



Clean Transportation Policy Update

February 21 – March 20, 2019

Key State Activities

IN THIS ISSUE:

Key State Activities

REGULATORY ACTIVITIES

Upcoming Workshop on Clean Trucks Regulation
Workshop held on Electric Vehicle Charging Infrastructure

FUNDING ACTIVITIES

CA Climate Investments Activities

OTHER NEWS

LA Metro to Study Congestion Reduction Options

CA LEGISLATIVE ACTIVITIES

Upcoming Hearings in the Senate and Assembly

Legislation

Clean Fuel Vehicles Policy & Incentives

Transportation Planning, Operations & Funding

Defending California's Policies

Key Federal Activities

ADMINISTRATIVE ACTIVITIES

LEGISLATIVE ACTIVITIES

FUNDING ACTIVITIES

RESEARCH ACTIVITIES

REGULATORY ACTIVITIES

UPCOMING WORKSHOP ON CLEAN TRUCKS REGULATION

On April 2, the California Air Resources Board (ARB) will host a public workshop to discuss the development of the Advanced Clean Trucks (ACT) regulation proposal. Staff will present updates to a regulatory concept that would require a portion of heavy-duty vehicle and chassis manufacturers' Class 2B and larger vehicle sales to be zero-emission. The proposal also would require mandatory reporting for larger companies and fleets.

More information is available at

<https://content.govdelivery.com/accounts/CARB/bulletins/2353c0b>

WORKSHOP HELD ON ELECTRIC VEHICLE CHARGING INFRASTRUCTURE

On March 11, the California Energy Commission (CEC) held a workshop to provide an overview of the proposed process to assess electric vehicle (EV) charging infrastructure needed to meet California's EV and greenhouse gas (GHG) reduction targets required under AB 2127 (2018). Information was presented on charger technology, make-ready electrical equipment, and supporting hardware and software to inform the analyses. Staff from ARB and the California Public Utilities Commission (CPUC) discussed the electric transportation regulations and charging infrastructure programs under their respective jurisdictions. Additionally, expert panelists gave presentations on data collection efforts and on infrastructure analysis needs and ongoing research. The workshop also gave CEC members, state and local government representatives, researchers and industry stakeholders an opportunity to discuss the proposed assessment process.

Additional information can be found at

https://www.energy.ca.gov/2019_energy_policy/documents/index.html#03112019

CA CLIMATE INVESTMENTS ACTIVITIES

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

Low Carbon Transportation Program (ARB)

There will be a series of upcoming workshops for projects funded through the Low Carbon Transportation Program. On March 22, ARB will hold a teleconference and webinar to discuss the development of the 2019-20 Funding Plan for the Clean Vehicle Rebate Project (CVRP). The meeting will provide an update on CVRP projections and an opportunity for discussion of possible funding scenarios for the upcoming fiscal year. The next work group date is tentatively set for April 4.

On March 25, ARB will hold a teleconference for the public work group of the Hybrid and Zero-Emission Truck and Bus Voucher Program (HVIP) and Low NOx Engine Incentives. ARB is seeking input from stakeholders regarding project modifications to HVIP and Low NOx Engine Incentives for the upcoming FY 2019-20 Funding Plan for Clean Transportation Incentives.

Additionally, on March 25, there will be work group meeting for the FY 2019-20 Heavy-Duty Three-Year Investment Strategy. Topics will include: metrics of success; beachhead refinements and integrating off-road vehicles; the status of current technology; and priorities for the next three years.

On March 28, ARB will host a public work group teleconference on clean transportation equity projects. The teleconference will provide a status update for each project and allow discussion of potential policy changes and funding recommendations. These projects include:

- Enhanced Fleet Modernization Program Plus-Up / Clean Cars 4 All
- Financing Assistance for Lower-Income Consumers
- Clean Mobility Options for Disadvantaged Communities
- Agricultural Worker Vanpools
- Rural School Bus Pilot
- Clean Mobility in Schools
- One-Stop-Shop for CARB's Equity ZEV Replacement Incentives

More information about these meetings is available at

<https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low-0>

Transit and Intercity Rail Capital Program (CalSTA)

The call for the next round of the five-year Transit and Intercity Rail Capital Program (TIRCP) has not yet been released; the projects are not slated for approval until April 2020. For FY 2018-19, it is projected that \$123 million in cap-and-trade proceeds will be generated for the TIRCP.

