



Clean Transportation Policy Update

March 20 – April 16, 2024

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CARB AND STELLANTIS ENTER INTO AGREEMENT ON LIGHT-DUTY VEHICLES

On March 19, the California Air Resources Board (CARB) and Stellantis announced a partnership to advance the automaker's greenhouse gas (GHG) emissions reductions from new light-duty vehicles and its commitment to zero-emission technology, including investments in charging infrastructure. Stellantis, whose brands include Chrysler, Dodge, and Jeep, agreed to save more than 10 million additional metric tons of GHGs beyond compliance with existing standards through MY 2026. Moreover, Stellantis will comply with California's zero-emission light-duty vehicle sales requirements through 2030 even if CARB is unable to enforce its standards as a result of judicial or federal action. Under the partnership, Stellantis has committed not to oppose California's authority under the Clean Air Act for its GHG and zero-emission vehicle standards.

More information is available at

<https://ww2.arb.ca.gov/news/california-announces-partnership-stellantis-further-emissions-reductions>

WORKSHOP ON TRANSPORT STATE IMPLEMENTATION PLAN

On April 17, CARB will host a webinar to receive input on proposed amendments to California's 2024 Transport State Implementation Plan (SIP) ("Good Neighbor SIP"). The webinar will discuss the 2024 Good Neighbor SIP submission for the 0.070 parts per million (ppm) 8-hour ozone National Ambient Air Quality Standard for submittal to the U.S. EPA for inclusion in the California SIP. This Good Neighbor Plan has

been developed to resolve the part of the SIP that U.S. EPA disapproved in March 2023 and responds to the inadequacies U.S. EPA outlined to ensure that the emissions reduction targets are addressed adequately. The Board is slated to consider the proposed amendments at its July hearing.

For additional information, please visit

<https://ww2.arb.ca.gov/sites/default/files/2024-04/Workshop%20Notice%20Final.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 (CARB)

On April 18, CARB will hold the second annual Clean Transportation Equity Incentives Symposium to discuss the agency's suite of equity-focused, light-duty vehicle and mobility incentive programs. The all-day symposium will feature two panels and break-out discussions on featured topics. The first panel will focus on simplifying and streamlining access to incentive projects. The second panel will explore how CARB's equity projects can better prioritize communities through outreach and implementation.

Additional information can be found at

<https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low-0>

Low Carbon Transit Operations Program (Caltrans)

In mid-March, Caltrans released the Low Carbon Transit Operations Program Allocation request form. Allocation requests are due by April 25.

For more information, please visit

<https://dot.ca.gov/programs/rail-and-mass-transportation/low-carbon-transit-operations-program-lctop>

Transit and Intercity Rail Capital Program (CalSTA)

The 2024 Transit and Intercity Rail Capital Program (TIRCP) will fund projects starting with FY 2024-25 and ending with FY 2028-29. The new program cycle will include previously awarded and active projects that have not been fully allocated by the end of FY 2023-24 and projects selected within the 2024 cycle. The 2024 TIRCP schedule is as follows:

- March 12 – Draft 2024 Cycle 7 Guidelines released
- April 16 – Draft guidelines workshop (virtual)
- April 18 – Draft guidelines comments due
- April 23 – CalSTA publishes final 2024 Cycle 7 Guidelines; Call for Projects opens

- May 13-23 – Optional meetings with applicants to discuss concepts and quantifications
- July 23 – Project applications due
- October 23 – CalSTA announces awards

More information is available at

<https://calsta.ca.gov/subject-areas/transit-intercity-rail-capital-prog>

CALIFORNIA LEGISLATIVE ACTIVITIES

UPCOMING HEARINGS IN THE SENATE AND ASSEMBLY

Senate – The following hearing can be monitored online at:

<https://www.senate.ca.gov/calendar>

- April 17 – The Environmental Quality Committee will hold a hearing on SB 1387 (HVIP)
- April 23 – The Transportation Committee will hold a hearing on SB 960 (Complete Streets)
- April 29 – The Transportation Subcommittee on LOSSAN Rail Corridor Resiliency will hold an informational hearing titled, “Waves and Trains – Revitalizing Rail”

Assembly – The following hearings can be monitored online at:

<https://www.assembly.ca.gov/dailyfile>

- April 17 – Budget Subcommittee No. 4 on Climate Crisis, Resources, Energy, and Transportation will hold a hearing to discuss the budget with CalSTA, the California Transportation Commission, and other transportation agencies.
- April 24 – Budget Subcommittee No. 4 on Climate Crisis, Resources, Energy, and Transportation will hold a hearing to discuss the ZEV package, GGRF, and CARB.

