



Clean Transportation Policy Update

February 16 – March 15, 2023

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ADVANCED CLEAN FLEETS UPDATE

The California Air Resources Board (CARB) is slated to release the 15-day change package for the Advanced Clean Fleets (ACF) Rule in mid-March, which will contain any last changes to the rule and the proposed language the Board will vote on. The Board will vote on approval of the ACF rule at their April meeting.

Additional information is available at

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

WORKSHOP HELD ON CARB'S LOW NOx OMNIBUS RULE AND EPA'S NOx FINAL RULE

On March 3, CARB held a workshop to compare its Heavy-Duty Low Nitrogen Oxides (NOx) Omnibus Rule with the U.S. EPA's Clean Trucks Plan Nitrogen Oxides Final Rule "Control of Air Pollution from New Motor Vehicles: Heavy-Duty Engine and Vehicle Standards." CARB has identified two elements of the federal program which are different from the Omnibus requirements that introduce emissions differences between the two regulations. At the workshop, staff shared technical evaluations of those elements as well as implications for emissions losses should CARB align with the federal regulation. The first element is the temperature adjustment of the off-cycle NOx standards as described in Title 40, Code of Federal Regulation, Sec. 1036.104 (a)(3). This element, which applies at temperatures between 5 and 25 degrees Celsius (conditions commonly encountered by trucks in California and in other parts of the country), was not included in the federal rule's Notice of Proposed Rulemaking. Staff presented tailpipe emissions data from current model trucks on-the-road along with ambient exhaust

temperature data. The second element of the federal rule is the interim NOx compliance allowance for in-use testing. Although this was introduced as an interim measure in the proposed rule, the sunset date for this provision was removed in the final rule. CARB staff also discussed a potential way to make up for the benefit loss due to these two elements by encouraging additional heavy-duty zero-emission vehicle production within the upcoming federal Phase 3 greenhouse gas (GHG) rulemaking. U.S. EPA is expected to propose Phase 3 GHG standards in March 2023.

Additional information about the workshop can be found at

<https://ww2.arb.ca.gov/our-work/programs/heavy-duty-low-nox/heavy-duty-low-nox-meetings-workshops>

ZERO-EMISSION FORKLIFT WORKSHOP

On March 22, CARB will hold a workshop to discuss a regulatory proposal being developed to accelerate the transition of internal-combustion forklifts to zero-emission technology. Staff will primarily discuss the updated draft regulatory language developed since it last shared draft language in July 2022. Additionally, staff will present an overview of CARB's process for preparing the Environmental Analysis (EA), and will receive public input on the appropriate scope and content of the EA, including the reasonably foreseeable methods of compliance with the proposal, the potential significant adverse impacts associated with the methods of compliance, potential feasible mitigation measures, and feasible alternatives to the proposal that could reduce or eliminate any significant adverse impacts. A draft of the EA will be released for public review and comment later in 2023.

For more information, please visit

<https://ww2.arb.ca.gov/our-work/programs/zero-emission-forklifts/zero-emission-forklifts-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 March 9, CARB hosted a webinar for the third meeting of the Implementation Work Group to discuss solicitations for FY 2022-23 Planning and Capacity Building, Clean Mobility in Schools, and Sustainable Transportation Equity Project funds. Staff discussed technical assistance, the scoring and funding process, project examples, and the public comment period, which closes March 31.

On March 14, a public work group meeting was held to discuss the implementation of incentives for zero-emission public school buses and supporting infrastructure. The FY 2022-23 State budget included a total of \$150 million for incentives for zero-emission school buses and associated infrastructure, \$135 million of which will be administered through CARB's

Clean Truck and Bus Voucher Incentive Project (HVIP), and \$15 million will be administered through the California Energy Commission's (CEC) Energy Infrastructure Incentives for Zero-emission Commercial Vehicles (EnergIIIZE) Project. At the meeting, staff provided updates on the implementation of the previous year's funds and presented the changes to the school bus incentive program requirements, eligibility and application prioritization that are under consideration.

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 March 1, the State Controller's Office announced the FY 2022-23 Low Carbon Transit Operations Program (LCTOP) eligibility list. The allocation request schedule is as follows:

- March 24, 2023 – Transit agencies submit their final allocation request package to Caltrans
- Mid-June 2023 – Caltrans and CARB authorize the list of approved projects and submit to the State Controller's Office
- July 1, 2023 – State Controller's Office releases approved LCTOP 2022-23 Award Announcement

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 2023 Transit and Intercity Rail Capital Program (TIRCP) were due on February 10. CalSTA is slated to make award announcements on April 24.

Additional information can be found at

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

FUNDING AVAILABLE FOR SHARED MOBILITY PROJECTS

Phase 1 of the Clean Mobility Options Voucher Pilot Program opened on March 1. Approximately \$33 million in funding is available to eligible applicants and communities to launch and support new and existing shared mobility projects across the state. The Mobility Project Vouchers are worth up to \$1.5 million each and are designed to help underserved communities develop and launch zero-emission mobility projects, such as bike sharing and ride-on-demand services that fill a community's transportation gaps and provide access to key destinations. Funding is available on a first-come, first-served basis.