More information can be found at

<http://www.dot.ca.gov/dgmt/sptircp.html>

Low Carbon Transit Operations Program (Caltrans)

Funding allocation requests by transit agencies were due to Caltrans in March. The remaining schedule for the FY 2018-19 Low Carbon Transit Operations Program (LCTOP) is as follows:

- Mid-June – 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/dgmt/splctop.html>

Affordable Housing and Sustainable Communities Program (SGC)

Awards for the Affordable Housing and Sustainable Communities Program will be announced on June 21.

More information is available at

<http://sgc.ca.gov/programs/ahsc/>

OTHER NEWS

LA METRO TO STUDY CONGESTION REDUCTION OPTIONS

The Los Angeles County Metropolitan Transportation Authority Board voted to approve a study on congestion relief pricing feasibility and to explore imposing fees on ride-hailing services like Uber and Lyft as potential ways to relieve traffic congestion. The congestion pricing feasibility study will include a detailed implementation timeline, cost estimates, sources of funding and an equity strategy execution plan. A report back to the Board on both of these issues is due in April.

For more information, please visit

<https://boardagendas.metro.net/board-report/2019-0109/>

UPCOMING HEARINGS IN THE SENATE AND ASSEMBLY

Assembly – The following hearings can be monitored online at:

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

- March 25 – Transportation Committee, hearing on AB 210 (Smog Check Program exemption)
- April 3 – Budget Subcommittee on Resources and Transportation, hearings on zero-emission vehicle charging infrastructure presented by the Governor’s Office of Business and Economic Development, and the cap-and-trade program presented by the CEC.

Senate – The following hearings can be heard online at:

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

- March 28 – Budget Subcommittee on Resources, Environmental Protection and Transportation, hearing on the Greenhouse Gas Reduction Fund (GGRF)
- April 3 – Environmental Quality Committee, hearings on SB 216 (Moyer Program used heavy-duty truck exchange) and SB 400 (Clean Cars 4 All Program mobility options)

LEGISLATION

CLEAN FUEL VEHICLES POLICY & INCENTIVES

AB 40 (Ting)

Summary

This bill would require ARB to develop a comprehensive strategy to ensure that the sale of all new passenger vehicles in the state will be zero-emission vehicles by 2040. The plan must be completed by 2021. Last session, Assemblymember Ting introduced a bill to ban all internal combustion engines by 2040, which failed to pass. This bill is seen as a smaller step in the direction of transportation electrification and may be more likely to pass because it is a study bill.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200AB40

AB 210 (Voepel)

Summary

This bill would exempt from the Smog Check Program all vehicles prior to the 1983 model-year.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200AB210

SB 44 (Skinner)

Summary

This bill would require ARB to develop a comprehensive strategy, by January 1, 2021, for the deployment of medium- and heavy-duty vehicles in California to: bring the state into compliance with federal ambient air quality standards; reduce vehicle GHG emissions by 40 percent by 2030; and reduce vehicle GHG emissions by 80 percent by 2050. The bill would also require an as-of-yet unspecified amount of GGRF money to be appropriate via the annual budget through FY 2024-25 to ARB for the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program to support the commercialization of medium- and heavy-duty vehicles that reduce GHG emissions.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200SB44

SB 59 (Allen)

Summary

This bill would establish a state automated vehicles policy in order to ensure that these vehicles support the state's efforts to, among other things, reduce GHG emissions and encourage efficient land use. The bill would require the Governor's Office of Planning and Research, in coordination with ARB, to convene an automated vehicle interagency working group of specified state agencies, including, among others, the California Environmental Protection Agency, the Transportation Agency, and the Department of Motor Vehicles, to guide policy development for automated vehicle technology consistent with the statewide policies.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200SB59

