



Clean Transportation Policy Update

February 15, 2018 – March 14, 2018

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ARB TO HEAR UPDATE ON SIP AND SOUTH COAST AQMP

At its March 22 meeting, the California Air Resources Board (ARB) will hear an update on the implementation of the State Implementation Plan (SIP) Strategy and the South Coast Air Quality Management Plan (AQMP). For the SIP, staff will present information on the progress made to date, existing funding and what additional funding needs there are. Staff also will provide a progress report on the AQMP, including the air district's exit from the RECLAIM (Regional Clean Air Incentives Market) program.

More information is available at

<https://content.govdelivery.com/accounts/CARB/bulletins/1e0ec16>

LCFS UPDATE

On March 6, ARB released the formal rulemaking documents, or initial statement of reasons, outlining the proposed amendments to the Low Carbon Fuel Standard (LCFS). The amendments are designed to extend and strengthen the standard through 2030 in line with the SB 32 GHG reduction goals. This includes:

- Expanding LCFS rewards for zero-emission vehicle fueling infrastructure per Governor Brown's Executive Order B-48-18;
- Adopting a protocol to enable credit generation for carbon capture and sequestration projects;
- Expanding eligibility for new fuels, including alternative jet fuels, and vehicle applications to generate credit under the LCFS program;
- Enhancing crediting opportunities for innovative actions taken at petroleum refineries;

- Establishing an independent third-party verification and verifier accreditation system to ensure accuracy of LCFS reported data; and
- Ensuring accuracy of the data that underlies the LCFS program by updating quantification methods and analysis tools, and by improving, simplifying, streamlining and clarifying the application and reporting process

The Board will consider the amendments at its April 27 meeting.

For more information, please visit

<https://www.arb.ca.gov/regact/2018/lcfs18/lcfs18.htm>

FINAL GUIDANCE DOCUMENT ON CLEAN TRANSPORTATION FOR LOW-INCOME RESIDENTS

On February 21, ARB released “Final Guidance Document – Low-Income Barriers Study, Part B: Overcoming Barriers to Clean Transportation Access for Low-Income Residents.” This document incorporates public comments and additional feedback resulting from ARB’s public process following release of the Draft Guidance Document in April 2017. The report identifies six recommendations to implement over the next two years to overcome the barriers discussed in the report:

1. Expand assessments of low-income residents’ transportation and mobility needs to ensure feedback is incorporated in transportation planning
2. Develop an outreach plan targeting low-income residents across California to increase residents’ awareness of clean transportation and mobility options
3. Develop regional one stop shops to increase consumer awareness and provide technical assistance
4. Develop guiding principles for grant and incentive solicitations to increase access to programs and maximize low-income resident participation
5. Maximize economic opportunities and benefits for low-income residents from investments in clean transportation and mobility options by expanding workforce training and development
6. Identify and expand funding and financing for clean transportation and mobility projects, including infrastructure, to meet the accessibility needs of low-income and disadvantaged communities.

The report is available at

<https://www.arb.ca.gov/msprog/transoptions/transoptions.htm>

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 (ARB)

On February 27, a second workshop was held to discuss the Hybrid and Zero-Emission Truck and Bus Incentive Project (HVIP). Staff discussed voucher enhancements for electric vehicle charging equipment and infrastructure for hydrogen fuel cell vehicles. Additionally, on March

15, ARB will hold a workshop to discuss the development of the FY 2018-19 funding plan for clean transportation incentives. The proposed funding plan will be released in June and the Board is slated to consider adoption in July.

For more information about the Low Carbon Transportation Program, please visit <https://www.arb.ca.gov/msprog/aqip/aqip.htm>

Transit and Intercity Rail Capital Program (CalSTA)

A summary of the applications for the 2018 Transit and Intercity Rail Capital Program was released on February 12. The remaining schedule for the 2018 Transit and Intercity Rail Capital Program is as follows:

- April 30 – CalSTA publishes the list of approved projects
- May 16-17 – Presentation of the project list to the California Transportation Commission (anticipated)
- By July 1 - CalSTA approves the initial five-year program of projects for the program

More information can be found at <http://www.dot.ca.gov/drrmt/sptircp.html>

Low Carbon Transit Operations Program (Caltrans)

The FY 2017-18 Low Carbon Transit Operations Program timeline is as follows:

- March 30 – Transit agencies submit allocation requests to Caltrans
- May – Caltrans and ARB approve list of projects and submit list to the State Controller's Office (SCO)
- By June 30 – SCO releases approved project amounts to recipients

For more information, please visit <http://www.dot.ca.gov/drrmt/splctop.html>

Affordable Housing and Sustainable Communities Program (SGC)

Awards for the Strategic Growth Council's (SGC)'s 2016-17 Affordable Housing and Sustainable Communities Program will be announced in June.

