



Clean Transportation Policy Update

January 20 – February 16, 2022

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GOVERNOR APPOINTS NEW CARB BOARD MEMBER

On February 2, Governor Newsom appointed Nora Vargas to the California Air Resources Board (CARB). Vargas has been on the San Diego Board of Supervisors since 2021. She was a Board Member of the California State Teachers' Retirement System from 2015 to 2020, Vice President of Community Engagement for Planned Parenthood of the Pacific Southwest from 2009 to 2019, and Executive Director of the Latino Issues Forum from 2007 to 2009. She replaces Nathan Fletcher, who resigned earlier in the year.

For more information, please visit

<https://www.gov.ca.gov/2022/02/02/governor-newsom-announces-appointments-2-2-22/>

REGULATORY ACTIVITIES

FEBRUARY CARB MEETING HIGHLIGHTS

At the February Board meeting, staff will present an informational update on the 2022 State Implementation Plan (SIP). Staff will provide background information on the SIP process and why it is needed, the measures identified to implement the SIP, and the additional steps that need to be taken to attain emissions standards. Staff also will present an informational update on the 2022 Scoping Plan. The update will include the timing and status of the plan and the scenarios being proposed for analysis. The emissions modeling outcomes won't be

discussed until the March Board meeting. A draft of the Scoping Plan is slated to be released in May, with another Board hearing scheduled for June.

For more information, please visit

<https://ww2.arb.ca.gov/board-meeting-dates>

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 17, CARB will host the first public work group to discuss clean mobility investment projects and the Fiscal Year 2022-23 Update to the Three-Year Plan for Clean Transportation Equity Investments. Staff will provide Clean Transportation Equity Investments highlights, including for the Clean Mobility Options Pilot program, Clean Mobility in Schools, Sustainable Transportation Equity Project, Access Clean California, and outreach, workforce training and development, community transportation needs assessments, and technical assistance and capacity building. Additionally, staff will provide an overview of the planned FY 2022-23 clean mobility long-term strategy, including goals and the desired process, a general approach to developing three-year funding projections, metrics to measure and evaluate program outcomes and community benefits over time, and next steps.

On February 18, CARB will hold a public work group meeting to discuss the Fiscal Year 2021-22 Advanced Technology Demonstration and Pilot Projects. Five project categories were approved in the FY 2021-22 Low Carbon Transportation Funding Plan, supported by an allocation of \$40 million from the Greenhouse Gas Reduction Fund. These project categories include: Municipal Green Zones, the Resilient Zero-Emission Vessel Charging Project, Modular Zero-Emission Capable Cargo Handling Equipment Demonstration, Emission Reductions for Ocean-Going Vessels, and Zero-Emission Intrastate Line Haul Locomotives projects.

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)

The State Controller's Office is scheduled to announce the FY 2021-22 Low Carbon Transit Operations Program eligibility list in the first quarter of 2022.

For more information, please visit

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

Transit and Intercity Rail Capital Program (CalSTA)

Project applications for the 2022 Transit and Intercity Rail Capital Program (TIRCP) are due by March 3. The 2022 TIRCP grant cycle will program projects starting with FY 2022-23 and ending with FY 2026-27. The new program cycle will include previously awarded and active cycle 3 and 4 projects that have not been fully allocated by the end of the 2021-22 fiscal year, and projects selected during the 2022 planning cycle. CalSTA is slated to announce the awards in June.

Additional information is available at

<https://calsta.ca.gov/subject-areas/transit-intercity-rail-capital-prog>

CEC CLEAN TRANSPORTATION PROGRAM WORKSHOP SET

On April 10, the California Energy Commission (CEC) will hold the first Advisory Committee Meeting for the 2022-23 Investment Plan Update for the Clean Transportation Program. The plan determines the funding priorities and opportunities for up to \$100 million annually to accelerate the development of clean, efficient, low-carbon technologies to reduce greenhouse gas (GHG) emissions and petroleum dependence. The agenda will be released at least 10 days before the meeting.

More information can be found at

<https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=22-ALT-01>

CALIFORNIA LEGISLATIVE ACTIVITIES

UPCOMING HEARINGS IN THE SENATE AND ASSEMBLY

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

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

LEGISLATION

CLEAN FUEL VEHICLES POLICY AND INCENTIVES

AB 113 (Boerner Horvath)

Summary

This bill would allow a tax credit in amount equal to 40 percent of the amount paid or incurred in qualified costs for the installation of specified electric vehicle supply equipment in a covered multifamily dwelling or covered nonresidential building until December 1, 2026.

