



# Clean Transportation Policy Update

March 16, 2017- May 17, 2017

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## Key State Activities

### ADMINISTRATION ACTIVITIES

#### MAY BUDGET REVISE AVAILABLE

On May 11, Governor Brown released the 2017-18 May budget revision. With respect to transportation, the budget reflects efforts to implement SB 1, the Road Repair and Accountability Act signed by the Governor in April to improve transportation infrastructure. The budget allocates \$2.8 billion from SB 1 revenues for local and state programs. Some of the significant funding adjustments include:

- Intercity and Commuter Rail Program (CalSTA) - \$25 million from the Public Transportation Account (PTA) for operations and capital improvements of intercity and commuter rail services
- State Transit Assistance Grants (State Controller) - \$305 million from the PTA to local transit agencies for operations and capital costs
- Expanded Transit and Intercity Rail Capital Program (Caltrans) - \$330 million from the PTA, including \$85 million in General Fund loan repayments
- Expanded Active Transportation Program (Caltrans) - \$100 million for pedestrian and bicycle infrastructure projects that will increase access to transit facilities

The May revise is available at

<http://ebudget.ca.gov/>

#### OPR RELEASES UPDATED TRANSPORTATION PLANNING RESOURCES

The Governor's Office of Planning and Research published an updated list of briefs, reports, studies and tools to inform transportation planning in California. Resources relate to the following topics:

- Problems with Level of Service and other auto delay metrics, and role of accessibility metrics, in planning

- Impacts of Vehicle Miles Traveled (VMT) and high VMT development, benefits of VMT reductions (environmental, health, fiscal)
- VMT reduction strategies
- Induced VMT from highway capacity
- Automated vehicles and VMT
- Tools to measure VMT and access to destinations
- Housing affordability and VMT
- VMT reduction in rural areas
- Roadway pricing and equity

More information is available at

[https://www.opr.ca.gov/docs/Key\\_Publications\\_on\\_VMT.pdf](https://www.opr.ca.gov/docs/Key_Publications_on_VMT.pdf)

## REGULATORY ACTIVITIES

### ARB APPROVES HOST OF AIR QUALITY MEASURES IN MARCH

At its meeting on March 23-24, ARB approved the 2016 State Strategy for the State Implementation Plan, which outlines the agency's commitment for further reducing vehicle emissions to meet federal air quality standards. At the same time, it approved the South Coast Air Quality Management District's Air Quality Management Plan. ARB approved the Short Lived Climate Pollutants Plan, which provides the strategies that will be used to reduce black carbon, fluorinated gases and methane emissions. Staff also presented the Board with an informational item on the SB 375 GHG emission reduction target update process. There will be a staff report released this spring and workshops held over the summer, with ARB slated to adopt the target by the fall.

For more information, please visit

<https://www.arb.ca.gov/board/ma/2017/ma032317.pdf>

### REDUCING AIR POLLUTION EXPOSURE NEAR ROADWAYS GUIDE

On April 25, ARB released, "Technical Advisory: Strategies to Reduce Air Pollution Exposure near High-Volume Roadways," which is a supplement to ARB's Air Quality and Land Use Handbook. Strategies to reduce exposure include: practices and technologies that reduce traffic emissions; an increase in dispersion of traffic pollution (or the dilution of pollution in the air); and removing pollution from the air. The report also outlines the effectiveness of these strategies and provides recommended strategies that agencies should pursue.

The advisory is available at

[https://www.arb.ca.gov/ch/rd\\_technical\\_advisory\\_final.PDF](https://www.arb.ca.gov/ch/rd_technical_advisory_final.PDF)

## CEC WORKSHOP ON TRANSPORTATION ELECTRIFICATION HELD

On April 27, the CEC held a workshop to discuss the publicly owned utilities (POU) procurement plans for transportation electrification, with a focus on the medium-duty, heavy-duty and off-road electric transportation sectors. This workshop was held as part of the 2017 Integrated Energy Policy Report Process. The workshop included presentations and panel discussions related to the transportation electrification Integrated Resource Plan requirements, focused on: California's Sustainable Freight Action Plan and transportation electrification policies; POU activities to plan for and facilitate adoption in the medium-duty, heavy-duty, and off-road electric transportation sectors; and stakeholder perspectives on integrated planning for electric transportation loads.

