



Clean Transportation Policy Update

March 19 – April 15, 2025

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ADMINISTRATION ACTIVITIES

CARB AND SOUTH COAST AQMD BOARD MEMBER GIDEON KRACOV STEPS DOWN

On April 3, Gideon Kracov, a Governor-appointed member of the California Air Resources Board (CARB) and South Coast Air Quality Management District (South Coast AQMD) Governing Board stepped down from both Boards, where he had served since 2020. Governor Newsom has 30 days to appoint a new CARB member.

REGULATORY ACTIVITIES

LOW CARBON FUEL STANDARD UPDATE

On April 4, CARB published proposed modifications to the Low Carbon Fuel Standard (LCFS) in response to the February 18th Office of Administrative Law (OAL) decision to disapprove amendments to the regulation based on non-substantive, procedural issues. The deadline for public comments is April 21. CARB has 120 days to refine the language per OAL's guidance and resubmit the amendments for approval.

For more information, please visit https://ww2.arb.ca.gov/sites/default/files/barcu/regact/2024/lcfs2024/3rd 15day notice.pdf

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LOW CARBON TRANSPORTATION PROGRAM ACTIVITIES

On April 15, CARB hosted a virtual workgroup meeting to discuss the development of the FY 2025-26 Clean Transportation Incentives Funding Plan. Staff discussed the development process, including key changes, and provided an open forum for public comments and questions. The plan development schedule is as follows:

- June 17 Kick-off workshop and community meeting
- August 14 Workshop on draft ideas
- August 19 Community meeting
- October 10 Proposed Funding Plan released
- October 21 Community meeting
- November 20 CARB Board meeting to adopt the Plan

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

MOYER FUNDING AVAILABLE

Funding is now open for the Carl Moyer Memorial Air Quality Attainment Program to purchase zero- and low-emission heavy-duty vehicles, engines, and equipment. Approximately \$48 million is available for the Moyer and SOON (Surplus Off-Road Opt-in for NOx) Programs. Eligible funding categories include:

- On-Road trucks, transit buses, solid waste, public agency/utility vehicles, emergency vehicles
- Off-Road construction equipment, agricultural equipment, cargo handling equipment, marine engine repower and vessel replacement, locomotive, ship-side shore power, portable equipment, transportation refrigerator units (TRUs)
- Infrastructure electric chargers and alternative fueling stations for zero-emission and nearzero emission vehicles

The application deadline is July 1.

For more information, please visit https://www.aqmd.gov/home/programs/business/carl-moyer-memorial-air-quality-standards-attainment-(carl-moyer)-program

and

https://www.aqmd.gov/home/programs/business/business-detail?title=off-road-diesel-engines&parent=vehicle-engine-upgrades

CEC INFRASTRUCTURE FUNDING OPPORTUNITIES

The California Energy Commission (CEC) has several solicitations available for zeroemission vehicle infrastructure, including:

- Implementation of MDHD ZEV Infrastructure Blueprints 2.0 Up to \$20 million in grant funds are available for projects that will implement medium- and heavy-duty (MDHD) zero-emission vehicle (ZEV) charging or hydrogen refueling infrastructure projects developed and identified in the final blueprint planning documents resulting from GFO-20-601, "Blueprints for Medium- and Heavy-Duty Zero-Emission Vehicle Infrastructure." The submission deadline is June 6.
- Medium- and Heavy-Duty Zero-Emission Vehicle Port Infrastructure Up to \$40 million in grant funding is available for projects that will deploy MDHD ZEV charging or hydrogen refueling infrastructure for California seaports and land ports of entry. Funding will support the new installation of in-ground fueling infrastructure for battery electric or hydrogen fuel cell MDHD vehicles and/or port equipment and/or off-road equipment (e.g. gantries, cargo handling equipment). The submission deadline is June 13.
- Depot Charging and Hydrogen Refueling Infrastructure for Zero-Emission MDHD On-Road, Off-Road, and Specialty Vehicles – Up to \$20 million in grant funds are available for projects that will fund the deployment of depot charging and hydrogen refueling infrastructure for zero-emission MDHD on-road, off-road, and specialty vehicles (e.g., construction equipment, industrial equipment, agricultural equipment, street sweepers, refuse trucks, and fire trucks). The submission deadline is July 11.
- California Electric Vehicle Infrastructure Project 2.0 (CALeVIP 2.0), Fast Charge California Project Starting on July 8, at least \$55 million will be available for incentives of up to \$100,000 per charging port to purchase and install eligible DC Fast Chargers at sites that are publicly accessible. The submission deadline will be September 30.

