







Clean Transportation Policy Update

February 19 - March 18, 2025

IN THIS ISSUE:

Key State Activities
ADMINSTRATION ACTIVITIES

Three New CARB Members

REGULATORY ACTIVITIES

LCFS update Workshop on Tools to Evaluate AQ Benefits of Transportation Projects CAPTI 2.0 Published

FUNDING ACTIVITIES

ÔŒÂOĮą̃ æc^ÁQţç^• q ^} o ÁŒdevities Clean Transportation Equity Incentives Symposium Lower-Emission School Bus Funding Clean Mobility Projects Awards

CA LEGISLATIVE ACTIVITIES

Upcoming Hearings in the Senate and Assembly

LEGISLATION

Clean Vehicles & Infrastructure, and incentives Transportation Planning, Operations, and Funding

Key Federal Activities

REGULATORY LEGISLATIVE RESEARCH

Key State Activities

ADMINISTRATION ACTIVITIES

THREE NEW CARB MEMBERS

On February 20, Governor Newsom appointed two new members to the California Air Resources Board (CARB). Lynda Hopkins will serve as the Bay Area Air Quality Management District (BAAQMD) Member, a seat formerly held by Davina Hurt. Lynda is the current Chair of BAAQMD and has been the Fifth District Supervisor on the Sonoma County Board of Supervisors since 2016. Dawn Ortiz-Legg will serve as the Air District Member. This seat was formerly held by V. Manuel Perez. Dawn has been the Third District Supervisor on the San Luis Obispo County Board of Supervisors since 2020. Both positions require Senate confirmation.

Additionally, on February 28, Assembly Speaker Robert Rivas appointed Assembly Member Corey Jackson (D-60) to serve as the State Assembly Ex Officio Member. He replaces Assembly Member Eduardo Garcia.

Additional information is available at https://ww2.arb.ca.gov/about/leadership

REGULATORY ACTIVITIES

LOW CARBON FUEL STANDARD UPDATE

On February 18, the Office of Administrative Law (OAL) issued a decision to disapprove amendments to the Low Carbon Fuel Standard (LCFS) based on non-substantive, procedural issues. CARB adopted the LCFS amendments on November 8, 2024. CARB has 120 days to refine the language per OAL's guidance and resubmit the amendments for approval. The LCFS still remains in effect in its current form, which became effective in July 2020.

For more information, please visit https://ww2.arb.ca.gov/sites/default/files/2025-02/LCFS%20OAL%20Market%20Notice 2.pdf

WORKSHOP ON TOOLS TO EVALUATE AIR QUALITY BENEFITS OF TRANSPORTATION PROJECTS

On March 18, CARB held a virtual public workshop to discuss the technical resources and tools it is developing to help evaluate the air quality benefits of transportation projects. These resources and tools will focus on assessing the cost-effectiveness of reducing criteria air pollutants such as ozone and particulate matter. Project sponsors, metropolitan planning organizations, air districts, and local agencies can use these resources and tools when they are considering what Transportation Control Measures (TCMs) to implement to achieve federal or State air quality standards, or when evaluating and prioritizing projects for the Congestion Mitigation and Air Quality (CMAQ) program or the AB 2766 Motor Vehicle Fees funding program.

Additional information can be found at https://content.govdelivery.com/accounts/CARB/bulletins/3d33046

CAPTI 2.0 PUBLISHED

In late February, the California State Transportation Agency (CalSTA) released CAPTI 2.0: Climate Action Plan for Transportation Infrastructure. Updating the 2021 plan, CAPTI 2.0 outlines four main strategies to further implement the investment framework, including: transforming the future of the State highway system; reducing GHG impacts of transportation investments; delivering equitable outcomes; and improving transparency and accountability. The plan also highlights 14 new key actions to further reduce emissions and promote sustainable transportation, including:

- A commitment to working towards Vehicle Miles Traveled/Greenhouse Gas (VMT/ GHG) neutrality in key state transportation programs.
- The creation of a central delivery team to coordinate zero-emission freight investments.
- A new Caltrans policy to minimize housing displacement as a result of highway projects.

For more information, please visit https://calsta.ca.gov/subject-areas/climate-action-plan

FUNDING ACTIVITIES

CA CLIMATE INVESTMENT ACTIVITIES

Following are the current activities with respect to each CCI-funded program related to transportation:

Low Carbon Transportation Program (CARB)

On April 15, CARB will host a virtual workshop on the development of the Clean Transportation Incentives Funding Plan.

