



Clean Transportation Policy Update

February 14 – March 19, 2024

Key State Activities

REGULATORY ACTIVITIES

UPCOMING ADVANCED CLEAN FLEETS WORKSHOP

On March 25, the California Air Resources Board (CARB) will hold a workshop to discuss proposed targeted amendments to the Advanced Clean Fleet (ACF) Rule related to public agency utility fleets. Proposed amendments to be discussed at the workshop include:

- The definition of public agency utility and utility-specialized vehicles
- Necessary changes to the ZEV Purchase and Daily Usage exemptions for defined public agency utilities to allow replacements without regard to the model year of the vehicle being replaced
- Necessary changes to the Daily Usage exemption to allow for usage data that does not rely on the lowest mileage reading and exclude the highest usage days

For more information, please visit

<https://content.govdelivery.com/accounts/CARB/bulletins/38e460b>

HD ENGINE AND VEHICLE OMNIBUS REGULATION WORKSHOP SET

On March 20, CARB will host a workshop to discuss proposed amendments to the Heavy-Duty Engine and Vehicle Omnibus regulation. The proposed amendments would implement CARB's commitment in the Clean Truck Partnership agreement to primarily align the Omnibus regulation's requirements for new 2027 and

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subsequent model year heavy-duty engines with the corresponding provisions of the US EPA's Clean Trucks Plan Oxides of Nitrogen rule.

Additional information can be found at

<https://ww2.arb.ca.gov/our-work/programs/heavy-duty-low-nox/heavy-duty-low-nox-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 18, CARB will hold the second annual Clean Transportation Equity Incentives Symposium to discuss the agency's suite of equity-focused, light-duty vehicle and mobility incentive programs. The all-day symposium will feature two panels and break-out discussions on featured topics. The first panel will focus on simplifying and streamlining access to incentive projects. The second panel will explore how CARB's equity projects can better prioritize communities through outreach and implementation.

On March 27, CARB will host an Implementation Work Group meeting on the Clean Off-Road Voucher Incentive Project (CORE). Staff will provide an overview of the program and discuss funding sources, suggested updates to the implementation manual, and a general timeline for the program.

On March 26, CARB will hold a public work group meeting on the FY 2023-24 Clean Truck and Bus Voucher Incentive Project (HVIP). Staff will discuss funding updates, the implementation timeline, and updates to definitions and other policy changes.

On March 19, the Clean Cars 4 All and Financing Assistance Program Implementation Work Group met. Staff provided updates on the proposed rollout of the program, and stakeholders had the opportunity to provide feedback and input on the proposals discussed.

On March 14, the Implementation Work Group for the California E-Bike Incentive Project held a meeting and received public input on the project design.

Additional information can be found 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 29, the State Controller's Office released the apportionment announcements for the 2023-24 LCTOP. Caltrans is slated to release the allocation request Call for Projects soon.

For more information, please visit

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

MILLIONS AVAILABLE FOR COMBUSTION FREIGHT, MARINE PROJECTS, AND ZERO-EMISSION TRUCKS

On March 5, the South Coast Air Quality Management District (SCAQMD) began accepting applications for two funding categories: combustion freight and marine projects, and zero-emission Class 8 freight and port drayage trucks. Approximately \$109.3 million is available in total. For the combustion freight and marine projects category, eligible equipment for replacing/repowering projects includes: Class 7 and Class 8 freight trucks, dump trucks, waste haulers, concrete mixers, and freight switcher locomotives. Repowering only projects include: ferries, tugboats, and towboats. For the Class 8 freight and port drayage trucks category, eligible equipment for replacement includes: freight trucks, drayage trucks, waste haulers, dump trucks, and concrete mixers. Applications will be accepted on a first-come, first-served basis until all the funds are exhausted.

