



Clean Transportation Policy Update

January 17 – February 13, 2024

IN THIS ISSUE:

Key State Activities

ADMINISTRATION ACTIVITIES

Gov Highlights Billions in Federal Climate Investments to CA

REGULATORY ACTIVITIES

Draft State Priority Climate Action Plan Available

Climate Action Plan on Transportation Infrastructure Released

Transit Transformation Taskforce Meeting Set

FUNDING ACTIVITIES

CA Climate Investments Activities
CEC's Clean Transportation Program 2023-24 Investment Plan Update

RESEARCH ACTIVITIES

New Report Shows Benefits of Ca's Clean Air Programs

CA LEGISLATIVE ACTIVITIES

Relevant Committee Chair appointments for 2023-24 legislative session

Upcoming Hearings in the Senate and Assembly

LEGISLATION

Clean Vehicles and Incentives Transportation Planning, Operations, and Funding
Climate Change
Climate Bond

Key Federal Activities

FEDERAL REGULATORY ACTIVITIES

FEDERAL FUNDING ACTIVITIES

Key State Activities

ADMINISTRATION ACTIVITIES

GOVERNOR HIGHLIGHTS BILLIONS IN FEDERAL CLIMATE INVESTMENTS TO CA

On February 2, Governor Newsom announced that California has received more than \$15.5 billion in funding from the 2022 Inflation Reduction Act and the 2021 Infrastructure Investment and Jobs Act for climate and clean energy programs. Investments for transportation and zero-emission vehicles (ZEVs) total \$7.5 billion, including more than \$63 million to upgrade existing EV chargers and \$168 million for 2,600 EV charging stations in rural and disadvantaged communities.

Read the Governor's announcement here

<https://www.gov.ca.gov/2024/02/02/this-is-a-bfd-governor-newsom-highlights-massive-15-5-billion-in-climate-investments-from-biden-administration/>

REGULATORY ACTIVITIES

DRAFT STATE PRIORITY CLIMATE ACTION PLAN AVAILABLE

On January 31, the State released its Draft Priority Climate Action Plan as part of U.S. EPA's Climate Pollution Reduction Grants Program (CPRG). The Inflation Reduction Act provided funding to states to create climate plans, which are due to EPA on March 1. The actions listed in California's plan will be eligible to compete for \$4.6 billion in federal funding under the second phase of the CPRG Program. The plan outlines measures in several sectors that will help ensure California stays on course to curb the effects of climate change. These sectors include: transportation; industrial; energy; high global warming potential (e.g., emissions from electricity transmission and distribution, semiconductor and other manufacturing processes); agriculture; natural

and working lands; and waste. Additional plans and follow-up will be required in subsequent years. Under the CPRG, California also will develop a Comprehensive Climate Action Plan by mid-2025 and provide a Status Report by mid-2027.

For more information, please visit

<https://ww2.arb.ca.gov/our-work/programs/u-s-epas-climate-pollution-reduction-grants-program>

CLIMATE ACTION PLAN ON TRANSPORTATION INFRASTRUCTURE RELEASED

On January 29, the California State Transportation Agency (CalSTA) published the 2023 Annual Progress Report on the Climate Action Plan for Transportation Infrastructure (CAPTI). The plan outlines 34 strategies and actions to advance more sustainable, equitable, and healthy modes of transportation, such as walking, biking, transit, and rail, and accelerate the transition to zero-emission vehicle technology. Of those 34 actions, 25 are already complete, and the remaining nine are slated to be completed by the end of June, sooner than expected. Key findings from the report include:

- The amount of funding going toward projects that increase VMT has declined significantly since 2019, with record levels of funding going toward cleaner modes of transportation. For example, the Active Transportation Program received an increase of about \$50 million per year in federal funding and a one-time \$1.05 billion increase in State funding.
- While CAPTI implementation may shift the State's transportation investments, it did not negatively impact the number of jobs created or job quality throughout the economic sectors involved in State transportation improvement.
- Increased multimodal, community-driven projects throughout all CAPTI funding programs also improved transportation equity outcomes among disadvantaged communities.

