



Clean Transportation Policy Update

January 15 – February 18, 2025

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ADMINISTRATION ACTIVITIES

GOVERNOR APPOINTS NEW CARB MEMBER

On January 29, Governor Newsom appointed Todd Gloria to the California Air Resources Board (CARB). He has been the Mayor of the City of San Diego since 2020, and was an Assemblymember with the California State Assembly from 2016 to 2020. He fills the San Diego Air Pollution Control District seat vacated by former San Diego Supervisor Nora Vargas. This position requires Senate confirmation.

Additional information is available at <https://ww2.arb.ca.gov/about/leadership/todd-gloria>

REGULATORY ACTIVITIES

ADVANCED CLEAN FLEETS REGULATION UPDATE

CARB posted additional information on the ACF rule on its website following the withdrawal of its Advanced Clean Fleets (ACF) waiver request to the U.S. EPA on January 13. The update reads:

California has withdrawn its request for a waiver and authorization for the addition of the ACF Regulation to its emissions control program. At this time, CARB is evaluating next steps. CARB is not enforcing the existing portions of the ACF Regulation that require a federal waiver or authorization, such as the portions of the ACF Regulation that apply to high priority and drayage fleets. However, not all elements of the ACF Regulation require a federal waiver or authorization. The state and local government fleets portion of the ACF Regulation remains unaffected. Because CARB is committed to reducing air pollution to protect public health, we encourage affected industries to continue reducing their emissions and we look forward to continued partnership in these efforts.

For more information, please visit <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-fleets>

WEBINAR ON ZERO-EMISSION TRUCKS AND INCENTIVES

On February 19, Cal Fleet Advisor will offer a free webinar where industry experts will present an overview of zero-emission vehicle technology advancements, incentives, and infrastructure availability, and hold a Q&A session. The information is targeted toward small-to-medium fleet operators and will provide insights into cost-savings strategies, new vehicles, and technologies.

To register, please visit <https://calfleetadvisor.org/event/new-year-new-changes-webinar/>

CARB's RFI FOR USED TRUCK VOUCHER PILOT

On January 16, CARB released a Request for Information (RFI) for the development of a concept for a Used Truck Voucher Pilot for medium- and heavy-duty commercial vehicles. This pilot is part of the existing Innovative Small E-Fleet Pilot Project (ISEF), which provides vouchers for zero emission vehicles. The primary goal for the pilot would be to accelerate the development of an affordable secondary vehicle market that would provide small fleets with more flexibility. For this incentive program concept, CARB staff would collaborate with Zero-Emission Vehicle (ZEV) Dealers, lenders, ZEV industry experts, and other interested parties. Responses are due by February 28.

Additional information is available at <https://ww2.arb.ca.gov/resources/documents/used-truck-voucher-pilot-concept-request-information>

WORKSHOP ON CA CHARGING & FUELING FORMULA PROGRAM CONCEPTS

On February 13, the California Energy Commission (CEC) and the California Department of Transportation (Caltrans) hosted a workshop to solicit public feedback on California's West Coast Truck Charging and Fueling Corridor project, funded by the federal Charging and Fueling Infrastructure (CFI) Program grant funding opportunity. During the workshop, CEC staff presented concepts for a future solicitation to increase charging and refueling infrastructure needed to support medium- and heavy-duty zero-emission vehicles. Discussion topics included funding levels, requirements, geographic consideration, and solicitation release timing. The MSRC is a partner with the CEC and Caltrans on the West Coast Truck Charging and Fueling Corridor Project, which received more than \$102 million in CFI funding last year. The CEC will implement California's portion of the award in the form of competitive funding solicitation(s).

For more information, please visit <https://www.energy.ca.gov/event/workshop/2025-02/joint-workshop-california-charging-and-fueling-infrastructure-cfi-program>

CEC's 2024 ZERO-EMISSION VEHICLE INFRASTRUCTURE PLAN IN DEVELOPMENT

The CEC is working on the second edition of the Zero-Emission Vehicle Infrastructure Plan (ZIP), which outlines California's infrastructure deployment plan to meet the goals of the light-duty passenger vehicle market and medium-duty and heavy-duty truck and bus market. Staff held a public workshop on January 29 where they presented an overview of the staff report and collected public feedback. Public comments were due by February 7, and staff will release a revised draft report in May.

To see the draft report, please visit <https://www.energy.ca.gov/publications/2025/2024-zero-emission-vehicle-infrastructure-plan-deployment-strategy-2025-2030>

MEETING ON CA'S CLIMATE ACTION PLAN

On February 20, CARB will host a public meeting at its Riverside office to discuss California's Comprehensive Climate Action Plan. This plan will provide a roadmap for cleaner forms of energy, including increased access to zero-emissions options that will give Californians choices to help clean the air and fight climate change. Created under the Inflation Reduction Act, U.S. EPA's Climate Pollution Reduction Grants (CPRG) Program offered states, large metropolitan areas, and Tribal Nations non-competitive funding in 2023 to create three climate plans over four years. California's Priority Climate Action Plan was submitted in March 2024. All entities who received funding for planning under the CPRG program must now complete the Comprehensive Climate Action Plan, due in Fall 2025. CARB will also hold a virtual meeting sometime in March.

