



Clean Transportation Policy Update

March 18 – April 14, 2021

Key State Activities

REGULATORY ACTIVITIES

CEC ANNOUNCES INFRASTRUCTURE INITIATIVE FOR HEAVY-DUTY VEHICLES

On April 13, the California Energy Commission (CEC) announced its new EnergIZE Commercial Vehicles (Energy Infrastructure Incentives for Zero-Emission Commercial Vehicles) Project, a \$50 million initiative to accelerate the deployment of infrastructure to support zero-emission trucks, buses and equipment funded through the Clean Transportation Program. Administered by CALSTART, the project will use a concierge-like model working directly with eligible applicants to help plan and fund the purchase of charging and hydrogen fueling infrastructure.

More information is available at

<https://www.energy.ca.gov/news/2021-04/california-unveil-50-million-initiative-accelerate-charging-and-refueling-zero>

CLIMATE ACTION PLAN FOR TRANSPORTATION INFRASTRUCTURE

The California Transportation Commission (CTC) will hold two workshops – on April 20 and April 23 – to discuss the implementation of the Climate Action Plan for Transportation Infrastructure. The plan provides an investment framework and outlines accompanying strategies and actions on how the state should invest billions of dollars of transportation funding where state agencies play a role in project selection or nomination. The investment framework, strategies, and actions are designed to help the transportation sector aggressively combat and adapt to the climate crisis, while supporting public health, safety, and social equity goals.

For more information, please visit

<https://catc.ca.gov/meetings-events/workshops>

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CLEAN MILES STANDARD HEARING SET FOR MAY

On May 20, the California Air Resources Board (CARB) will hold a hearing to consider the proposed Clean Miles Standard for transportation network companies (TNCs). The proposed regulation sets forth annual greenhouse gas (GHG) reduction targets on a per-passenger-mile-traveled basis, and electrification targets in percent electric vehicle miles traveled (eVMT). CARB staff anticipates TNCs will meet the targets through increased use of zero-emission vehicles, increased shared rides, connecting vehicle trips to mass transit, and investing in active transportation modes.

More information is available at

<https://ww2.arb.ca.gov/our-work/programs/clean-miles-standard/clean-miles-standard-meetings-workshops>

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 16, a work group meeting for the Clean Vehicle Rebate Project (CVRP) will be held to discuss the impact of recent increases in EV sales on available funding for both standard and increased rebates.

On April 9, CARB hosted a public work group meeting for the Low Carbon Transportation Program's clean transportation heavy-duty and off-road investments. The Governor's FY 2021-22 proposed budget includes \$465 million for Low Carbon Transportation investments using cap-and-trade funding, with a total of \$315 million dedicated to heavy-duty and off-road investments. The work group discussed potential heavy-duty demonstration and pilot projects categories, as well as potential changes to the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Program (HVIP), the Clean Off-Road Equipment Voucher Project (CORE), and the Truck Loan Assistance Program. There also was a discussion about the new Innovative Small e-Fleets Project focusing on small owner/operator fleets in disadvantaged communities.

This new Innovative Small e-Fleets Project for FY 2021-22 was the focus of a separate CARB public work group meeting on April 13. The project is targeted to small fleets and owner operators who were unable to participate in the HVIP program because of capital constraints. The project will work to increase these small-business fleets' adoption of zero-emission technologies.

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)

Allocation requests for the FY 2020-21 Low Carbon Transit Operations Program were due by April 9.

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)

Applications for the 2019-20 Affordable Housing and Sustainable Communities (AHSC) Program are due by June 8. The SGC is slated to adopt the Round 6 awards on October 28.

More information is available at

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

ADVISORY COMMITTEE MEETING FOR CLEAN TRANSPORTATION PROGRAM SET

On April 29, the CEC will host a public meeting for the Advisory Committee for the 2021-23 Investment Plan Update for the Clean Transportation Program. More information about the meeting will be made available closer to the meeting date.

Additional information can be found at

<https://www.energy.ca.gov/programs-and-topics/programs/clean-transportation-program>

RESEARCH ACTIVITIES

TWO NEW REPORTS ON HEAVY-DUTY ELECTRIC TRUCKS INFRASTRUCTURE

The Environmental Defense Fund recently published two reports focused on charging infrastructure for heavy-duty trucks. “California Heavy-Duty Fleet Electrification” analyzed a year’s worth of trip data from two national trucking companies (NFI and Schneider) under a series of scenarios to evaluate the trip capabilities of electric trucks, the requirements and costs of charging systems, and the impact of smart charging and on-site distributed energy resources on the ability to electrify this truck class. The research found that not only are current and emerging electric truck models and charging systems capable of meeting most of the technical needs of the fleets studied, they offer operational and fuel savings over diesel alternatives. Despite those long-term savings, the infrastructure costs required to transition to electric trucks is significant, and the use of distributed energy resources like solar and energy storage, managed charging, and incentives to bring down the upfront cost of charging systems will be critical to this transition.

A second report, “Charging Forward: Recommendations for Reducing Charging Infrastructure Costs for Heavy-Duty Trucks,” addresses the issues raised by the first report. The policy brief concludes that policymakers and regulators who see the economic, environmental, public health and equity benefits of electrifying vehicles all the way up to America’s big rigs must help design programs and policies that prioritize investment in charging, reduce up-front infrastructure costs and encourage fleets to electrify.