The report is available at

<https://calsta.ca.gov/-/media/calsta-media/documents/capti-2023-annual-report-finalreport-ally.pdf>

TRANSIT TRANSFORMATION TASK FORCE MEETING SET

On February 29, the Transit Transformation Task Force will hold its second meeting in Sacramento. Created by SB 125 (2023), the Task Force is charged with developing policy recommendations to help grow transit ridership and improve the transit experience for all riders and must submit a report to the Legislature by October 31, 2025. The next meeting will take place in April.

For more information, please visit

<https://calsta.ca.gov/subject-areas/sb125-transit-program>

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 February 21, the California Air Resources Board (CARB) will host an Implementation Work Group meeting to discuss implementation of the FY 2023-24 Innovative Small e-Fleet Program (ISEF). Staff will review updates to the Implementation Manual based on the Board-approved FY 2023-24 Funding Plan for Clean Transportation Incentives and discuss ideas for further implementation updates.

On February 9, CARB held a pre-solicitation meeting for the FY 2023-24 Access Clean California Project. Access Clean California is an outreach effort that provides resources to nonprofits, community-based organizations, and similar grassroots organizations to help families in low-income and disadvantaged communities learn about how to participate in clean transportation and clean energy incentive programs. At the meeting, staff provided an update on the program, outlined the scope, requirements, and timeline, and had a discussion and Q&A with participants. The solicitation will be released in the first quarter of 2024.

On February 8, there was a public Work Group meeting to discuss clean mobility investment implementation. Staff received feedback on proposals for implementing CARB's FY 2023-24 investments in Sustainable Community-Based Transportation Equity Projects, including Planning and Capacity Building (\$10 million), the Clean Mobility Options Voucher Pilot Program (approximately \$16.7 million), Clean Mobility in Schools Program and the Sustainable Transportation Equity Project (approximately \$32.3 million combined).

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)

Caltrans is slated to release the updated allocation request package for the 2023-24 LCTOP soon, with workshops to discuss allocation requests to follow. In February, the State Controller's Office is expected to release the apportionment announcements, and Caltrans will open the Call for Projects.

For more information, please visit

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

CEC'S CLEAN TRANSPORTATION PROGRAM 2023-24 INVESTMENT PLAN UPDATE

The California Energy Commission (CEC) released the final 2023-24 Investment Plan Update for the Clean Transportation Program. It includes General Fund and Greenhouse Gas Reduction Fund allocations under the 2022 and 2023 Budget Acts, which project funding

through 2027, as well as base Clean Transportation Program funding. Proposed investments of \$533.7 million for FY 2023-24 include:

- Light-duty EV charging infrastructure - \$42.6 million
- Equitable at-home charging - \$95 million
- Medium- and heavy-duty infrastructure - \$47.6 million
- Drayage truck infrastructure - \$80.75 million
- School bus infrastructure - \$125 million
- Clean truck, bus, and off-road equipment infrastructure - \$137.75 million
- Workforce training and development - \$5 million

The Commission is expected to approve the Investment Plan at its February 14 meeting.

The plan is available at

<https://www.energy.ca.gov/publications/2023/2023-2024-investment-plan-update-clean-transportation-program>

RESEARCH ACTIVITIES

NEW REPORT SHOWS BENEFITS OF CA'S CLEAN AIR PROGRAMS

The American Lung Association has published a new report, "Living and Breathing in California: Health Benefits of Clean Air Programs," which illustrates the potential for major health benefits from California's adopted clean air policies. Programs to reduce emissions from on- and off-road engines will create more than \$200 billion in public health benefits and save 20,000 lives over the course of implementation, which ranges from 2020 to 2050. Health benefits include reduced numbers of premature deaths, fewer hospital admissions for cardiovascular and respiratory illnesses, and less emergency room visits for asthma attacks. Strong implementation and investments at the local, state, and federal levels will be required to achieve the health benefits and lives saved from these policies.

Read the report at

<https://www.lung.org/getmedia/fed6a54d-524e-409e-897a-a4b1cfa6400/ala-ca-clean-air-programs>

CALIFORNIA LEGISLATIVE ACTIVITIES

New Senate President Pro Tem Mike McGuire (D-2) was sworn in on February 5. He replaces Toni Atkins who served as President Pro Tem since 2018. On February 8, he announced the Committee Chairs for 2023-24 legislative session. Relevant Chair appointments include:

- Appropriations – Anna Caballero (D-14) (replaces Anthony Portantino)
- Budget – Scott Wiener (D-11) (replaces Nancy Skinner)
 - Budget Subcommittee No. 2 on Resources, Environmental Protection and Energy – Josh Becker (no change)
 - Budget Subcommittee No. 5 on Corrections, Public Safety, Judiciary, Labor and Transportation – Aisha Wahab (D-10) (replaces Maria Elena Durazo)

- Transportation – Dave Cortese (D-15) (replaces Lena Gonzalez)
- Energy, Utilities and Communications –Steven Bradford (D-35) (no change)

UPCOMING HEARINGS IN THE SENATE AND ASSEMBLY

Assembly – The following hearings can be monitored online at:

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

- February 28 – Budget Subcommittee No. 4 on Climate Crisis, Resources, Energy, and Transportation will hold a hearing on the proposed 2024 climate budget, ZEVs, CARB and the CEC.
- 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.

Senate – None scheduled to date on relevant bills or topics.

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 worth incrementally greater dollar amounts for fleets with 50 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 1550 (Bennett)

Summary

This bill would define “green hydrogen” as hydrogen derived from water using electrolysis, and would require that beginning on January 1, 2045, all hydrogen produced and used for the fueling of vehicles or the generation of electricity be green hydrogen.

Because this bill failed to pass out of its House of Origin by the legislative deadline, this bill is dead.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1550

SB 233 (Skinner)

Summary

This bill would require the 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 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 of alternative fuels infrastructure at retail gas stations; barriers to the accelerated 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

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 69 (Waldron)

Summary

This bill would authorize Greenhouse Gas Reduction Fund money to be allocated for an investment in a traffic signal synchronization component that is part of a roadway improvement project requiring multiple signals, including, but not limited to, multimodal redevelopment projects, rail trail projects, urban renewal projects, or a project near transit

facilities, if the component is designed and implemented to achieve cost-effective reductions in GHG emissions and includes specific emissions reduction targets and metrics to evaluate the project's effect.

Because this bill failed to pass out of its House of Origin by the legislative deadline, this bill is dead.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB69

SB 32 (Jones)

Summary

This bill would suspend the Low Carbon Fuel Standard regulations for one year. It also would suspend the imposition of the tax on motor vehicle fuels for one year. All the savings realized based on the suspension of these regulations would be passed on to the end consumer.

Because this bill failed to pass out of its House of Origin by the legislative deadline, this bill is dead.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB32

CLIMATE CHANGE

SB 12 (Stern)

Summary

Existing law requires that statewide GHG emissions are reduced to at least 40 percent below the 1990 levels by December 31, 2030. This bill would instead require CARB to ensure that statewide GHG emissions are reduced to at least 55 percent below the 1990 level by December 31, 2030.

Because this bill failed to pass out of its House of Origin by the legislative deadline, this bill is dead.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB12

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

FEDERAL REGULATORY ACTIVITIES

U.S. EPA TIGHTENS STANDARDS FOR PM 2.5

On February 7, U.S. EPA finalized stronger annual national ambient air quality standards for fine particulate matter (PM 2.5) at 9 micrograms per cubic meter from a level of 12 micrograms per cubic meter. EPA estimates that the new standard will prevent up to 4,500 premature deaths and 290,000 lost workdays, resulting in approximately \$46 billion in net health benefits in 2032 (when the standard will be fully implemented). EPA estimates that 23 of the 58 counties in California will need to take aggressive action to achieve this standard by 2032, including in the greater Los Angeles area which averages 14.2 micrograms per cubic meter.

For more information please visit

<https://www.epa.gov/pm-pollution/final-reconsideration-national-ambient-air-quality-standards-particulate-matter-pm>

FEDERAL FUNDING ACTIVITIES

MILLIONS IN FEDERAL FUNDING FOR EV CHARGERS AWARDED TO CA

On January 18, the Federal Highway Administration announced it awarded the California Department of Transportation \$63.7 million to repair or replace broken or non-operational EV charging ports to improve the reliability of existing charging infrastructure. The Electric Vehicle Charger Reliability and Accessibility Accelerator Program awarded approximately \$148.8 million in grant funding across 20 states for 4,500 chargers. California's funding will go toward repairing or replacing 1,302 charging ports at 300 sites around the State, representing nearly one-third of the sites chosen for funding nationally.

Additional information is available at

<https://highways.dot.gov/newsroom/biden-harris-administration-announces-grants-upgrade-almost-4500-public-electric-vehicle>