Additional information is available at <https://content.govdelivery.com/accounts/CARB/bulletins/3d1018a>

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 10, CARB will host the 2025 Clean Transportation Equity Incentives Symposium in Los Angeles. There will also be a virtual participation option. The symposium will bring together project administrators, outreach partners, community groups, and other key stakeholders to reflect on and provide transparency into CARB's suite of equity-focused, clean transportation incentive programs. The event will include a keynote address, as well as panel discussions, breakout sessions, and networking opportunities.

Additional information is available 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 February, Caltrans is hosting a series of in-person and virtual allocation workshops for the FY 24-25 Low Carbon Transit Operations Program (LCTOP). The remaining program timeline is as follows:

- State Controller's Office (SCO) releases apportionment announcement/LCTOP Call for Projects opens – March
- LCTOP allocation requests due to Caltrans – May
- Caltrans and CARB approve the list of projects and submit to SCO – September
- SCO releases approved amounts to recipients – December

For more information, please visit <https://dot.ca.gov/programs/rail/low-carbon-transit-operations-program-lctop>

Transit and Intercity Rail Capital Program & Zero-Emission Transit Capital Program (CalSTA)

February 28 is the deadline for Regional Transportation Planning Agencies, transit operators, and other public agencies seeking their second year of Transit and Intercity Rail Capital Program and/or Zero-Emission Transit Capital Program to submit their funding requests for previously approved projects. CalSTA is slated to allocate the requested funding by April 30.

Additional information can be found at <https://calsta.ca.gov/subject-areas/sb125-transit-program>

ZERO-EMISSION FREIGHT AND MARINE PROGRAM DEADLINE EXTENDED

The deadline to apply for funding for the statewide Zero-Emission Freight and Marine Program has been extended until further notice. The program has up to \$25 million in funding available for eligible zero-emission projects including:

- Replacing heavy-lift forklifts (with a lift capacity of 8,001 lbs. or greater) with zero-emission alternatives
- Replacing cargo handling equipment, including terminal tractors with zero-emission alternatives
- Repowering marine vessels, including ferries, tugboats, and towboats to zero-emission

More information is available at <https://www.californiavwtrust.org/zero-freight-marine/>

UPCOMING HEARINGS IN THE SENATE AND ASSEMBLY

Senate – The following hearings can be monitored online at: <https://www.senate.ca.gov/calendar>

- March 13 – Budget Subcommittee No. 2 on Resources, Environmental Protection, and Energy will hold a hearing to discuss budget issues with CARB, CEC and other agency staff.
- March 20 – Budget Subcommittee No. 2 on Resources, Environmental Protection, and Energy will hold a hearing to discuss budget issues with CARB staff.
- March 27 – Budget Subcommittee No. 5 on Corrections, Public Safety, Judiciary, Labor, and Transportation will hold a hearing to discuss budget issues with CalSTA and the Department of Transportation staff.

Assembly – The following hearings can be monitored online at: <https://www.assembly.ca.gov/dailyfile>

- March 12 – Budget Subcommittee No. 4 on Climate Crisis, Resources, Energy, and Transportation will hold an informational hearing on energy, zero-emission vehicles, and CARB.
- March 26 – Budget Subcommittee No. 4 on Climate Crisis, Resources, Energy, and Transportation will hold a transportation budget informational hearing.
- April 9 - Budget Subcommittee No. 4 on Climate Crisis, Resources, Energy, and Transportation will hold an informational hearing, “The History and Future of the Greenhouse Gas Reduction Fund.”

LEGISLATION

TRANSPORTATION PLANNING, OPERATIONS, AND FUNDING

AB 12 (Wallis)

Summary

This bill would void specified amendments to the Low Carbon Fuel Standard adopted by CARB on November 8, 2024. It is a companion bill to SB 2. Currently, this is a spot bill.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB12

AB 34 (Patterson)

Summary

This bill would prohibit CARB from adopting any standard, regulation, or rule until the Legislative Analyst has analyzed the cost to consumers and submitted its analysis to the Legislature.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB34

SB 2 (Jones)

Summary

This bill would void specified amendments to the Low Carbon Fuel Standard adopted by CARB on November 8, 2024. It is a companion bill to AB 12. Currently, this is a spot bill.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB2

SB 34 (Richardson)

Summary

This bill would require CARB to establish an intermodal goods movement stakeholder group consisting of, among others, a member from each specified ports district. The bill would require the group to develop a plan that specifies short-term thresholds of yellow, orange, and red for port emissions and specifies actions to be taken to reduce port and port-related emissions when the thresholds are reached. The group would be required to submit a report to the Legislature, on or before January 31, 2027, with its findings, recommendations, and the plan.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB34

SB 71 (Wiener)

Summary

This bill would indefinitely exempt certain public transportation-related projects from CEQA requirements, such as: the improvement of bus rapid transit, bus, or light rail service, including the maintenance, public projects for the improvement, institution, or increase of shuttles and ferries, and for the maintenance, construction, or rehabilitation of stops exclusively used by zero-emission, near-zero-emission, low oxide of nitrogen engine, compressed natural gas fuel, fuel cell, or hybrid powertrain buses, shuttles, ferries, or light rail vehicles.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB71