More information is available at

[http://docketpublic.energy.ca.gov/PublicDocuments/17-IEPR-07/TN216995\\_20170412T134350\\_Notice\\_of\\_IEPR\\_Commissioner\\_Workshop.pdf](http://docketpublic.energy.ca.gov/PublicDocuments/17-IEPR-07/TN216995_20170412T134350_Notice_of_IEPR_Commissioner_Workshop.pdf)

## STUDY ON BARRIERS TO CLEAN TRANSPORTATION FOR LOW-INCOME RESIDENTS

ARB has released, "Low-Income Barriers Study: Overcoming Barriers to Clean Transportation Access to Low-Income Residents," as a companion report to the California Energy Commission's (CEC) report "Low-Income Barriers Study: Overcoming Barriers to Energy Efficiency and Renewables for Low-Income Customers and Small Business Contracting Opportunities in Disadvantaged Communities," published in December 2016. These reports are required by SB 350, which requires ARB to examine the barriers low-income residents must overcome to increase access to zero-emission and near-zero emission transportation options and develop recommendations about how to overcome them. The new clean transportation access guidance document identifies the main barriers and provides a framework to address these barriers by providing initial recommendations that include steps that the Legislature, communities, state and local planning, transportation, and air quality agencies can take to overcome specific barriers and begin to formulate innovative, meaningful solutions. The study explores clean transportation and mobility options including:

- Zero-emission and near zero-emission light-duty cars and trucks
- Zero-emission and near zero-emission transit and school buses
- Active transportation
- Zero-emission and near zero-emission cars near public transit for public use, ride share, car share, vanpools, bike share, and mobility hubs, etc.
- Zero-emission and near zero-emission supporting infrastructure for vehicle charging and fueling and safe biking and walking, etc.

ARB is seeking input on the document and will have public meetings in late spring/early summer. The Board will be hearing an informational item on the report at its May meeting. Staff expects to publish the final guidance document in late summer.

The report can be found at

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

## VW ZEV INVESTMENT PLAN UNDER CONSIDERATION

In mid-March, Volkswagen released, “California ZEV Investment Plan: Cycle 1,” the \$200 million investment plan for the first 30-months of the settlement period, which runs from Q1 2017 through Q2 2019. The first ZEV investment cycle focuses on four areas:

- Highway fast charging (150KW+) - \$75 million
- Community charging (Level 2, 50-150 KW) at workplaces, depots, etc. - \$45 million
- Building two “Green Cities” for ZEV access to showcase the benefits of ZEVs and promote increased usage (first proposed city: Sacramento; second: predominately composed of disadvantaged communities) - \$44 million
- Public education and awareness - \$20 million

In California, 194 proposals were submitted, 33 percent of which were received from the Southern California region. ARB was briefed on the plan at its March 24 meeting and received public comments until April 10. After comments are reviewed, ARB will consider whether to approve or disapprove the plan, in whole or in part.

The plan is available at

[https://www.arb.ca.gov/msprog/vw\\_info/vsi/vw-zevinvest/documents/vwinvestplan1\\_031317.pdf](https://www.arb.ca.gov/msprog/vw_info/vsi/vw-zevinvest/documents/vwinvestplan1_031317.pdf)

## ZERO EMISSION TRUCK WORKSHOP HELD

On April 25, ARB held a workshop to discuss potential strategies to accelerate the deployment of zero emission truck technologies. Topics included: how best to advance the market for advanced clean truck technologies primarily in local truck and last mile delivery applications; an overview of a potential regulatory concept that would apply to chassis manufacturers; the investor-owned utilities’ SB 350 proposals to remove barriers to transportation electrification; a draft fleet survey questionnaire; and costs.

More information is available at

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

## SCOPING PLAN UPDATE

Comments on the proposed 2030 Target Scoping Plan were due on April 10. ARB staff plans to release the revised report in late May or early June in anticipation of the June 22 ARB meeting.

For more information, please visit

<https://www.arb.ca.gov/cc/scopingplan/scopingplan.htm>

## SUSTAINABLE FREIGHT ACTION PLAN WORKSHOPS

A series of joint workshops with ARB, Caltrans, the CEC and the Governor's Office of Economic Development will be held across the state to discuss implementation of the Sustainable Freight Action Plan. The workshops will provide an overview of the implementation activities underway and seek public input on the progress to date and next steps. Upcoming workshops include: May 30 in Los Angeles and May 31 in San Diego.

For more information, please visit

<http://www.casustainablefreight.org/>

## NEXT ARB MEETING IS MAY 25

The next ARB meeting will take place on May 25 in Sacramento. Among the items of interest related to air quality and clean transportation in the South Coast region is an informational updated on the draft guidance document, "Opportunities for Overcoming Barriers to Clean Transportation Access for Low-Income Residents."