More information is available at <http://sgc.ca.gov/programs/ahsc/>

2ND REVISED STAFF REPORT ON 2018-19 ARFVTP INVESTMENT PLAN RELEASED

On March 5, the California Energy Commission (CEC) released the 2018-2019 Investment Plan Update for the Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP). The proposed allocations increased from \$95.2 million in the first draft to \$227.5 million in this draft, and are as follows:

- Zero emission vehicle infrastructure:
 - Electric vehicle charging infrastructure – \$134.5 million
 - Hydrogen refueling infrastructure – \$92 million
 - Manufacturing, and workforce training and development – \$8.5 million
- Advanced technology vehicle support: advanced freight and fleet technologies – \$17.5 million

- Alternative fuel production: low-carbon fuel production and supply – \$25 million

It is interesting to note that there is no allocation for natural gas vehicles or fuel infrastructure, as there had been in the investment plans from previous years. The CEC will hold a second public advisory committee workshop on March 15 and produce a Lead Commissioner report in April 2018. The CEC is slated to adopt the final report in the spring.

The report is available at

http://docketpublic.energy.ca.gov/PublicDocuments/17-ALT-01/TN222847_20180305T120205_201819_Investment_Plan_Update_for_the_Alternative_and_Renewable.pdf

RESEARCH ACTIVITIES

REPORT HIGHLIGHTS BEST PRACTICES TO MAKE EV-FRIENDLY CITIES IN CA

On February 21, Environment California Research & Policy Center released the report, “Plugging-In: Speeding the Adoption of Electric Vehicles in California with Smart Local Policies,” which outlines best practices to guide local officials in California to help their cities accommodate EVs with enough parking and charging facilities. The report recommends the following EV-friendly policies be implemented:

- Residential access to on-street EV charging
- Access to public charging stations
- Support for private investment in publicly-accessible stations
- Incentivized EV parking and charging

For more information, please visit

<https://environmentcaliforniacenter.org/reports/cae/plugging-speeding-adoption-electric-vehicles-california-smart-local-policies>

CALIFORNIA LEGISLATIVE ACTIVITIES

UPCOMING HEARINGS IN THE SENATE AND ASSEMBLY

Assembly – The following hearings can be heard online at

<http://assembly.ca.gov/dailyfile>

- March 19, 2:30 p.m. – The Assembly Transportation Committee will hear AB 2061 (Near-zero and zero-emission trucks).
- March 21, 9:30 a.m. – The Assembly Budget Subcommittee No. 3 on Resources and Transportation will hold an informational hearing with ARB representatives on cap-and-trade and related topics.

Senate – The following hearing can be heard online at

<http://senate.ca.gov/dailyfile>

- March 22, 9:30 a.m. – The Environmental Quality Committee and Budget Subcommittee No. 2 on Resources, Environmental Protection, Energy and Transportation will hold a hearing with ARB representatives on the Greenhouse Gas Reduction Fund.

CLEAN FUEL VEHICLES AND TECHNOLOGY

AB 33 (Quirk)

Summary

This bill requires the California Public Utilities Commission (CPUC), in consultation with ARB and CEC, to consider authorizing utilities to offer programs and investments in electric vehicle service equipment installed in residential garages.

This is a 2-year bill.

Complete Bill Information

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB33

AB 193 (Cervantes)

Summary

This bill would require ARB to establish the Clean Reused Vehicle Rebate Project, as part of the Air Quality Improvement Program, to provide rebates for: the acquisition of eligible used vehicles (those eligible under the Clean Vehicle Rebate Project); the replacement or refurbishment of an electric battery and related components for an eligible used vehicle or a vehicle service contract for the battery or related components; or a vehicle service contract to cover unexpected vehicle repairs not covered by the manufacturer's warranty related to unique problems in eligible used vehicles.

This is a 2-year bill.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB193

AB 1745 (Ting)

Summary

Beginning January 1, 2040, this bill would prohibit the Department of Motor Vehicles from registering a new motor vehicle unless it is a ZEV.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1745

AB 1184 (Ting)

Summary

This bill requires ARB to report to the Legislature by January 1, 2019, the funding levels necessary to support continuous, year-round operation of each of its ZEV and near-ZEV incentive programs, as well as any changes necessary to these programs to increase the market penetration of ZEVs.

This is a 2-year bill.

Complete Bill Information

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1184

AB 2061 (Frazier)

Summary

This bill, known as the Clean Truck Deployment Act, would remove weight-limit barriers that currently constrain the use of zero and near-zero emission trucks in California. Cleaner energy trucks weigh more than traditional internal combustion engines (by as much as 2,000 pounds) so they currently must reduce their carrying capacity in order to comply with state weight laws, providing a disincentive for businesses to invest in cleaner trucks. This bill would increase the weight limits for zero emission and near-zero emission vehicles so they can compete on an equal playing field with diesel and gasoline powered trucks.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB2061

AB 2127 (Ting)

Summary

This bill would require the CEC, in consultation with ARB and the CPUC, to create a statewide assessment of electric vehicle charging infrastructure needed to support the levels of electric vehicle adoption needed for the state to reduce emissions of greenhouse gases to 40% below 1990 levels by 2030.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB2127

SB 1000 (Lara)

Summary

This bill states the intent of the Legislature to enact legislation to promote neutrality and interoperability in charging stations and ZEVs.