LEGISLATION

CLEAN VEHICLES AND INCENTIVES

AB 627 (Jackson)

Summary

As part of the Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), this bill would require CARB to establish a sliding scale by which to determine the dollar amount of a voucher for the purchase of a new, or retrofit of a used, hydrogen or battery-electric drayage truck. The sliding scale would authorize vouchers in different amounts for fleets with 49 or fewer vehicles, 30 or fewer vehicles, and five or fewer vehicles. Additionally, CARB would prioritize awarding vouchers to operators that transport goods between any of the Ports of Los Angeles, Long Beach or Oakland and warehouses in California, and operators who own five or fewer drayage trucks.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB627

AB 2266 (Petrie-Norris)

Summary

This bill would require CARB to authorize a voucher under the HVIP program to be used for the acquisition of any zero-emission vehicle that meets all of the following requirements:

- The vehicle has a GVWR that exceeds 8,500 pounds
- The vehicle is purchased for fleet operations by a public or private fleet owning one or more medium- and heavy-duty vehicles
- The vehicle is not a house car as defined in Section 362 of the Vehicle Code

This is a companion bill to SB 1387.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2266

AB 2401 (Ting)

Summary

This bill would ensure that the Clean Cars 4 All Program prioritizes the retirement and replacement of the oldest, most driven, and highest emitting vehicles with ZEVs. It would require CARB to collect additional data and use it to establish a needs-based approach to identify and target outreach and incentives to low-income, high-mileage drivers with older, high-polluting vehicles. It also would codify any expansion of the program to confirm that any changes are subject to the same requirements established by this measure and previously enacted equity, funding, and tax exemption provisions.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2401

SB 233 (Skinner)

Summary

This bill would require the California Energy Commission (CEC), in consultation with CARB, the Public Utilities Commission and a stakeholder workgroup, to submit a report to the Legislature on the bidirectional capability of EVs and charging infrastructure by January 1, 2026, and conditionally authorizes CARB to require any weight class of battery electric vehicles to be bidirectionally capable if it determines that there is a sufficiently compelling use case to the vehicle operator and electric grid.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB233

SB 983 (Wahab)

Summary

This bill would require the California Energy Commission (CEC) to create the Alternative Fuels Infrastructure Task Force to conduct a study on retail gasoline stations and alternative fuels infrastructure. By January 1, 2027, the Task Force must submit a report to the Legislature with recommendations on: policies to facilitate the development and construction

development and construction of alternative fuels infrastructure at gas stations; best practices for compliance with the Americans with Disabilities Act when constructing alternative fuels infrastructure; and other infrastructure challenges that may delay the development and construction of alternative fuels infrastructure at gas stations.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB983

SB 1158 (Archuleta)

Summary

This bill relates to the Carl Moyer Program and would extend the liquidation time for funds from two years to six years following the date of disbursement. Funds not liquidated by a local air district by the sixth calendar year following the date of disbursement shall be returned to CARB. Additionally, the bill would increase the administrative fee from 6.25 percent to 12.5 percent for air districts with a population of more than one million, such as the SCAQMD.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1158

SB 1387 (Newman)

Summary

This bill would specify the requirements for eligible vehicles to receive a voucher issued under the HVIP program. CARB can authorize a voucher to be used for the acquisition of a zero-emission vehicle that meets all of the following requirements:

- The vehicle has a GVWR that exceeds 8,500 pounds
- The vehicle is not a house car as defined in Section 362 of the Vehicle Code
- The vehicle meets either of the following requirements:
 - A vehicle is purchased for fleet operations by a public or private fleet owning one or more medium- or heavy-duty vehicles
 - The vehicle is purchased by an individual for both personal and commercial use

This is a companion bill to AB 2266.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1387

TRANSPORTATION PLANNING, OPERATIONS, AND FUNDING

AB 6 (Friedman)