For more information, please visit https://www.energy.ca.gov/funding-opportunities/solicitations

UPCOMING HEARINGS IN THE SENATE AND ASSEMBLY

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

- April 22 The Transportation Committee will hold a hearing on SB 496 (ACF Appeals Advisory Committee)
- April 23 The Environmental Quality Committee will hold a hearing on SB 69 (Clean Cars 4 All)
- May 1 CARB will participate in the Senate Budget and Fiscal Review Subcommittee No. 2 on Resources, Environmental Protection and Energy hearing.
- May 8 There will be a joint Budget and Fiscal Review and Subcommittee No. 2 on Resources, Environmental Protection and Energy and Environmental Quality hearing on cap-and-trade

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

- April 21 The Transportation Committee will hold a hearing on AB 605 (Lower Emissions Equipment at Seaports and Intermodal Yards Program)
- April 30 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

CLEAN VEHICLES & INFRASTRUCTURE, AND INCENTIVES

AB 100 (Gabriel)

Summary

The early action Budget Bill Jr. provides an additional \$17 million (for a total of \$19.8 million) from the Enhanced Fleet Modernization Subaccount to CARB for district-based Clean Cars 4 All programs.

It is expected that this additional funding would only sustain the program for less than one year.

The Governor signed the bill on April 14.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB100

AB 605 (Muratsuchi)

Summary

This bill would enact the Lower Emissions Equipment and Seaports and Intermodal Yards Program. As part of the program, CARB would be prohibited from adopting a future regulation that prohibits or disallows for the use of its entire useful life any cargo handling equipment, as defined, that is purchased pursuant to the program before December 31, 2027.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB605

AB 620 (Jackson) Summary

This bill relates to the Medium- and Heavy-Duty Zero-Emission Vehicle Fleet Purchasing Assistance Program within the Air Quality Improvement Program and would require CARB to consider the environmental and supply chain benefits of renting medium- and heavy-duty zero-emission vehicles, compared to procuring them, when implementing the program.

This bill would result in diminishing the effectiveness of the Advanced Clean Fleets Regulation by enabling fleet owners to meet their regulatory obligations with short-term rentals rather than transitioning to ZEVs.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB620

AB 1111 (Soria) Summary

This bill would delay the deadline for all newly purchased school buses to be zero-emission from January 1, 2035, to January 1, 2045. It also would allow rural educational agencies to apply to CARB for a 5-year extension due to feasibility issues, rather than an annual extension. Additionally, the bill would exclude school buses that receive HVIP funding from the 2-year scrapping requirement if the school bus is 25 years old or less at the time of delivery of the replacement vehicle and its ownership is transferred to another local educational agency.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB1111

AB 1238 (DeMaio)

Summary

Known as the California Energy Consumer Freedom Act, this bill would prohibit state agencies and local governments from adopting or enforcing a rule, regulation, resolution, or ordinance that directly or indirectly results in prohibiting the buying, selling, or use of gasoline-powered vehicles or equipment, or the use of gas appliances in residential or nonresidential buildings.

This bill would undermine California's Advanced Clean Cars II (ACC II) regulation.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB1238

SB 69 (McNerney) Summary

This bill would authorize an air district participating in the Clean Cars 4 All Program to submit a disbursement request to CARB for an amount equal to its previous 4 months of expenditures under the program if it determines that its balance of available funding for the program is less than the total amount of its expenditures under the program over the previous 4 months. If there are sufficient funds available from money allocated to the program to cover the amount in the disbursement request, the bill would require CARB to issue the requested amount of funding to the air district within 60 days of the submittal of the disbursement request.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB69

SB 496 (Hurtado)

Summary

This bill would require CARB to establish the Advanced Clean Fleets (ACF) Regulation Appeals Advisory Committee to review appeals of denied exemption requests from the requirements of the ACF. The bill also would exempt emergency vehicles from the ACF.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB496

SB 533 (Richardson)

Summary

This bill would authorize an electric vehicle charging station to require payment for charging services to be made through the use of an internet-based application if the charging station is on the premises of a facility that can only be accessed through the use of that internet-based application.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202520260SB533

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 939 (Schultz) Summary

This bill would enact the Safe, Sustainable, Traffic-Reducing Transportation Bond Act of 2026 which, if approved by the voters, would authorize the issuance of bonds in the amount of \$20 million to finance transit and passenger rail improvements, local streets and roads and active transportation projects, zero-emission vehicle investments, transportation freight infrastructure improvements, and grade separations and other critical safety improvements. The bond would be eligible for the November 2026 ballot.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB939

AB 1207 (Irwin)

Summary

This bill relates to reauthorizing the California Cap-and-Trade Program, which expires in 2030. In establishing a price ceiling for emission allowances sold, this bill would require CARB to consider the full social cost associated with emitting a ton of GHGs, as determined by the U.S. EPA in November 2023.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB1207

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 71 (Wiener) Summary

This bill removes the January 1, 2030, sunset on existing California Environmental Quality Act (CEQA) exemptions for various transportation plans and projects. It retains the January 1, 2032, sunset for transportation projects using near-zero emission, natural gas, or low-NOx technology. It also expands the existing exemption to include changes to plans redesigning transit networks and for projects for microtransit, paratransit, shuttles, and ferries, as specified.