SB 210 (Leyva)

Summary

This bill would authorize ARB to develop and implement a Heavy-Duty Vehicle Inspection and Maintenance Program for non-gasoline heavy-duty on-road motor vehicles with a gross vehicle weight rating of more than 14,000 pounds.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200SB210

SB 216 (Galgiani)

Summary

This bill would add as an eligible project under the Carl Moyer Memorial Air Quality Standards Attainment Program a used heavy-duty truck exchange if it meets all of the following criteria:

- Allows small fleets to partner with larger fleets in a single application
- Allows vehicles purchased through a non-direct transaction to meet scrappage requirements
- Requires vehicles purchased to remain in the state after their useful life
- Defines “small fleet” to mean five or fewer vehicles and “larger fleet” to mean six or more vehicles

Complete Bill Information

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200SB216

SB 400 (Umberg)

Summary

Under the Clean Cars 4 All Program, the definition of “mobility option” would be expanded from just public transit or car sharing to now include bike sharing and electric bicycles.

Complete Bill Information

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200SB400

TRANSPORTATION PLANNING, OPERATIONS & FUNDING

AB 213 (Reyes)

Summary

This bill would restore Vehicle Licensing Fee revenue to cities (approximately 140 cities statewide) that have expanded or incorporated additional areas. This is an effort to reverse a 2011 budget trailer bill which aimed to fix the state budget deficit by reallocating millions of dollars annually that would have normally gone to cities that had recently expanded or annexed new territory.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200AB213

AB 285 (Friedman)

Summary

This bill would require Caltrans to address how the state will achieve maximum feasible emissions reduction in order to meet the state goal of a 40 percent reduction of GHGs by 2030 and attain the air quality goals described in California’s implementation plans required by the federal Clean Air Act in the next California Transportation Plan.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200AB285

AB 1411 (Reyes)

Summary

This bill relates to developing an integrated action plan for sustainable freight. It would establish as a state goal the deployment of 200,000 zero-emission medium- and heavy-duty vehicles and off-road vehicles and equipment, and the corresponding infrastructure to support them, by 2030. The bill would require the CPUC, ARB, the Department of Transportation, CEC, and the Governor's Office of Business and Economic Development to develop and update by January 1, 2021, and at least every five years thereafter, an integrated action plan for sustainable freight that identifies strategies relating to that state goal, with priority given to actions that significantly reduce air pollution in low-income communities, as defined, and disadvantaged communities, as identified by CalEPA.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200AB1411

SB 5 (Beall and McGuire)

Summary

This bill would establish the Affordable Housing and Community Investment Program, which would be administered by the Affordable Housing and Community Investment Committee. The bill would authorize a city, county, city and county, joint powers agency, enhanced infrastructure financing district, affordable housing authority, community revitalization and investment authority, or transit village development district to apply to the Committee to participate in the program. It also would authorize the Committee to approve or deny plans for projects that support affordable housing, including transit-oriented development in priority locations that maximize density and transit use, and contribute to the reduction of vehicle miles traveled and GHG emissions.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200SB5

SB 50 (Wiener)

Summary

Known as the More HOMES Act (Housing, Opportunity, Mobility, Equity, and Stability), this bill would ease zoning standards for the construction of housing near public transportation and job centers, while protecting against the displacement of renters and vulnerable communities living in those areas. It would eliminate hyper-low-density zoning near transit and job hubs, thus legalizing multifamily residential buildings in these locations so that more people can live near transit and near where they work.

