_cars\_act.pdf">https://matsui.house.gov/uploadedfiles/clean\_and\_efficient\_cars\_act.pdf</a>

On the Senate side, Senators Edward J. Markey (D-MA), Sheldon Whitehouse (D-RI), Richard Blumenthal (D-CT), Michael Bennet (D-CO), Chris Van Hollen (D-MD), Tina Smith (D-MN), and Jeff Merkley (D-OR) introduced the Greener Air Standards Mean Our National Security, Environment, and Youth (GAS MONEY) Saved Act, which would block the roll back of the 54.5 MPG fuel economy standards, and prevent the EPA Administrator from issuing rules to weaken vehicle emission standards through 2025. The bill language can be found here:

https://www.markey.senate.gov/imo/media/doc/GAS%20MONEY%20Act.pdf

#### FEDERAL RESEARCH ACTIVITIES

#### NEW RESEARCH EXAMINES RELATIONSHIP BETWEEN TRANSIT AND BIKESHARING

A new report by the Transportation Research Board titled, "Public Transit and Bikesharing," explores cooperative transit and bikesharing relationships and documents the experiences of transit systems with bikesharing as a complementary mode of transportation. The research outlines the current state of relationship building between transit agencies and bikesharing programs, including challenges, lessons learned and gaps in the information available. LA Metro's bikeshare program is highlighted as one of five existing bikeshare programs detailed as case studies.

The report can be found at <u>http://www.trb.org/Main/Blurbs/177475.aspx</u>