More information can be found at

<https://www.arb.ca.gov/board/meetings.htm#future>

## FUNDING ACTIVITIES

### CA CLIMATE INVESTMENTS ACTIVITIES

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

#### Low Carbon Transportation Program (ARB)

This program has several ongoing projects including the Clean Vehicle Rebate Project (CVRP) for zero-emission or plug-in hybrid light-duty vehicles, and the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP).

Upcoming meetings and deadlines are as follows:

- May 18 – Heavy-Duty Vehicle Three-Year Plan Work Group Meeting
- May 19 – CVRP Workgroup meeting to discuss implementation and funding plan development
- May 22 – deadline to submit Car Sharing Pilot Project applications

For more information, please visit

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

#### Transit and Intercity Rail Capital Program (CalSTA)

According to Secretary Brian Kelly, CalSTA will begin the guidelines development process soon, and will have funding available in spring 2018. Awards will be made on a multi-year basis (for at least a 5-year horizon). In addition to funding from the Greenhouse Gas Reduction Fund, the May budget revise allocates \$330 million in SB 1 revenues to this program.

More information can be found at

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

#### Low Carbon Transit Operations Program (Caltrans)

The remaining schedule for the 2016-17 LCTOP is as follows:

- June 1 - Caltrans and ARB submit approved project list to the State Controller's Office
- June 30 - State Controller's Office releases approved project amounts to recipients

For more information, please visit

<http://www.dot.ca.gov/hq/MassTrans/lctop.html>

#### Affordable Housing and Sustainable Communities Program (SGC)

Comments were due on the draft guidelines for the 2016-17 Affordable Housing and Sustainable Communities (AHSC) Program by April 14. Additionally, SGC issued a separate request for public comment on proposed changes to AHSC project settings and minimum net density requirements, which were due on May 12. The final guidelines are expected to be adopted at the June 1 SGC meeting. There is no release date yet for a Notice of Funding Availability (NOFA). The timing of a 2017 NOFA and application release timeline will be discussed at the June 1 meeting.

More information is available at

<http://sgc.ca.gov/Grant-Programs/AHSC-Program.html>

Transformative Climate Communities Program (SGC)

The second draft of the guidelines for the Transformative Climate Communities Program will be released in late May. The tentative schedule for the 2016-17 program is as follows:

- June – second round of public feedback on guidelines due
- Late July – proposed final guidelines will be released
- TBD – approval of final program guidelines

More information is available at

<http://sgc.ca.gov/Grant-Programs/Transformative-Climate-Communities-Program.html>

### **CEC APPROVES MILLIONS FOR CLEAN TRANSPORTATION PROJECTS**

On May 10, the CEC announced it has awarded more than \$26 million in funding for clean energy freight transportation projects in Los Angeles and Long Beach to support the Sustainable Freight Action Plan to conduct demonstration projects for zero- and near-zero medium- and heavy-duty vehicles and cargo handling equipment. Additionally, more than \$12 million was awarded for other clean transportation projects under the Alternative and Renewable Fuel and Vehicle Technology Program including advanced biofuels, training programs, vehicle-grid integration, and energy efficiency and energy generation projects.

For more information, please visit

[http://www.energy.ca.gov/releases/2017\\_releases/cec\\_awards\\_more\\_36mil\\_clean\\_Transportation\\_nr.html](http://www.energy.ca.gov/releases/2017_releases/cec_awards_more_36mil_clean_Transportation_nr.html)

### **CTC AWARDS \$217 MILLION FOR INFRASTRUCTURE PROJECTS**

On March 17, the California Transportation Commission approved \$217 in funding for projects, which were originally proposed in January, to improve the state's roadways, bridges and rail systems. Allocated funding includes: \$130.8 million for 32 projects under the State Highway Operation and Protection Program; \$50 million for two Transit and Intercity Rail Capital Program projects; \$22 million for 40 Active Transportation Program projects; \$3 million for three projects under the State Highway Improvement Program; and assorted allocations funded via state and federal funding.