For more information, please visit

<https://xappprod.aqmd.gov/vw/>

RESEARCH ACTIVITIES

STUDY EXAMINES ROADBLOCKS TO CA'S PUBLIC EV CHARGING INFRASTRUCTURE

Stanford University's Institute for Economic Policy Research has released a policy brief, "Overcoming Roadblocks to California's Public Charging Infrastructure," which highlights the barriers to building out EV infrastructure and provides recommendations to address them. Key findings include:

- Difficulties in connecting charging sites to the grid pose the biggest delays in bringing publicly accessible EV charging stations online
- Permitting delays still occur in some local jurisdictions despite new streamlining measures
- Planning code updates may be needed to facilitate approvals of EV charging stations as the primary use of a site
- Standardized reporting of permit turnaround times is needed to track the effectiveness of legislation addressing EV charging station streamlining

The study is available at

<https://siepr.stanford.edu/publications/policy-brief/overcoming-roadblocks-californias-public-ev-charging-infrastructure>

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 21 – Budget Subcommittee No. 2 on Resources, Environmental Protection, and Energy will hold a hearing on the ZEV package and Greenhouse Gas Reduction Fund (GGRF).

Assembly – The following hearings can be monitored online at:

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

- April 17 – Budget Subcommittee No. 4 on Climate Crisis, Resources, Energy, and Transportation will hold a hearing to discuss the budget with CalSTA, the California Transportation Commission, and other transportation agencies.
- April 24 – Budget Subcommittee No. 4 on Climate Crisis, Resources, Energy, and Transportation will hold a hearing to discuss the ZEV package, GGRF, and CARB.

LEGISLATION

CLEAN VEHICLES AND INCENTIVES

AB 627 (Jackson)

Summary

As part of the Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), this bill would require CARB to establish a sliding scale by which to determine the dollar amount of a voucher for the purchase of a new, or retrofit of a used, hydrogen or battery-electric drayage truck. The sliding scale would authorize vouchers in different amounts for fleets with 49 or fewer vehicles, 30 or fewer vehicles, and five or fewer vehicles. Additionally, CARB would prioritize awarding vouchers to operators that transport goods between any of the Ports of Los Angeles, Long Beach or Oakland and warehouses in California, and operators who own five or fewer drayage trucks.

Complete Bill Information

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

AB 2266 (Petrie-Norris)

Summary

This bill would require CARB to authorize a voucher under the HVIP program to be used for the acquisition of any zero-emission vehicle that meets all of the following requirements:

- The vehicle has a GVWR that exceeds 8,500 pounds

- The vehicle is purchased for fleet operations by a public or private fleet owning one or more medium- and heavy-duty vehicles
- The vehicle is not a house car as defined in Section 362 of the Vehicle Code

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2266

AB 2401 (Ting)

Summary

This bill would ensure that the Clean Cars 4 All program prioritizes the retirement and replacement of the oldest, most driven, and highest emitting vehicles with ZEVs. It would require CARB to collect additional data and use it to establish a needs-based approach to identify and target outreach and incentives to low-income, high-mileage drivers with older, high-polluting vehicles. It also would codify any expansion of the program to confirm that any changes are subject to the same requirements established by this measure and previously enacted equity, funding, and tax exemption provisions.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2401

AB 2480 (Garcia)

Summary

This bill relates to the Carl Moyer Program and would provide that a project to purchase a new zero-emission school bus to replace an internal combustion engine school bus is eligible for a grant under the program regardless of the model year of the internal combustion engine.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240AB2480

SB 233 (Skinner)

Summary

This bill would require the California Energy Commission (CEC), in consultation with CARB, the Public Utilities Commission and a stakeholder workgroup, to submit a report to the Legislature on the bidirectional capability of EVs and charging infrastructure by January 1, 2026, and conditionally authorizes CARB to require any weight class of battery electric vehicles to be bidirectionally capable if it determines that there is a sufficiently compelling use case to the vehicle operator and electric grid.