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

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB113

AB 365 (O'Donnell)

Summary

Beginning on January 1, 2023, this bill would exempt qualified zero-emission and near zero-emission drayage trucks from the sales and use tax for gross receipts.

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

Complete Bill Information

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

AB 1218 (McCarty)

Summary

This bill would codify the Governor's Executive Order N-79-20 establishing the goal that 100 percent of in-state sales of new passenger car and trucks be zero-emission by 2035. It would require CARB to develop regulations requiring increasing volumes of new zero-emission vehicles sold toward the target of 100 percent of in-state sales by 2035.

This bill died in Committee.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.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. Along with SB 726, this is one of the ZEV budget policy bills from last year.

Complete Bill Information

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

SB 542 (Limon)

Summary

This bill would enact a state sales and use tax exemption for the purchase of qualified new medium- or heavy-duty zero-emission trucks.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220SB542

TRANSPORTATION PLANNING, OPERATIONS, AND FUNDING

AB 1547 (Reyes)

Summary

This bill would prohibit local governments from allowing the siting of a warehouse development project where the distance between a project boundary site and sensitive land use is less than 3,000 yards. The bill would impose certain requirements on local governments before approving a warehouse development project, including requiring the project applicant to develop a community benefits agreement that addresses: zero-emission trucks, private shuttle services, regional delivery, last mile delivery, and waste hauling.

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

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB1547

AB 1919 (Holden)

Summary

This bill would state the intent of the Legislature to enact future legislation to ensure all public school students and all students attending the California State University, the University of California, and the California Community Colleges receive free access to student transit passes.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB1919

SB 726 (Gonzalez)

Summary

This bill would update the CEC's Clean Transportation Program and would require the CEC and CARB to develop a Sustainable Transportation Strategy to identify plans, actions and required funding needed to meet California's GHG reduction and criteria pollutant reduction goals in a cost-effective and efficient manner. Along with AB 1389, this is one of the ZEV budget policy bills from last year.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB726

SB 922 (Wiener)

Summary

This bill would permanently exempt from CEQA bicycle transportation plans for an urbanized area for restriping of streets and highways, bicycle parking and storage, signal timing to improve street and highway intersection operations, and related signage for bicycles, pedestrians, and vehicles under certain conditions.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220SB922

SB 942 (Newman)

Summary

This bill relates to the Low Carbon Transit Operations Program, and would authorize a transit agency that uses program money to fund a free or reduced fare transit program and that demonstrates compliance with certain requirements in its initial program application to continue to use those moneys to maintain that program on an ongoing basis without demonstrating continued compliance with those requirements.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220SB942

Key Federal Activities

FEDERAL ADMINISTRATIVE ACTIVITIES

EV CHARGING FUNDING ANNOUNCED

On February 10, the U.S. Departments of Transportation and Energy announced that nearly \$5 billion will be available under the new National Electric Vehicle Infrastructure (NEVI) Formula Program, established by the Infrastructure Investment and Jobs Act. The program will provide nearly \$5 billion over five years to help states create a network of EV charging stations along designated alternative fuel corridors, particularly along the interstate highway system. The total amount available to states in FY 2022 under the NEVI Formula Program is \$615 million. States must submit an EV Infrastructure Deployment Plan to access these funds. A second, competitive grant program designed to further increase EV charging access in locations throughout the country, including in rural and underserved communities, will be announced later this year. California has more than \$56.79 million available under the formula grant program.

For more information, please visit

<https://www.transportation.gov/briefing-room/president-biden-usdot-and-usdoe-announce-5-billion-over-five-years-national-ev>

FEDERAL RESEARCH ACTIVITIES

STUDY DOCUMENTS DECLINING COSTS OF ZERO-EMISSION TRUCKS AND BUSES

A new study commissioned by the Environmental Defense Fund titled, “Technical Review: Medium and Heavy-Duty Electrification Costs for MY 2027-2030,” evaluates the cost of electrifying vehicles in several medium- and heavy-duty market segments, including class 8 transit and class 7 school buses, class 3-7 shuttles and delivery vehicles, and class 8 refuse haulers. The study finds that when considering upfront purchase price alone, by 2027 electric freight trucks and buses will be less expensive than their combustion engine counterparts in all categories except shuttle buses (which are close to price parity), and that electric vehicles will also be less expensive on a total cost of ownership basis in all categories in the same time frame.

The study is available here

http://blogs.edf.org/climate411/files/2022/02/EDF-MDHD-Electrification-v1.6_20220209.pdf