Currently, this is a spot bill.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB1000

SB 1014 (Skinner)

Summary

This bill requires the CPUC, in consultation with ARB, to establish the Clean Miles Standard and Incentive Program for ZEVs used by participating prearranged transportation services for compensation for a transportation network company with the goal to ZEV increase passenger miles used on behalf of transportation network companies so all passenger miles are provided by ZEVs by December 31, 2028. The bill also would require any future appropriations for the CVRP to reserve up to \$30 million for rebates or other incentives for applicants who purchase ZEVs to provide prearranged transportation services using a transportation network company's online-enabled application or platform to connect with passengers, as long as the ZEV will replace a vehicle powered by burning fossil fuels.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB1014

CLIMATE INVESTMENTS

SB 1119 (Newman)

Summary

This bill relates to the Low Carbon Transit Operations Program (LCTOP) and expands the eligibility requirements for transit fare subsidies. It would allow the current requirement that at least 50% of the money that transit agencies receive from the LCTOP be spent on certain projects be satisfied if these projects include: transit fare subsidies, including student transit passes; transit connections to major employment areas, education centers or medical facilities for residents in disadvantaged or low-income communities; and technology improvements that reduce GHGs, including the purchase of zero-emission buses and infrastructure.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB1119

TRANSPORTATION OPERATIONS & FUNDING

AB 91 (Cervantes)

Summary

Beginning July 1, 2018, this bill would prohibit a high-occupancy vehicle lane from being established in Riverside County unless that lane is established only during the hours of heavy commuter traffic. Any existing HOV lanes would be required to be modified to operate under these same conditions.

This is a 2-year bill.

Complete Bill Information

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB91

AB 1756 (Brough)

Summary

This bill would repeal the Road Repair and Accountability Act of 2017 (SB 1).

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1756

DEFENDING CALIFORNIA'S POLICIES

SB 49 (de León and Stern)

Summary

This bill is called the California Environmental, Public Health, and Workers Defense Act of 2017, and would:

- Make current federal clean air, climate, clean water, worker safety, and endangered species standards enforceable under state law, even if the federal government rolls back and weakens those standards
- Direct state environmental, public health, and worker safety agencies to take all actions within their authorities to ensure standards in effect and being enforced today continue to remain in effect

- Ensure California does not backslide as a result of rollbacks by the federal Administration, since federal laws in these areas set “baselines” but allow states to adopt more stringent standards

This bill is part of the “Preserve California” legislative package designed to insulate the state from rollbacks in federal environmental regulations and public health protections.

This is a 2-year bill.

Complete Bill Information

https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB49

Key Federal Activities

FEDERAL ADMINISTRATION ACTIVITIES

UPDATE ON FEDERAL INFRASTRUCTURE PLANS

In mid-February, the President released his legislative outline for an infrastructure plan. He is directing Congress to develop a \$200 billion infrastructure bill, funding that will be leveraged and used to generate \$1.5 billion in infrastructure investments from outside the federal government. It is still unclear how the \$200 billion will be paid for, although some in Washington, D.C., including the President, are suggesting a gas tax increase. However, House Speaker Paul Ryan has stated that Congress will not vote to increase the gas tax. Some of the main points of the plan include:

- \$100 billion for a new incentive grants program that favors project sponsors that dedicate new, non-federal revenue streams to infrastructure
- \$50 billion for grants to rural areas
- \$20 billion for a new transformative projects program led by the Commerce Department
- \$14 billion for existing federal credit programs including TIFIA (Transportation Infrastructure Finance and Innovation Act) and RRIF (Railroad Rehabilitation and Improvement Financing)
- \$6 billion to support expanded and increased private activity bonds
- \$10 billion for federal real estate purchases
- Elimination of regulatory barriers and streamlining of permitting processes
- Reform of workforce development programs

On March 7, Senate Democrats unveiled their own infrastructure plan called the Jobs & Infrastructure Plan for America’s Workers. The plan calls for \$1.022 trillion in investments over 10 years, and outlines how the plan will be paid for. It is not expected that this plan will gain any traction in Congress.

The President’s outline is available at

<https://www.politico.com/f/?id=00000161-8aef-d53a-a5f5-bfff42500002>

The Democrats’ plan outline is available at

<https://www.democrats.senate.gov/imo/media/doc/Senate%20Democrats'%20Jobs%20and%20Infrastructure%20Plan.pdf>