For more information, please visit

<https://cleanmobilityoptions.org/mpv-application-process>

CLEAN TRANSPORTATION INVESTMENT PLAN MEETING SET

On April 27, the Advisory Committee for the CEC's 2023-24 Clean Transportation Program Investment Plan will hold a public meeting. The program invests up to \$100 million each year to accelerate the development of clean, efficient, low-carbon technologies to reduce GHG emissions and petroleum dependence. The investment plan will guide allocation of program funding for transportation solicitations for the upcoming fiscal year.

Additional information can be found at

<https://www.energy.ca.gov/programs-and-topics/programs/clean-transportation-program/clean-transportation-program-investment-8>

CALIFORNIA LEGISLATIVE ACTIVITIES

UPCOMING HEARINGS IN THE SENATE AND ASSEMBLY

Senate – The following hearing can be monitored online at:

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

- **March 16** – Budget and Fiscal Review Subcommittee No. 2 on Resources, Environmental Protection and Energy: CalEPA, CARB
- **March 23** – Budget and Fiscal Review Subcommittee No. 2 on Resources, Environmental Protection and Energy: CEC
- **March 29** – Environmental Quality Committee hearing on SB 425 (fuel cell electric pickup trucks)

Assembly – The following hearing can be monitored online at:

<https://www.assembly.ca.gov/schedules-publications/assembly-daily-file>

- **March 20** – Transportation Committee hearing on AB 673 (hydrogen fueling stations), AB 591 (EV Charging for All Act), AB 627 (heavy-duty trucks)
- **March 22** – Budget Subcommittee No. 3 on Climate Crisis, Resources, Energy and Transportation: CEC
- **March 27** – Transportation Committee hearing on AB 1267 (zero-emission vehicle incentive programs)
- **April 19** – Budget Subcommittee No. 3 on Climate Crisis, Resources, Energy and Transportation: CalEPA

CLEAN VEHICLES AND INCENTIVES

AB 579 (Ting)

Summary

Beginning on January 1, 2035, this bill would require 100 percent of all newly purchased or contracted school buses of a school district, county office of education, or charter school to be zero-emission vehicles, where feasible.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB579

AB 591 (Gabriel)

Summary

The Electric Vehicle Charging for All Act would mandate all new and retrofitted EV chargers (other than those in private residences) to include universal connectors and be publicly accessible to all types of EVs.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB591

AB 627 (Jackson)

Summary

This bill would require the California Pollution Control Authority to establish a program to provide grants to heavy-duty diesel truck operators to replace with a fuel cell, CNG or battery-electric truck. Additionally, on January 1, 2030, the bill would prohibit a person from operating a diesel heavy-duty truck on the city streets or county roads in Riverside or San Bernardino Counties.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB627

AB 673 (Bennett)

Summary

This bill would, except for the Clean Transportation Program and moneys allocated from the Alternative and Renewable Fuel and Vehicle Technology Fund, require the CEC to give a preference to projects for the construction and operation of publicly available hydrogen fueling stations that provide fuel for all types of vehicles, including light-, medium-, and heavy-duty vehicles, in programs it administers providing financial assistance to those projects.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB673

AB 772 (Jackson)

Summary

This bill would require the CEC to require that each single-family residence constructed after January 1, 2025, include a rapid compact EV charger and that each multifamily residence constructed after January 1, 2025, include sufficient rapid compact EV chargers to serve at least 10 percent of its residential capacity at any given time. The bill also would require an electrical corporation and local publicly owned electric utility after January 1, 2025, and upon receiving a request from a homeowner in its service territory, to install an EV charger at the homeowner's property within a reasonable time.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB772

AB 1267 (Ting)

Summary

This bill would require that CARB, beginning on January 1, 2025, ensure an additional incentive is awarded under a zero-emission vehicle incentive program (Clean Cars 4 All, Clean Vehicle Rebate Project, Clean Vehicle Assistance Program) to a recipient who is a gasoline or diesel superuser, as defined. CARB would be required to set the amount of the incentive at a level that maximizes the displacement of gasoline or diesel and the reduction of emissions criteria pollutants per dollar spent. CARB also would be required to develop and implement a strategy to identify drivers who use the most gasoline or diesel and expedite the replacement of the vehicles of those drivers.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB1267

SB 233 (Skinner)

Summary

This is a spot bill that states the intent of the Legislature to enact future legislation to mandate that all new EVs and Electric Vehicle Supply Equipment (EVSE) sold in California have bidirectional capability by January 1, 2027.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB233

SB 301 (Portantino)

Summary

This bill would establish the Zero-Emission Aftermarket Conversion Project and would offer a rebate of up to \$2,000 to convert a vehicle to zero-emission.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB301

SB 425 (Newman)