Complete Bill Information

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200SB50

SB 127 (Wiener)

Summary

This bill would establish a Division of Active Transportation within the Department of Transportation (Caltrans) and require an undersecretary of Caltrans be assigned to this division. Additionally, the following elements related to active transportation would be required:

- The California Transportation Commission's (CTC) asset management plan, which guides the selection of projects for the State Highway Operation and Protection Program (SHOPP), must prescribe a process for community input and complete streets implementation to prioritize safety and accessibility for pedestrians, bicyclists, and transit users on all SHOPP projects.
- The CTC must adopt performance measures that include conditions of bicycle and pedestrian facilities, accessibility and safety for pedestrians, bicyclists, and transit users, and vehicle miles traveled on the state highway system.
- The SHOPP must include capital improvements relative to accessibility for pedestrians, bicyclists, and transit users.
- By January 1, 2021, when undertaking any capital improvement project on a state highway or a local street crossing a state highway that is funded through the SHOPP, the project must include new pedestrian and bicycle facilities, or improve existing facilities, as part of the project, consistent with specified requirements.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200SB127

DEFENDING CALIFORNIA'S POLICIES

SB 1 (Atkins, Portantino and Stern)

Summary

The California Environmental, Public Health, and Workers Defense Act of 2019 makes certain federal environmental, labor and consumer protection standards enforceable under state law. The bill was introduced to fight efforts by Congress and the President to undermine vital protections granted by the federal Clean Air Act, the Clean Water Act, the Endangered Species Act, and other laws designed to protect Californians. Last session, a similar bill was introduced but failed to pass.

Complete Bill Information

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200SB1

AJR 10 (Reyes)

Summary

This resolution is in response to the federal government's attempt to roll back California's Clean Cars Standards. It states that the Legislature strongly and unequivocally supports the existing vehicle fuel economy and GHG emissions standards and California's federal Clean Air Act waivers; will consider any and all appropriate actions to maintain vehicle emissions

standards for the protection of public health, California residents, and the economy; and strongly urges the President and Vice President, the Secretary of the U.S. Department of Transportation, and the Administrator of the U.S. Environmental Protection Agency to reject the Safer Affordable Fuel Efficient Vehicles Proposed Rule for Model Years 2021–2026.

Complete Bill Information

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200AJR10

Key Federal Activities

FEDERAL ADMINISTRATION ACTIVITIES

U.S. EPA SENDS PROPOSED E15 RULE TO WHITE HOUSE

In early March, U.S. EPA sent to the White House Budget Office for review a draft of its proposed E15 rule, which would allow year-round sales of higher ethanol blends of gasoline. E15 has been banned during the summer months because of the concern that it contributes to smog in hot weather. A public hearing on the proposed rule is scheduled March 29. The process would need to be completed by June 1 to allow for gasoline with a higher blend of ethanol to be available during the summer, when gasoline sales peak.

More information is available at

<https://www.epa.gov/renewable-fuel-standard-program/notice-proposed-rulemaking-modifications-fuel-regulations-provide>

FEDERAL LEGISLATIVE ACTIVITIES

BILL TO REAUTHORIZE DIESEL EMISSIONS REDUCTION ACT

On March 14, a bipartisan group of congressional members—Doris Matsui (D-CA), Alan Lowenthal (D-CA), Billy Long (R-MO), and Rob Wittman (R-VA)—introduced the Diesel Emissions Reduction Act (DERA) of 2019 in the House of Representatives. The bill would reauthorize DERA through FY 2024 at current funding levels. A similar bill (S.747) was introduced in the Senate on March 12. The Senate Environment and Public Works Committee held an informational hearing on S.747 on March 13.

More information can be found at

<https://matsui.house.gov/news/documentsingle.aspx?DocumentID=1845>

BICYCLE COMMUTER ACT OF 2019 INTRODUCED

On March 5, Representatives Earl Blumenauer (D-OR), Vern Buchanan (R-FL) and Ayanna Pressley (D-MA) introduced the Bicycle Commuter Act of 2019. The bill would reinstate the bicycle commuter benefit; change its structure to make it a pre-tax benefit, like parking and transit, rather than a reimbursement; allow employees to receive a bicycle benefit of up to 20 percent of the parking benefit; permit the bicycle benefit to be used with the parking and transit benefit; and clarify that bike share and electric bike share are eligible.