Additional 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 13, the State Controller's Office released the eligible allocation amounts for the FY 24-25 Low Carbon Transit Operations Program (LCTOP). Allocation requests are due to Caltrans in May.

For more information, please visit https://dot.ca.gov/programs/rail/low-carbon-transit-operations-program-lctop

CLEAN TRANSPORTATION EQUITY INCENTIVES SYMPOSIUM

On April 10, CARB will host the 2025 Clean Transportation Equity Incentives Symposium in Los Angeles. There will also be a virtual participation option. The symposium will bring together project administrators, outreach partners, community groups, and other key stakeholders to reflect on and provide transparency into CARB's suite of equity-focused, light-duty and mobility incentive programs. The event will include a keynote address from CARB leadership, as well as panel discussions, breakout sessions, and networking opportunities.

More information is available at https://2025-carb-symposium.my.canva.site/home

LOWER-EMISSION SCHOOL BUS FUNDING

The South Coast Air Quality Management District's (SCAQMD) Lower-Emission School Bus program has funding available for public school districts to replace pre-2006 model year combustion school buses that have a gross vehicle weight rating greater than 14,000 lbs. Funding of up to \$325,000 is available for the purchase of a new Type A zero-emission school bus and up to \$370,000 for a Type C or D zero-emission school bus. Funding also is available for supporting infrastructure. The deadline to apply is April 18.

Additional information is available at https://www.aqmd.gov/home/programs/business/lower-emission-school-bus-program

CLEAN MOBILITY PROJECTS AWARDS MADE

In early March, CARB announced \$33 million in funding was awarded for California's 2023 Clean Mobility Options Voucher Program. Supported modes of zero-emission transportation included: on-demand shuttles, vans, and buses; traditional fixed route transit services; bikesharing and scooter-sharing; carpooling and vanpooling; electric carsharing; and on-demand rideshare services. In the South Coast, the following awards were made:

- Cal State University Dominguez Hills \$1.5 million for the "Toro Clean Air Carshare" project
- City of Costa Mesa \$1.5 million for the "Let's Go Costa Mesa" electric on-demand shuttle service
- Riverside Community College District \$1.5 million for the "ChargeToCampus Driving the Future" electric carshare project
- Western Riverside Council of Governments \$1.5 million for the "Electric Vehicle Get in Drive Everywhere (EVGIDE)" Community Carshare project

For more information, please visit https://cleanmobilityoptions.org/w2-mp-awardees/

UPCOMING HEARINGS IN THE SENATE AND ASSEMBLY

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

- March 20 Budget Subcommittee No. 2 on Resources, Environmental Protection, and Energy will hold a hearing to discuss budget issues with CARB staff.
- March 27 Budget Subcommittee No. 5 on Corrections, Public Safety, Judiciary, Labor, and Transportation will hold a hearing to discuss budget issues with CalSTA and the Department of Transportation staff.

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

- March 26 Budget Subcommittee No. 4 on Climate Crisis, Resources, Energy, and Transportation will hold a transportation budget informational hearing.
- April 9 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 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

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 and require the use of that internet-based application for admission to the premises.

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 34 (Patterson)

Summary

This bill would prohibit CARB from adopting any standard, regulation, or rule 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

Currently, this is a spot bill designed to clarify CARB's authority to adopt Statewide Indirect Source Rules (ISRs).

Complete Bill Information

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

AB 1207 (Irwin)

Summary

This bill would reauthorize the California Cap-and-Trade Program, which expires in 2030. Proceeds from the program are deposited into the Greenhouse Gas Reduction Fund (GGRF) to invest in projects that will reduce GHGs, including the transition to clean transportation technologies. It is a companion bill to SB 840. Currently, this is a spot bill.

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

 $\underline{\text{https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill id=202520260SB2}$

SB 34 (Richardson)

Summary

This bill would require CARB to establish an intermodal goods movement stakeholder group consisting of, among others, a member from each specified ports district. The bill would require the group to develop a plan that specifies short-term thresholds of yellow, orange, and red for port emissions and specifies actions to be taken to reduce port and port-related emissions when the thresholds are reached. The group would be required to submit a report to the Legislature, on or before January 31, 2027, with its findings, recommendations, and the plan.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill id=202520260SB34

SB 71 (Wiener) Summary

This bill would indefinitely exempt certain public transportation-related projects from CEQA requirements, such as: the improvement of bus rapid transit, bus, or light rail service, including the maintenance, public projects for the improvement, institution, or increase of shuttles and ferries, and for the maintenance, construction, or rehabilitation of stops exclusively used by zero-emission, near-zero-emission, low oxide of nitrogen engine, compressed natural gas fuel, fuel cell, or hybrid powertrain buses, shuttles, ferries, or light rail vehicles.