Complete Bill Information

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

SB 983 (Wahab)

Summary

This bill would require the CEC to create the Alternative Fuels Infrastructure Task Force to conduct a study on retail gasoline stations and alternative fuels infrastructure. By January 1, 2027, the Task Force must submit a report to the Legislature with recommendations on: policies to facilitate the development and construction of alternative fuels infrastructure at retail gas stations; barriers to the accelerated development and construction of alternative fuels infrastructure at gas stations; best practices for compliance with the Americans with Disabilities Act when constructing alternative fuels infrastructure; and other infrastructure challenges that may delay the development and construction of alternative fuels infrastructure at gas stations.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB983

SB 1158 (Archuleta)

Summary

This bill relates to the Carl Moyer Program and would extend the liquidation time for funds from two years to six years following the date of disbursement. Funds not liquidated by a local air district by the sixth calendar year following the date of disbursement shall be returned to CARB. Additionally, the bill would increase the administrative fee from 6.25 percent to 12.5 percent for air districts with a population of more than one million, such as the SCAQMD.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1158

SB 1387 (Newman)

Summary

This is a spot bill and states the intent of the Legislature to enact subsequent legislation to amend the HVIP program.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1387

TRANSPORTATION PLANNING, OPERATIONS, AND FUNDING

AB 6 (Friedman)

Summary

This bill would require CARB to provide regional GHG emission reduction targets for the automobile and light truck sector for 2035 and 2045, and makes additional changes to strengthen CARB's oversight of Metropolitan Planning Organization's Sustainable Communities Strategies.

Complete Bill Information

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

AB 2535 (Bonta)

Summary

This bill would make revisions to the Trade Corridor Enhancement Program by:

- Prohibiting the California Transportation Commission from allocating program funding to a project that adds a general purpose lane to a highway or expands highway capacity in a community that meets certain criteria related to pollution impacts
- Prohibiting program funding for a project that expands a highway's footprint unless the project meets certain criteria relating to environmental review and the operation of the project
- Requiring at least 50 percent of the program funds are allocated annually to investments in zero-emission freight infrastructure, prioritizing certain communities that meet certain criteria related to pollution impacts

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB2535

CLIMATE BOND

AB 1567 (Garcia)

Summary

The bill would enact the \$15.9 billion Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024, which would enable the bond measure to be put on the November ballot. It is possible that some funding for clean transportation would be included in the bond measure.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB1567

SB 867 (Allen)

Summary

This bill would enact the \$15.5 billion Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond of 2024, which would enable the bond measure to be put on the November ballot. It is possible that some funding for clean transportation would be included in the bond measure.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320240SB867

Key Federal Activities

ADMINISTRATIVE ACTIVITIES

FTA WEBINAR ON FUEL CELL BUSES

On March 20, the Federal Transit Administration (FTA) will co-host a webinar on the role of hydrogen fuel cell buses in transitioning to zero-emission transportation. The webinar will feature transit executives who will provide a high-level perspective on how fuel cells and hydrogen contribute to FTA's Sustainable Planet for a Healthy Planet Challenge.

For more information, please visit

<https://learning.aptagateway.com/products/the-role-of-hydrogen-fuel-cell-buses-in-a-zero-emission-future>

ZERO-EMISSION FREIGHT CORRIDOR STRATEGY

The Joint Office of Energy and Transportation and the US Department of Energy released the National Zero-Emission Corridor Strategy to guide the deployment of zero-emission medium- and heavy-duty vehicle charging and hydrogen fueling infrastructure from 2024 to 2040. The strategy is designed to meet growing market demands by targeting public investment to amplify private sector momentum, focus utility and regulatory energy planning, align industry activity, and improve air quality in local communities most impacted by diesel emissions.

To read the strategy, please visit

<https://driveelectric.gov/files/zef-corridor-strategy.pdf>

FUNDING ACTIVITIES

FTA PROGRAMS OFFER MORE THAN \$1B FOR TRANSIT BUSES AND INFRASTRUCTURE

The FTA has approximately \$1.5 billion available for two programs to help transit agencies transition to cleaner buses and infrastructure. The Low- or No-Emission Program is offering \$1.1 billion to state and local governments to purchase or lease zero-emission and low-emission transit buses, including the acquisition, construction, and leasing of required supporting facilities. The Buses and Bus Facilities Competitive Program has \$390 million to assist in the financing of buses and bus facilities capital projects, including replacing, rehabilitating, purchasing or leasing buses or related equipment, and rehabilitating, purchasing, constructing or leasing bus-related facilities. Proposals are due by April 25.