Summary

This bill would require CARB to provide regional GHG emission reduction targets for the automobile and light truck sector for 2035 and 2045, and makes additional changes to strengthen CARB's oversight of Metropolitan Planning Organization's Sustainable Communities Strategies.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB6

AB 2535 (Bonta)

Summary

This bill would make revisions to the Trade Corridor Enhancement Program by:

- Prohibiting the California Transportation Commission from allocating program funding to a project that adds a general purpose lane to a highway or expands highway capacity in a community that meets certain criteria related to pollution impacts
- Prohibiting program funding for a project that expands a highway's footprint unless the project meets certain criteria relating to environmental review and the operation of the project
- Requiring at least 50% of the program funds are allocated annually to investments in zero-emission freight infrastructure, prioritizing certain communities that meet certain criteria related to pollution impacts

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB2535

SB 960 (Wiener)

Summary

Known as the Complete Streets bill, it would require Caltrans to set objective goals and prioritize the implementation of comfortable, convenient, and connected facilities for pedestrians, bicyclists, and transit users on all projects in the State Highway Operation and Protection Program (SHOPP).

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB960

CLIMATE BOND

AB 1567 (Garcia)

Summary

The bill would enact the \$15.9 billion Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024, which would enable the bond measure to be put on the November ballot. It is possible that some funding for clean transportation would be included in the bond measure.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB1567

SB 867 (Allen)

Summary

This bill would enact the \$15.5 billion Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond of 2024, which would enable the bond measure to be put on the November ballot. It is possible that some funding for clean transportation would be included in the bond measure.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB867

Key Federal Activities

ADMINISTRATIVE ACTIVITIES

FEDERAL CLEAN VEHICLE RULES FINALIZED

On March 20, U.S. EPA issued the final “Multi Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles,” setting national pollution standards for passenger cars, light-duty trucks, and medium-duty vehicles for MY 2027 through MY 2032 and beyond. Compared to the existing MY 2026 standards, the final MY 2032 standards represent a nearly 50% reduction in projected fleet average GHG emissions levels for light-duty vehicles and a 44% reduction for medium-duty vehicles. The standards are expected to reduce PM emissions by more than 95%.

On March 29 the final rule for “Greenhouse Gas Emissions Standards for Heavy-Duty Vehicles – Phase 3” was released. This sets stronger standards to reduce GHGs from heavy-duty vehicles beginning in MY 2027 from vehicles such as vocational vehicles (e.g., delivery trucks, refuse haulers, public utility trucks, transit, shuttle, school buses) and tractors (e.g., day cabs and sleeper cabs on tractor-trailer trucks). The standards will avoid 1 billion tons of GHG emissions from 2027 through 2055, reduce 53,000 tons of annualized NOx emissions

by 2055, and provide \$13 billion in annualized net benefits related to public health, the climate, and savings for truck owners and operators. The federal rule projects that 17% of the largest heavy-duty trucks will be zero-emission by MY 2032, while 15% will be powered by natural gas or battery-electric hybrids. California's rules mandating the sales of new battery electric and fuel cell trucks in increasing percentages through 2042 are more stringent than the federal rule, which allows more flexibility in fuels.

The rules are available at

<https://www.epa.gov/regulations-emissions-vehicles-and-engines/final-rule-multi-pollutant-emissions-standards-model>
and

<https://www.epa.gov/regulations-emissions-vehicles-and-engines/final-rule-greenhouse-gas-emissions-standards-heavy-duty>

FUNDING ACTIVITIES

MILLIONS FOR ACTIVE TRANSPORTATION PROJECTS AVAILABLE

On March 19, the Federal Highway Administration opened applications for \$44.5 million in projects to improve safety and access for bicycling, walking, and public transit through the Active Transportation Infrastructure Investment Program. Communities can receive funding to plan, design, or construct safe and connective active transportation networks such as sidewalks, bikeways, and trails that connect destinations such as schools, workplaces, residences, businesses, recreation areas, and medical facilities within a community or metropolitan region, or to connect two or more communities, metropolitan regions or states. Eligible applicants include states, local and Tribal governments, and metropolitan and regional planning organizations. Applications are due by June 17.

For more information, please visit

https://www.fhwa.dot.gov/environment/bicycle_pedestrian/atip/index.cfm