Key Federal Activities

REGULATORY ACTIVITIES

U.S. DOT SECRETARY DIRECTS REVIEW OF CAFE STANDARDS

On January 28, U.S. DOT Secretary Sean Duffy issued an administrative directive to the National Highway Traffic Safety Administration (NHTSA) to immediately review and reconsider all existing Corporate Average Fuel Economy (CAFE) Standards applicable to Model Years (MY) 2022 and beyond. This includes: CAFE standards for MY 2024-26 Passenger Cars and Light Trucks, CAFE Standards for Passenger Cars and Light Trucks MY 2027 and beyond, and Fuel Efficiency Standards for Heavy-Duty Pickup Trucks and Vans for MY 2030 and Beyond. This directive stems from the President's January 20 Executive Order "Unleashing American Energy," which directs federal agencies to identify all existing regulatory requirements that unduly burden the development or use of domestic energy resources or that are inconsistent with Administration policy, as reflected in the Executive Orders. NHTSA's CAFE standards regulate how far vehicles must travel on a gallon of fuel.

For more information, please visit <https://www.transportation.gov/sites/dot.gov/files/2025-01/Signed%20Secretarial%20Memo%20re%20Fixing%20the%20CAFE%20Program.pdf>

FUNDING ACTIVITIES

FEDERAL CLEAN FUELING INFRASTRUCTURE FUNDING FROZEN

The President's January 20 Executive Order directs the termination of the Green New Deal, including that agencies must pause funding under the Inflation Reduction Act (IRA) and the Infrastructure Investment and Jobs Act (IIJA). The order specifically names the National Electric Vehicle Infrastructure (NEVI) and the Charging and Fueling Infrastructure (CFI) programs. Although a federal court put a temporary hold on federal funding freezes on January 29, this did not undo the hold on the IRA and IIJA climate and infrastructure fund; however, this is being challenged in the courts so uncertainty remains. Under the NEVI program, in 2022 California was awarded \$384 million in formula funding over five years. According to the CEC, the agency has already awarded approximately \$32 million in funding, which leaves the status of \$352 million in future expected awards unclear. Under the CFI program, California was expected to receive \$441 million. As noted above, the MSRC is a partner with the CEC and Caltrans on the CFI-funded West Coast Truck Charging and Fueling Corridor Project. In recent comments, officials from the CEC and Caltrans said they do not expect delays in disbursing the \$67 million to build zero-emission heavy-duty infrastructure along Interstate 5, which is part of the \$102 million awarded for the West Coast project.

For more information, please visit <https://www.whitehouse.gov/presidential-actions/2025/01/unleashing-american-energy/>

and

<https://www.fhwa.dot.gov/environment/nevi/resources/state-plan-approval-suspension.pdf>

RESEARCH ACTIVITIES

ZERO-EMISSION TRUCKS MARKET REPORT

In January 14, CALSTART published its sixth annual "Zeroing in on Zero-Emission Trucks" report. The report highlights the continued increase in medium- and heavy-duty zero-emission truck (ZET) deployments in the U.S. and offers insights into key trends driving growth in this market, as well as opportunities to further accelerate this growth. A review of the data through June 2024 finds:

- More than 42,500 ZETs have been deployed in the United States. Sixteen states now have more than 1,000 ZET deployments.
- California, Texas, and Florida are the leading three states for ZET deployments.
- ZETs made up just 2.6 percent of new truck sales in the first six months of 2024. The pace of adoption will need to double each year to reach federal climate targets of 100 percent new ZE truck and bus sales by 2040, with an interim goal of 30 percent by 2030.
- Applications such as first- and last-mile delivery, return-to-base operations, and drayage are ready for ZETs today.

The report also identifies key issues holding back ZET deployments, including:

- The high purchase price of ZETs remains unaffordable for many fleets.
- Infrastructure delays for building out charging and refueling stations have created logistical challenges for fleets considering buying a ZET.
- Insurance and monthly lease payments for ZETs are notably higher as insurers and financiers lack historical data on this new technology, meaning higher risk and higher payments.
- Regulatory uncertainty at both the state and federal level leaves fleets and original equipment manufacturers unsure about how aggressively they should invest in ZETs.

The report is available at <https://calstart.org/zio-zets/>

MODEL EV POLICIES FOR STATE AND LOCAL OFFICIALS

In mid-January, the Sierra Club, Plug In America, the Electrification Coalition, and Forth released two resources designed to accelerate the transition to clean, electric vehicles and e-mobility in an effective and equitable way. These guides provide stakeholders with model policies at the state, local, and utility levels. The guide, “Solutions for Expanding EV Charging,” explores EV policies for regulators/utilities, EV-utility investments, and charging infrastructure funding and financing. “Solutions for Expanding Equitable Access to EVs and E-Mobility,” highlights rebates for low-income drivers, EV carsharing, charging access in underserved communities, and electric micromobility.

These guides are available at <https://www.sierraclub.org/achieve-state-local-leadership-model-electric-vehicle-policies>