Summary

As part of the Clean Vehicle Rebate Project, this bill would require CARB to provide rebates for fuel cell electric pickup trucks that are \$1,000 more than the rebates provided for other fuel cell electric vehicles.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB425

SB 507 (Gonzalez)

Summary

The Equitable EV Charging Act would require the CEC to assess the EV charging needs of underserved and low-income communities.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB507

SB 529 (Gonzalez)

Summary

The Electric Vehicles for All Act would create a dedicated grant program to deploy EV car sharing programs at 100 public and low-income housing facilities in California.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB529

TRANSPORTATION PLANNING, OPERATIONS, AND FUNDING

AB 6 (Friedman)

Summary

This bill would state the intent of the Legislature to enact subsequent legislation that would require regional transportation agencies to prioritize and fund transportation projects, including those funded by a local sales tax measure, that significantly contribute towards the goals outlined in a region's sustainable communities strategy and the state's climate goals.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB6

AB 7 (Friedman)

Summary

This bill would state the intent of the Legislature to enact subsequent legislation that would eliminate single occupancy vehicle freeway capacity projects, and allow capacity projects only for bus rapid transit, rail, active transportation purposes, projects that significantly add safety, and projects that significantly reduce congestion, without interfering with existing maintenance and rehabilitation needs.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB7

AB 69 (Waldron)

Summary

This bill would authorize Greenhouse Gas Reduction Fund (GGRF) 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.

Complete Bill Information

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

AB 241 (Reyes)

Summary

This is a spot bill that states the intent of the Legislature to enact future legislation related to the Clean Transportation Program. This purpose of this bill is to reauthorize AB 8 (2013), which created the Clean Transportation Program, the Air Quality Improvement Program, and the Enhanced Fleet Modernization Program. This is a companion bill to SB 84.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB241

AB 1012 (Quirk-Silva)

Summary

This bill would require CARB, if it proposes a regulation that would require a mobile source to use a particular technology, to perform a lifecycle analysis that considers all of the environmental impacts of the required technology before the adoption of the regulation.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1012

AB 1525 (Bonta)

Summary

The Equity First Transportation Funding Act would require a minimum of 60 percent of all eligible transportation dollars be allocated to projects that are located in and provide benefits to disadvantaged communities.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB1525

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.

Complete Bill Information

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

SB 84 (Gonzalez)

Summary

This is a spot bill that states the intent of the Legislature to enact future legislation related to the Clean Transportation Program. This purpose of this bill is to reauthorize AB 8 (2013), which created the Clean Transportation Program, the Air Quality Improvement Program, and the Enhanced Fleet Modernization Program. This is a companion bill to AB 241.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB84

SB 670 (Gonzalez)

Summary

This bill would require state and local transportation agencies to create a single model for Vehicle Miles Traveled (VMT) mapping to be used for transportation planning and funding.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB670

CLIMATE CHANGE

AB 9 (Muratsuchi)

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. This is a companion bill to SB 12.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB9

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. This is a companion bill to AB 9.

Complete Bill Information

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

Key Federal Activities

ADMINISTRATIVE ACTIVITIES

FINAL NEVI RULE ISSUED

On February 28, the Federal Highway Administration released the final rule setting minimum standards and requirements for projects funded under the National Electric Vehicle Infrastructure (NEVI) Formula Program and projects for the construction of publicly accessible EV chargers under certain statutory authorities, including any EV charging infrastructure project funded with federal funds. The standards and requirements apply to the installation, operation, or maintenance of EV charging infrastructure; the interoperability of EV charging infrastructure; traffic control device or on-premises signage acquired, installed, or operated in concert with EV charging infrastructure; data, including the format and schedule for the submission of such data; network connectivity of EV charging infrastructure; and information on publicly accessible EV charging infrastructure locations, pricing, real-time availability, and accessibility through mapping applications.

The final rule is available at

<https://www.federalregister.gov/documents/2023/02/28/2023-03500/national-electric-vehicle-infrastructure-standards-and-requirements>

ZERO-EMISSION TRUCKS SOON WILL BE COMPARABLE IN PRICE TO DIESEL TRUCKS

The International Council on Clean Transportation has released a report, “Purchase Costs of Zero-Emission Trucks in the United States to Meet Future Phase 3 GHG Standards,” which provides updated data on the upfront cost of zero-emission trucks. The report details cost estimates up to 2040 for heavy-duty truck segments relevant to the upcoming federal Phase 3 GHG emission standards. Reducing the costs of batteries are one of the largest contributors to enabling price parity between battery-electric and diesel trucks. The report finds that the upfront cost parity between battery-electric trucks and comparable diesel trucks is expected to be achieved in the late 2020s or early 2030s for most truck segments. One exception is long-haul tractor-trucks, for which large batteries will still be the dominant cost item. By 2040, fuel-cell electric trucks will have a similar price to battery-electric and diesel trucks.

Read the report at

<https://theicct.org/publication/cost-zero-emission-trucks-us-phase-3-mar23/>