



Clean Transportation Policy Update

February 18 – March 17, 2021

Key State Activities

REGULATORY ACTIVITIES

HD INSPECTION & MAINTENANCE PROGRAM WORK GROUP MEETING SCHEDULED

On March 29, the California Air Resources Board (CARB) will hold a work group meeting for the Heavy-Duty Inspection and Maintenance Program (HD I/M) to discuss the proposed regulation and compliance assistance concepts for small fleets. Staff will continue the discussion from previously proposed regulatory concepts for the HD I/M program introduced at the December 17, 2020, and February 22, 2021, workgroup meetings. Staff has revised the regulatory concepts based on stakeholder feedback and redrafted the concepts as draft proposed regulatory text. In addition, staff will discuss and solicit feedback on potential concepts for providing compliance assistance to small fleets to aid them in meeting the HD I/M program requirements.

For more information, please visit

<https://ww2.arb.ca.gov/our-work/programs/inspection-and-maintenance-program/Meetings-and-Workshops>

ADVANCED CLEAN FLEETS RULE WORKSHOPS

On March 2 and 4, CARB hosted two workshops to discuss development of the Advanced Clean Fleets Regulation for medium- and heavy-duty zero-emission fleet vehicles. CARB staff provided an overview of the regulation's scope, collected stakeholder feedback on the proposed strategy and discussed alternative concepts. The workshops covered public fleets (local and state), drayage trucks, private and federal fleets, and outsourcing for zero-emission

IN THIS ISSUE:

Key State Activities

REGULATORY ACTIVITIES

HD Inspection & Maintenance
Program Work Group Meeting
Scheduled
Advanced Clean Fleets Rule
Workshop
February Cap-and-Trade Auction
Results
California Transportation Plan 2050
Released

FUNDING ACTIVITIES

CA Climate Investment Activities
Moyer Program Update

OTHER NEWS

Second Heavy-Duty Trucks AQMP
Working Group Meeting Set
New SCAQMD Board Member

CA LEGISLATIVE ACTIVITIES

Upcoming Hearings in the Senate
and Assembly

LEGISLATION

Clean Fuel Vehicles Policy &
Incentives
Transportation Planning,
Operations and Funding
Air Quality
Climate Policy

Key Federal Activities

LEGISLATIVE ACTIVITIES
RESEARCH ACTIVITIES

transportation services. The draft rule and comment period is expected in October, and the first Board hearing is slated for December.

Additional information can be found at

<https://ww2.arb.ca.gov/our-work/programs/advanced-clean-fleets/advanced-clean-fleets-meetings-events>

FEBRUARY CAP-AND-TRADE AUCTION RESULTS

The results from the February joint California-Quebec cap-and-trade auction were strong. All of the current 54,773,607 allowances were sold, clearing at the settlement price of \$17.80. All of the 8,306,250 advanced vintage allowances were sold as well, at a settlement price of \$18.01. The February auction generated approximately \$647 million for the California Climate Investments Program, more than the \$580 million raised from the November auction.

The results are available at

https://ww2.arb.ca.gov/sites/default/files/classic/cc/capandtrade/auction/feb-2021/summary_results_report.pdf

CALIFORNIA TRANSPORTATION PLAN 2050 RELEASED

On March 2, Caltrans released The California Transportation Plan 2050 which outlines the state's long-range transportation vision and provides a roadmap to improve mobility and accessibility while reducing GHG emissions from transportation. The CTP does not contain specific projects, but rather policies and strategies required to close the gap between what the Regional Transportation Plans aim to achieve and how much more will be required to meet the 2050 goals.

The plan is available at

<https://dot.ca.gov/-/media/dot-media/programs/transportation-planning/documents/ctp-2050-v3-a11y.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 March 30, CARB will host the first in a series of workshops on the development of the FY 2021-22 Funding Plan for Clean Transportation Incentives. The plan will include CARB's proposed investments for the Air Quality Improvement Program and Low Carbon Transportation Investments.

More 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)

On February 26, the State Controller's Office released the FY 2020-21 Low Carbon Transit Operations Program eligibility list.