Complete Bill Information

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

SB 840 (Limon)

Summary

This bill would reauthorize the California Cap-and-Trade Program, which expires in 2030. Proceeds from the program are deposited into the Greenhouse Gas Reduction Fund (GGRF) to invest in projects that will reduce GHGs, including the transition to clean transportation technologies. It is a companion bill to AB 1207. Currently, this is a spot bill.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202520260SB840

Key Federal Activities

REGULATORY ACTIVITIES

U.S. EPA SENDS CA VEHICLE WAIVERS TO CONGRESS FOR REVIEW

On February 14, U.S. EPA announced that it was transmitting three of California's waivers to Congress for review under the Congressional Review Act (CRA). The three waivers submitted are for the Advanced Clean Trucks regulation, the Advanced Clean Cars II regulation, and the Omnibus Low NOx regulation. On March 6, the Government Accountability Office provided its analysis to Congress that a waiver is not considered a rule for the purposes of CRA because it was an order under the Administrative Procedure Act and, therefore, EPA's submission to Congress is inconsistent with existing case law. A vote in the House of Representatives is expected soon.

For more information, please visit https://www.epa.gov/newsreleases/trump-epa-transmit-california-waivers-congress-accordance-statutory-reporting and

https://www.gao.gov/assets/880/875948.pdf

U.S. EPA WILL RECONSIDER CURRENT VEHICLE EMISSION STANDARDS

On March 12, EPA Administrator Lee Zeldin announced the agency's intention to terminate the MY 2027 and Later Light-Duty and Medium-Duty Vehicles regulations and GHG Standards for Heavy-Duty Vehicles. EPA will also reevaluate the Clean Trucks Plan (the final rulemaking was completed in March 2024), including the 2022 Heavy-Duty NOx rule.

Additional information is available at https://www.epa.gov/newsreleases/epa-announces-action-implement-potuss-termination-biden-harris-electric-vehicle

LEGISLATIVE ACTIVITIES

BILL TO REPEAL EV TAX INCENTIVES INTRODUCED

On February 12, Senator John Barrasso (R-WY) introduced S.541, the *Eliminating Lavish Incentives To Electric (ELITE) Vehicles Act.* This bill would repeal the \$7,500 tax credit for new EVs, eliminate the \$4,000 tax credit for purchasing used EVs, and eliminate the federal investment tax credit for EV charging stations. It currently is in the Senate Finance Committee.

More information is available at https://www.barrasso.senate.gov/newsroom-news-releases-barrasso-bill-ends-electric-vehicle-tax-credits/

RESEARCH ACTIVITIES

MOMENTUM OF ZERO-EMISSION TRUCKS HIGHLIGHTED IN NEW REPORT

On February 28, the Union of Concerned Scientists released "Ready for Work 2.0: On the Road to Clean Trucks," an analysis documenting that electric truck adoption is increasing but the continuation of key policies and programs are necessary to accelerate adoption. Key findings from the report include:

- Electric trucks and buses are being deployed in record numbers, increasing from less than 1,000 new registrations in 2021 to more than 25,000 in 2023. Key policy decisions as well as public and private investments are necessary to accelerate the market and solidify its success over the long term.
- Key policies such as the Advanced Clean Truck rule and investments created under the Inflation Reduction Act and Bipartisan Infrastructure Law have helped to accelerate the market for clean trucks, domestic manufacturing and supply chains, infrastructure planning and deployment, and improvements in related technologies.
- Some electric trucks already offer lifetime cost savings compared to equivalent diesel vehicles, and these affordability benefits are growing steadily. Batteryelectric trucks have the potential to be a major driver of improved affordability in freight and logistics as upfront prices decline.

The report is available at https://www.ucsusa.org/resources/ready-work-2

RESOURCE FOR ELECTRIFYING TRANSPORTATION LOCALLY

In late February, The Electrification Coalition published, "Electrifying Transportation in Municipalities," a compilation of actions that city leaders can take to accelerate the transition to electric transportation, while creating well-paying local jobs, reducing public fuel and maintenance costs, and contributing to national and economic security. The report features stories from cities across the country that have successfully implemented policies to expand EV adoption and charging access within their communities. It explores the areas of infrastructure, freight, fleets, and consumer opportunities.

The resource is available at https://electrificationcoalition.org/electrifying-municipalities/