The reports are available at

<http://blogs.edf.org/energyexchange/2021/03/31/4-things-every-utility-fleet-and-energy-regulator-should-know-about-heavy-duty-truck-charging/>

STUDY SHOWS CA'S DIESEL RULES HAVE SAVED LIVES

A study in the Journal Science titled, "Raising Standards to Lower Diesel Emissions," finds that many California sector-based policies to reduce mobile source diesel particulate matter have been highly effective relative to the rest of the country. Tracking diesel pollution from 1990 to 2014, the researchers found that federal policies requiring cleaner-burning engines and fuels for trucks, buses, trains, ships and heavy equipment cut diesel particulates nationwide by 51 percent. However, California, the nation's biggest diesel polluter, cut emissions by 78 percent, despite a 20 percent increase in diesel fuel use. The study found that requiring upgrades for the engines that power heavy-duty trucks and buses has reduced California's diesel emissions in that sector by 85 percent since 1990. By comparison, the study estimates that if California's heavy-duty vehicle sector had followed the trajectory of other U.S. states, the sector's emissions would have dropped by only 58 percent in that period. Additionally, excess deaths from heart and lung disease linked to diesel pollution dropped by 82 percent in California during that time. The study reports that every dollar the state has spent controlling air pollution has generated \$38 in benefits attributable to lower rates of illness, premature death and lost productivity attributable to air pollution. The study's authors are affiliated with UC Berkeley, CARB and UC San Francisco.

The study is available at

<https://science.sciencemag.org/content/371/6536/1314>

CALIFORNIA LEGISLATIVE ACTIVITIES

UPCOMING HEARINGS IN THE SENATE AND ASSEMBLY

Senate – None on the relevant bills or topics.

Assembly – The following hearing can be monitored online at:

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

- April 19 – The Transportation Committee will hold a hearing on AB 1218 (Equitable Access to Zero-Emissions Vehicle Fund), AB 1389 (Alternative and Renewable Fuel and Vehicle Technology Program), and AB 745 (Clean Cars for All).

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 111 (Boerner Horvath)

Summary

This bill would require the Department of Transportation to implement a Safe and Clean Truck Infrastructure Program to support the construction and operation of zero-emission medium- and heavy-duty vehicle parking and electric vehicle charging and hydrogen refueling infrastructure on public and private properties.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB111

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 Incentive Pilot Project to provide rebates for purchases of electric bicycles.

Complete Bill Information

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

AB 363 (Medina)

Summary

This bill relates to the On-Road Heavy-Duty Voucher Incentive Program (VIP). It would require CARB by July 1, 2022 to revise the program guidelines to provide for, regardless of vehicle or equipment technology or fuel type, the uniform calculation of cost-effectiveness, as defined, and program incentives. Additional incentives would be available for projects that are deployed in disadvantaged communities. The bill also would require CARB to allow all on-road heavy-duty vehicle types to participate in the VIP, existing engines, as defined, to be replaced with new engines with lower emissions, and fleets participating in the VIP to lease replacement vehicles, among other VIP modifications.

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-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 Department of General Services 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 ombudsperson 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

AB 1389 (Reyes, Friedman, Rivas)

Summary

This bill relates to the Alternative and Renewable Fuel and Vehicle Technology Program. It would revise the list of projects that the CEC is required to make eligible for funding to include, among others, medium- and heavy-duty research, pilot, demonstration and deployment projects that reduce emissions and particulate matter from fleets in the goods movement and public transit sectors. At least 50 percent of the money appropriated to the program would be for projects located in, and benefitting disadvantaged communities.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB1389

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

SB 671 (Gonzalez)

Summary

This bill would establish the Clean Freight Corridor Efficiency Assessment to be developed by the CTC. The Commission would be required to identify freight corridors throughout the state that would be priority candidates for the deployment of zero-emission medium- and heavy-duty vehicles.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB671

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 indirect and area wide sources of air pollution and from mobile sources associated with those 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 and vulnerable to high levels of pollution and issues of environmental justice.

Complete Bill Information

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

Key Federal Activities

FEDERAL ADMINISTRATION ACTIVITIES

BILLIONS FOR EVs IN PRESIDENT'S INFRASTRUCTURE PACKAGE

On March 31, President Biden introduced the American Jobs Plan, an approximately \$2 trillion proposal over eight years that invests in the nation's surface transportation, water and other infrastructure. The plan includes \$621 billion for transportation infrastructure and resilience. It proposes a \$174 billion investment to grow the electric vehicle (EV) market. The plan will enable automakers to increase domestic supply chains to make more batteries and EVs. It will give consumers point of sale rebates and tax incentives to purchase American-made EVs, while ensuring that these vehicles are affordable. It will establish grant and incentive programs for state and local governments and the private sector to build a national network of 500,000 EV chargers by 2030. The plan also calls for the replacement of 50,000 diesel transit buses and to electrify at least 20 percent of school buses through the new Clean Buses for Kids Program through the U.S. EPA. Of the \$174 billion, reportedly \$100 billion would be for incentives for drivers to purchase EVs, \$15 billion would be for EV charging stations, \$25 billion would be for electric transit vehicles, and \$20 billion for electric school buses.

A summary of the plan is available at

<https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/31/fact-sheet-the-american-jobs-plan/>

NEW BILL WOULD FUND GREEN TRANSIT

On March 18, the BUILD GREEN Infrastructure and Jobs Act was introduced. The bill would invest \$500 billion over ten years in state, local and tribal projects to jumpstart the transition to all-electric public vehicles and rail and help to modernize the nation's current infrastructure. At a minimum, \$150 billion would be allocated for electric passenger rail, electric vehicles, and electric vehicle charging equipment in order to transition to an all-electric public transit system. Funding would cover up to 85 percent of the project costs, with an option for the Secretary of Transportation to cover 100 percent of the costs.

For more information, please visit

https://www.warren.senate.gov/imo/media/doc/BUILD_GREEN_Act%20Summary.pdf