The text of the bill is available at

<https://blumenauer.house.gov/sites/blumenauer.house.gov/files/Bicycle%20Commuter%20Act%20of%202019.pdf>

BILL PROPOSES ALTERNATIVE FUEL TAX CREDIT EXTENSIONS

On February 28, Senate Finance Committee Chair Chuck Grassley (R-IA) and Ranking Member Ron Wyden (D-OR) introduced bipartisan legislation to retroactively extend alternative fuel tax provisions that expired at the end of 2017 and 2018 through the remainder of 2019. The bill also contains other provisions related to disaster relief tax benefits. The following expired tax provisions would be extended:

- A \$0.50/gallon excise-tax credit or payment for alternative fuel and a \$0.50/gallon credit for alternative fuel mixed with traditional fuel. The provision also specifies that liquefied petroleum gas, compressed or liquefied natural gas, and compressed or liquefied gas derived from biomass are not eligible to be included in an alternative fuel mixture.
- A credit for purchases of new qualified fuel cell vehicles. It allows a credit of \$4,000 to \$40,000, depending on the weight of the vehicle. Other vehicles, depending on their fuel efficiency, qualify for an additional \$1,000–\$4,000.
- A credit for the installation of alternative fuel vehicle refueling property placed in service before 2020. Fuels include ethanol, biodiesel, natural gas, hydrogen and electricity, and the credit is capped at \$30,000/location for business property and \$1,000 for property installed at a principal residence.
- A 10 percent credit for highway-capable, two-wheeled plug-in electric vehicles (capped at \$2,500).
- A \$1.01/gallon nonrefundable income tax credit for second-generation biofuel sold at retail into the fuel tank of a buyer's vehicle, or second-generation biofuel mixed with gasoline or a special fuel and sold or used as a fuel. This was previously known as the cellulosic biofuel producer credit.
- A \$1/gallon tax credit for biodiesel and biodiesel mixtures, and the small agri-biodiesel producer credit of \$0.10/gallon. Additionally, the provision treats renewable diesel the same as biodiesel, except there is no small producer credit.

A summary of the bill can be found at

<https://www.finance.senate.gov/imo/media/doc/Tax%20Extender%20and%20Disaster%20Relief%20Act%20of%202019%20Summary.pdf>

FEDERAL FUNDING ACTIVITIES

FUNDING AVAILABLE FOR ALTERNATIVE FUEL TRUCKING RESEARCH

The U.S. Department of Energy announced funding of up to \$51.5 million for research projects under the FY 2019 Commercial Trucks and Off-Road Applications: Natural Gas, Hydrogen, Biopower and Electrification Technologies Funding Opportunity Announcement. Topic areas of interest for this program include:

- Gaseous Fuels Research and Technology Integration for Medium- and Heavy-duty Vehicles (up to \$16.5 million)
- Battery-electric Heavy-duty Freight Vehicles (up to \$18 million)
- High-throughput Hydrogen Fueling Technologies for Medium- and Heavy-duty

Transportation (up to \$6 million)

- High-durability, Low-platinum Group Metal Membrane Electrode Assemblies for Medium- and Heavy-duty Truck Applications (up to \$6 million)
- Energy-efficient Commercial Off-road Vehicles (up to \$5 million)

Concept papers are due by March 29, and full applications will be due by May 14.

More information is available at

<https://eere-exchange.energy.gov/default.aspx#Foald4940c6dc-dfe5-43ea-b5ac-f03bf0ea8c83>

FEDERAL RESEARCH ACTIVITIES

MORE BIKE SHARE AVAILABILITY CAN INCREASE TRANSIT RIDERSHIP

A new report, “Understanding the Recent Transit Ridership Decline in Major U.S. Cities: Service Cuts or Emerging Modes?” found that in cities where there were more bike share options, there were positive impacts on transit ridership. The study looked at how ridership in seven major cities—Los Angeles, San Francisco, Boston, Chicago, Denver, New York City, and Washington, D.C.—was impacted by a range of factors, including gas prices and car ownership. When bike share programs were introduced, subway ridership in these cities increased by an average of 6.9 percent and light-rail ridership increased by 4.2 percent, although there was still an average 1.8 percent decline in bus ridership, a trend that is becoming nearly universal across the country.

For more information, please visit

<https://www.curbed.com/2019/2/28/18240650/cities-transit-ridership-bike-share-uber>