For more information, please visit

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

Affordable Housing and Sustainable Communities Program (Strategic Growth Council)

The Strategic Growth Council (SGC) released the Notice of Funding Availability for 2019-20 Affordable Housing and Sustainable Communities (AHSC) Program. Applications are due on June 8, and the SGC is slated to adopt the Round 6 awards on October 28.

More information is available at

<http://sgc.ca.gov/programs/ahsc/>

MOYER PROGRAM UPDATE

On February 23, CARB released an update to the Carl Moyer Voucher Incentive Program (VIP). The VIP has traditionally supported the transition of small fleets to the 2010 engine model year emission standard per the Truck and Bus Regulation. As the final implementation deadline approaches for the Truck and Bus Regulation, this year will be the last year of eligibility for fleets to move to an engine meeting the 0.2 gram per brake-horsepower-hour (g/bhp-hr) NOx standard. This year, eligible applicants can continue to receive up to \$60,000 for replacements meeting the 0.2 g/bhp-hr NOx standard. In this year's update, CARB is expanding VIP to allow additional funding for replacement vehicles meeting the 0.02 g/bhp-hr NOx standard or cleaner, including zero-emission vehicles, up to \$100,000 per vehicle. The inclusion of zero-emission vehicles aligns with Governor Newsom's Executive Order N-79-20, which sets the goal of 100 percent of medium, and heavy-duty vehicles in the state be zero-emission by 2045 for all operations where feasible, and by 2035 for drayage trucks.

Additional information is available at

<https://ww2.arb.ca.gov/2021-on-road-vip-funding-tables-mail-out>

OTHER NEWS

SECOND HEAVY-DUTY TRUCKS AQMP WORKING GROUP MEETING SET

The South Coast AQMD will hold the next 2022 AQMP Mobile Source Working Group on heavy-duty trucks on March 24. The working group will help develop the mobile source strategies for the 2022 Air Quality Management Plan (AQMP).

For more information, please visit

<http://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan/2022-aqmp-mobile-source-working-groups>

NEW SCAQMD BOARD MEMBER

On March 10, Assembly Speaker Rendon announced the appointment of Veronica Padilla-Campos to the South Coast AQMD Governing Board, who will start June 1. She has served as Executive Director of Pacoima Beautiful since 2013, a nonprofit dedicated to advancing environmental justice in the San Fernando Valley. Previously, she was co-executive director for ICON CDC, and served on the North Valley Area Planning Commission for the City of Los Angeles. Padilla-Campos has a Master of Arts degree in Urban Planning from UCLA. She is replacing Dr. William Burke, who is retiring after 27 years.

CALIFORNIA LEGISLATIVE ACTIVITIES

UPCOMING HEARINGS IN THE SENATE AND ASSEMBLY

Senate – Senate – The following hearing can be monitored online at:

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

- March 19 –The Transportation Committee and the Budget and Fiscal Review Subcommittee 2 on Resources, Environmental Protection and Energy will hold a joint informational hearing on the CEC’s Clean Transportation Program and California’s Zero Emission Vehicle Deployment Strategy.

Assembly – The following hearing can be monitored online at:

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

- March 22 – The Transportation Committee will hold a hearing on AB 96 (Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program), and AB 117 (electric bicycles).

LEGISLATION

CLEAN FUEL VEHICLES POLICY & INCENTIVES

AB 96 (O’Donnell)

Summary

This bill relates to the California Clean Truck, Bus and Off-Road Vehicle and Equipment Technology Program, and would extend the requirement that 20 percent of funding be made available to support early commercial development of existing zero- and near-zero-emission heavy-duty truck technology from December 31, 2021, to December 31, 2026.

Complete Bill Information

http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB96

AB 117 (Boerner Horvath)

Summary

This bill relates to the Clean Vehicle Rebate Project and would allow incentives for purchasing electric bikes to be eligible under the program. The bill would require CARB, by July 1, 2022, to establish, implement and administer, until January 1, 2028, the Electric Bicycle Rebate Pilot Project to provide rebates for purchases of electric bicycles. The bill would appropriate \$10 million from the Greenhouse Gas Reduction Fund for the pilot project.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB117

AB 363 (Medina)

Summary

This bill would require CARB to adopt an online application process for submitting grant applications for the Carl Moyer Program by January 1, 2023. It also would require CARB and local air districts administering the program to use an online application process.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB363