For more information, please visit

<https://www.transit.dot.gov/lowno>

MILLIONS AVAILABLE FOR CONGESTION REDUCTION PROJECTS

The Federal Highway Administration's Congestion Relief Grant Program has \$150 million available in grants for FY 2022, 2023 and 2024 to reduce highway congestion and economic and environmental costs associated with congestion, including pollution from transportation emissions. Eligible projects include: deployment and operation of integrated congestion management systems; certain transit and mobility services; and incentive programs encouraging travelers to carpool, use transit, or travel during nonpeak times. Applications are due by April 22.

More information is available at

<https://ops.fhwa.dot.gov/bipartisan-infrastructure-law/index.htm>

\$3 BILLION FOR CLEAN PORTS PROJECTS

US EPA's Clean Ports Program has two competitive funding opportunities available to help US ports transition to zero-emission operations. The \$2.8 billion Zero-Emission Technology Deployment Competition will fund zero-emission port equipment and infrastructure to reduce mobile source emissions. Eligible projects include: human-operated and maintained zero-emission cargo handling equipment; harbor craft and other vessels; electric charging and hydrogen fueling infrastructure; and several other technology investments. The \$150 million Climate and Air Quality Planning Competition will fund climate and air quality planning activities at ports. This includes: emissions inventories; strategy analyses; community engagement; and resiliency measure identification. Eligible applicants are: port authorities, state, regional, local or Tribal agencies that have jurisdiction over a port authority or port; air pollution control agencies; and private entities that apply in partnership with another eligible entity and that own, operate or use facilities, cargo-handling equipment, transportation equipment, or related technology of a port. The funding can be used for projects at water ports (coastal and inland), and projects at facilities where goods are transferred between rail cars and trucks (dry ports). Applications are due by May 28.

Additional information can be found at

<https://www.epa.gov/ports-initiative/cleanports>

\$450 MILLION FOR PORTS INFRASTRUCTURE

The US Department of Transportation's Maritime Administration has released a \$450 million Notice of Funding Opportunity for the Port Infrastructure Development Program. Applicants include: port authorities, state and local governments, indigenous Tribal nations, counties, and other eligible public entities. Grants are awarded on a competitive basis to support projects that improve the safety, efficiency, or reliability of the movement of goods through ports and intermodal connections to ports. Applications must be submitted by May 10. This program complements the US EPA's Clean Ports Program.

For more information, please visit

<https://www.maritime.dot.gov/PIDPgrants>

REPORT SHOWS BENEFITS OF ZEVs TO CHILDREN'S HEALTH

A new report by the American Lung Association titled, “Boosting Health for Children: Benefits of Zero-Emission Transportation and Electricity,” illustrates the positive impacts that a nationwide transition to zero-emission transportation and electricity generation would have on children’s health. The data shows that transitioning to zero-emission transportation powered by non-combustion energy from 2020 to 2050 would prevent up to: 2.79 million pediatric asthma attacks (440,000 in California alone); 147,000 pediatric acute bronchitis cases; 2.67 million pediatric upper respiratory symptoms; 1.87 million pediatric lower respiratory systems; and 508 infant mortality case.

The report is available at

<https://www.lung.org/clean-air/electric-vehicle-report/boosting-health-for-children>

COMPARISON STUDY OF GASOLINE AND EV TOTAL COST OF OWNERSHIP

Atlas Public Policy published a study, “Comparing the Cost of Owning the Most Popular Vehicles in the United States,” which looks at the cost between five popular 2023 EV models and their gasoline internal combustion engine (ICE) counterparts. The study found that owning an EV is less expensive than owning an ICE vehicle over a seven-year period, the average amount of time a driver keeps a new vehicle. The analysis takes into account purchase price minus the expected resale value, fuel, maintenance and repairs, insurance, taxes, and fees of each vehicle and finds that EV ownership can save drivers thousands of dollars.

Additional information can be found at

<https://atlaspolicy.com/wp-content/uploads/2024/03/Comparing-the-Cost-of-Owning-the-Most-Popular-Vehicles-in-the-United-States.pdf>