Complete Bill Information

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

AIR QUALITY AUTHORITY

AB 34 (Patterson)

Summary

This bill would prohibit CARB from adopting any standard, regulation, or rule that affects the LCFS or California Cap-and-Trade Program 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

AB 914 (Garcia)

Summary

Known as the Pollution Hotspots Solutions Act, this bill affirms CARB's authority to regulate "indirect sources" of emissions that attract activity from polluting vehicles and equipment. It would require CARB to establish a schedule of fees on facilities and mobile sources to cover the reasonable costs of implementing and enforcing the regulations and would require the fees to be deposited in the Air Pollution Control Fund and made available to CARB upon appropriation by the Legislature. This bill also would authorize CARB to assess and collect reasonable fees on emitters of toxic air contaminants and require the fees to be deposited in the Certification and Compliance Fund and made available for the regulation of toxic air contaminants upon appropriation by the Legislature.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB914

AB 1266 (Solache)

Summary

In adopting, amending, or repealing major regulations, this bill would require certain air districts with a jurisdiction having a population of more than 5 million people to prepare and submit a standardized regulatory impact analysis (SRIA) to the Department of Finance for review.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260AB1266

Key Federal Activities

LEGISLATIVE ACTIVITIES

UPDATE ON CA'S VEHICLE EMISSION WAIVERS

On April 4, Senate Parliamentarian Elizabeth MacDonough ruled that California's Clean Air Act waivers are not subject to the Congressional Review Act (CRA). This aligns with the Government Accountability Office's determination in November 2023 and again in March 2025 that the waivers are not reviewable under the CRA. Despite the Parliamentarian's ruling, Republican Senators have indicated that they may not abide by her determination. Resolutions of disapproval for the waivers for California's Advanced Clean Trucks (ACT), Advanced Clean Cars II (ACC II), Omnibus Low NOx, and other vehicle emissions regulations, were introduced in the Senate on April 4 and in the House on April 2:

- S.J. Res. 45 (Sen. Capito, R-WV) A joint resolution providing for congressional disapproval under Chapter 8 of Title 5, United States Code (5 U.S.C. Ch. 8) of the rule submitted by the U.S. Environmental Protection Agency (U.S. EPA) relating to "California State Motor Vehicle and Engine Pollution Control Standards; Advanced Clean Cars II; Waiver of Preemption; Notice of Decision."
- S.J. Res. 46 (Sen. Fischer, R-NE) A joint resolution providing for congressional disapproval under 5 U.S.C. Ch. 8 of the rule submitted by U.S. EPA relating to "California State Motor Vehicle and Engine Pollution Control Standards; Heavy-Duty Vehicle and Engine Emission Warranty and Maintenance Provisions; Advanced Clean Trucks; Zero Emission Airport Shuttle; Zero-Emission Power Train Certification; Waiver of Preemption; Notice of Decision."
- S.J. Res. 47 (Sen. Mullin, R-OK) A joint resolution providing for congressional disapproval under 5 U.S.C. Ch. 8 of the rule submitted by U.S. EPA to "California State Motor Vehicle and Engine and Nonroad Engine Pollution Control Standards; The 'Omnibus' Low NOx Regulation; Waiver of Preemption; Notice of Decision."
- H.R. Res. 87 (Rep. James, R-MI) A joint resolution providing congressional disapproval under 5 U.S.C. Ch. 8 of the rule submitted by U.S. EPA relating to "California State Motor Vehicle and Engine Pollution Control Standards; Heavy-Duty Vehicle and Engine Emission Warranty and Maintenance Provisions; Advanced Clean Trucks; Zero Emission Airport Shuttle; Zero-Emission Power Train Certification; Waiver of Preemption; Notice of Decision."
- H.R. Res. 88 (Rep. Joyce, R-PA) A joint resolution providing congressional disapproval under 5 U.S.C. Ch. 8 of the rule submitted by U.S. EPA relating to "California State Motor Vehicle and Engine Pollution Control Standards; Advanced Clean Cars II; Waiver of Preemption; Notice of Decision."
- H.R. Res. 89 (Rep. Obernolte, R-CA) A joint resolution providing congressional disapproval under 5 U.S.C. Ch. 8 of the rule submitted by U.S. EPA relating to "California State Motor Vehicle and Engine and Nonroad Engine Pollution Control Standards; The 'Omnibus' Low NOX Regulation; Waiver of Preemption; Notice of Decision."

Although the timing is unclear, a vote is expected to take place first in the House and could happen at the end of April or the beginning of May.

To track the bills, please visit https://www.congress.gov/

BILLS RE-INTRODUCED TO LIMIT CA'S AUTHORITY UNDER CLEAN AIR ACT

On March 14, Senator Mike Lee (R-UT) and Congressmember Troy Nehls (R-TX) reintroduced the "Stop CARB Act" (Stop California from Advancing Regulatory Burden Act of 2025). Companion bills S.1072 and H.R. 2218 would: repeal the waiver exemption for California in Section 209 of the Clean Air Act; Repeal Section 177 of the Clean Air Act, which allows other states to adopt California's standards; and nullify any active or pending waivers.

Bill information is available at https://www.congress.gov/bill/119th-congress/senate-bill/1072/text and

https://www.congress.gov/bill/119th-congress/house-bill/2218

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