AB 365 (O'Donnell)

Summary

This bill would exempt the purchase of new and used zero- and near-zero-emission drayage trucks from the state's sales and use tax requirements.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB365

AB 745 (Gipson)

Summary

As part of the Clean Cars 4 All Program, this bill would require CARB to provide vouchers for the purchase of zero-emission vehicles to low or moderate income consumers living in disadvantaged communities to replace their vehicles that have failed a smog check inspection.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB745

AB 906 (Carrillo)

Summary

This bill would exempt from the state's sales and use tax requirements the sale, storage, use or other consumption of fuel for the operation of a zero-emission medium- or heavy-duty truck that is leased after July 1, 2022.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB906

AB 1110 (Rivas)

Summary

This bill would establish the California Clean Fleet Accelerator Program that would require the Governor's Office of Business and Economic Development (GO-Biz) to develop a non-mandatory master service agreement to solicit bids from eligible vendors for standardized, bulk purchase options for the acquisition of zero-emission fleet vehicles. Go-Biz would be required to provide the first round of zero-emission fleet vehicle acquisitions under the master service agreement no later than January 31, 2022. The bill would establish the Office of the Clean Vehicles Ombudsman, within the Department of General Services, and require the ombudsman to provide technical assistance to a public agency in the procurement of zero-emission fleet vehicles. The bill also would allow vehicles purchased under the California Clean Fleet Accelerator Program to be eligible for financial assistance under the Climate Catalyst Revolving Loan Fund Program.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1110

AB 1218 (McCarty, Berman, Medina)

Summary

This bill would establish the Equitable Access to Zero-Emissions Vehicle Fund. More specifically the bill would:

- After January 1, 2023 require passenger vehicles sold by a manufacturer to meet specified GHG emission standards pursuant to a tiered plan. The tiered plan would require the vehicles in the 2030 calendar year to meet, on average, a GHG emissions standard that is 60 percent and 40 percent below, depending on the class of vehicle, the average GHG emissions level for those classes of vehicles in the 2020 calendar year.
- Require CARB to impose an administrative civil penalty on a manufacturer who violates these requirements, and any revenues to be deposited into the Equitable Access to Zero-Emission Vehicles Fund. The funding would be available for a new vehicle rebate program.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB1218

SB 372 (Leyva)

Summary

This bill would require the California Pollution Control Financing Authority to establish a program to make financing tools and nonfinancial support available to the operators of medium- and heavy-duty vehicle fleets to enable those operators to transition their fleets to zero-emission vehicles.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB372

SB 551 (Stern)

Summary

This bill would establish the California Electric Vehicle Authority within the GO-Biz office to coordinate activities among state agencies to advance EVs and zero-emission charging infrastructure deployment, as well as ensure related equity, workforce development, economic development and other needs are addressed.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB551

TRANSPORTATION PLANNING, OPERATIONS AND FUNDING

AB 965 (Levine)

Summary

This bill would require the Department of Housing and Community Development and the Building Standards commission to propose building standards regarding the installation of future electric vehicle charging infrastructure for existing multi-family unit dwellings and non-residential development by July 1 2024, or the publication of the next interim California Building Code.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB965

AIR QUALITY

AB 426 (Bauer-Kahn)

Summary

Known as the Air Quality Analysis Act, this bill would authorize local air districts to adopt and implement regulations to require air pollution data collection within their districts to enable the calculation of health risks from toxic air contaminants. The data could be collected both from area-wide stationary sources of air pollution and from mobile sources associated with those stationary sources. For example, air districts would be allowed to collect data from indirect sources of pollution, such as warehouses and distribution centers.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB426

SB 342 (Gonzalez)

Summary

This bill would add two new environmental justice representatives to the South Coast AQMD Governing Board. One member would be appointed by the Senate Rules Committee and one member would be appointed by the Speaker of the Assembly, and the members must reside in and work directly with communities in the South Coast air basin that are disproportionately burdened by high levels of pollution and issues of environmental justice, including, but not

limited to, communities with diverse racial and ethnic populations and communities with low-income populations.

Complete Bill Information

https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB342

CLIMATE POLICY

SB 45 (Portantino, Allen, Hurtado, Stern)

Summary

This bill would enact the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022, a \$5.5 billion bond measure that would be placed on the November 2022 ballot for voter approval.

Complete Bill Information

http://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=202120220SB45

Key Federal Activities

FEDERAL LEGISLATIVE ACTIVITIES

GREEN STREETS ACT REINTRODUCED

On February 23, Senator Ed Markey (D-MA), Representative Jared Huffman (D-CA) and other congressional Democrats reintroduced the GREEN (Generating Resilient, Environmentally Exceptional National) Streets Act that would tie highway funding closely to GHG emission reduction standards. More specifically, the bill would:

- Direct the Secretary of the U.S. Department Transportation to establish minimum standards for states to use to decrease GHG emissions and per capita vehicle miles traveled (VMT) on the national highway system
- Direct the USDOT Secretary to establish measures that states can use to assess and reduce carbon dioxide and other GHG emissions on the national highway system
- Require states that have fallen out of compliance with the per capita VMT standards or carbon dioxide or GHG emission measures to dedicate federal highway funding to come into compliance
- Require both states and Metropolitan Planning Organizations (MPOs) to consider projects and strategies that reduce per capita VMT and reduce GHG emissions from the transportation sector.
- Require states and MPOs to publish an analysis of the impact on per capita VMTs and mobile source GHG emissions for every highway project that adds new lanes or otherwise increases traffic capacity and costs more than \$25 million

More information is available at

[https://www.markey.senate.gov/imo/media/doc/\(2.23.2021\)%20Bill%20--%20GREEN%20Streets%2023-21.pdf](https://www.markey.senate.gov/imo/media/doc/(2.23.2021)%20Bill%20--%20GREEN%20Streets%2023-21.pdf)

ACTIVE TRANSPORTATION BILL INTRODUCED

On February 25, Senators Ed Markey (D-MA), Dan Sullivan (R-AK), and Chris Van Hollen (D-MD) introduced the Connecting America's Active Transportation System Act. The bill would dedicate \$500 million in federal funds annually for grants to local, regional, and state government entities to connect walking and biking infrastructure into active transportation networks that allow people to reach destinations within a community, as well as travel between communities, without needing a car.

To read the bill, please visit

[https://www.markey.senate.gov/imo/media/doc/\(2.25.2021\)%20Bill%20--%20Connecting%20America%27s%20Active%20Transportation%20System%20Act%202-23-21.pdf](https://www.markey.senate.gov/imo/media/doc/(2.25.2021)%20Bill%20--%20Connecting%20America%27s%20Active%20Transportation%20System%20Act%202-23-21.pdf)

FEDERAL RESEARCH ACTIVITIES

STUDY SHOWS HOW CLEAN TRUCKS AND BUSES WILL SAVE LIVES, MONEY AND CREATE JOBS

A report by the Environmental Defense Fund, "Clean Trucks, Clean Air, American Jobs," analyzes the effects of eliminating tailpipe emissions from medium- and heavy-duty vehicles by ensuring that all vehicles sold by 2045 are zero-emission. The benefits will include:

- preventing more than 57,000 premature deaths by 2050
- eliminating more than 4.7 billion metric tons of climate pollution by 2050
- reducing two main components of smog – nitrogen oxides pollution by a sum total of more than 10 million tons by 2050, and particulate pollution by a sum total of almost 200,000 tons by 2050
- saving \$485 billion in health and environmental benefits as a result of pollution reductions

To read the report, please visit

https://www.edf.org/sites/default/files/2021-03/HD_ZEV_White_Paper.pdf

NEW PAPER SHOWS HOW FEDERAL POLICIES CAN SPUR EV CHARGING

A new paper by the Union of Concerned Scientists explores how federal policies can help break down barriers to EV charging deployment. "Federal Support for EV Charging: Policies for Rapid, Equitable Investments," describes how federal policies should be designed to fill information gaps, assist drivers and locations that host charging stations in paying for the upfront costs of charging, and align the interests of drivers and the hosts of charging site. These policies should focus on providing access to EV charging for renters, multi-unit dwelling residents, and drivers who cannot install charging at their homes.

The paper is available at

https://ucsusa.org/sites/default/files/2021-03/federal-ev-charging-policy_1.pdf