For more information, please visit

[http://www.dot.ca.gov/paffairs/pr/2017/docs/CTC\\_January\\_Projects.pdf](http://www.dot.ca.gov/paffairs/pr/2017/docs/CTC_January_Projects.pdf)

**CEC APPROVES 2017-18 ALT FUEL & VEHICLES INVESTMENT PLAN**

On April 12, the California Energy Commission approved the 2017-18 Investment Plan for the Alternative and Renewable Fuel and Vehicle Technology Program, which will have \$100 million available to fund the following project categories:

- Alternative fuel production (biofuel production and supply) - \$20 million
- Alternative fuel infrastructure
  - Electric charging infrastructure - \$17 million
  - Hydrogen refueling infrastructure - \$20 million
  - Natural gas fueling infrastructure - \$2.5 million
- Alternative fuel and advanced technology vehicles
  - Natural gas vehicle incentives - \$10 million
  - Advanced freight and fleet technologies - \$18 million
- Related needs and opportunities
  - Manufacturing - \$5 million
  - Emerging opportunities - \$4 million
  - Workforce training and development agreements - \$3.5 million

The investment plan is available at

<http://www.energy.ca.gov/2016publications/CEC-600-2016-007/CEC-600-2016-007-SD.pdf>

**LEGAL ACTIVITIES****APPELLATE COURT REJECTS ARGUMENT THAT CAP & TRADE IS A TAX**

In early April, California's Court of Appeal for the Third Appellate District in the case of California Chamber of Commerce, et al. v. State Air Resources Board upheld the state's cap and trade program. In general, the Court found: 1) the Legislature gave broad discretion to ARB; moreover, the court found the Legislature ratified the auction system by specifying how to use the auction proceeds; and 2) the auction sales do not equate to a tax. The Plaintiffs/Appellants announced on April 14 that they would be filing an appeal with the California Supreme Court.

The decision is available at

[http://webshare.law.ucla.edu/Emmett/Opinion\\_April\\_2017-Ct\\_App.pdf](http://webshare.law.ucla.edu/Emmett/Opinion_April_2017-Ct_App.pdf)



## LCFS REMAINS IN PLACE

On April 10, 2017, California's Fifth Appellate District Court ruled that the state's Low Carbon Fuel Standard (LCFS) can continue with modest adjustments. ARB must do a revised CEQA (California Environmental Protection Act) analysis on diesel alternatives, which the agency hopes will be done by the end of this year. The diesel component is frozen at 2017 levels and the rest of the LCFS remains in place. The decision follows an appeal, brought by POET, LLC, a Midwestern ethanol producer, which claimed that ARB's procedures in adopting the LCFS violated CEQA.

The opinion can be found at

<http://www.courts.ca.gov/opinions/documents/F073340.PDF>

## CALIFORNIA LEGISLATIVE ACTIVITIES

### HEARING ON CAP AND TRADE PROGRAM

On May 10, the Senate Environmental Quality Committee held an oversight hearing titled, "California's Climate Change Market-Based Compliance Mechanism: a Cap-and-Trade Program Post 2020." Featured speakers included Mary Nichols, Chair of ARB, and Ross Brown, from the Legislative Analyst's Office to discuss implementation of cap and trade to date. Other experts testified about post-2020 options for the program, and there were two panels featuring business stakeholders and environmental stakeholders to present their perspectives.

Additional information is available at

<http://senv.senate.ca.gov/informationalhearings>

### UPCOMING HEARINGS IN THE SENATE AND ASSEMBLY

**Assembly** – The following hearing can be heard online at

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

- May 17, 9:00 a.m. The Appropriations Committee will hold hearings on: AB 33 (transportation electrification); AB 151 (market-based compliance mechanisms for AB 32); AB 193 (Clean Reused Vehicle Rebate); AB 544 (HOV lanes); AB 1184 (electric vehicles);

**Senate** – None related to topics or bills of interest.

## LEGISLATION

## CLEAN FUEL VEHICLES &amp; TECHNOLOGY

**AB 188 (Salas)****Summary**

This bill would require ARB to update the Enhanced Fleet Modernization Program guidelines to make the same miles per gallon standard currently applicable to minivans applicable to light-duty pickup trucks.

**Complete Bill Information**

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB188](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB188)

**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 or incentives for: the acquisition of eligible used vehicles (those eligible under the Clean Vehicle Rebate Project); the replacement or refurbishment of a battery and related components for an eligible used vehicle or an extended warranty for the battery or related components; or an extended service warranty to cover unexpected vehicle repairs not covered by the manufacturer's warranty related to unique problems in eligible used vehicles.

**Complete Bill Information**

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB193](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB193)

**AB 302 (Gipson)****Summary**

This bill would authorize the South Coast Air Quality Management District Board to adopt rules and regulations that require specified operators of public and commercial fleet vehicles consisting of one or more vehicles (rather than fleets of 15 or more vehicles as authorized in existing law) to purchase zero-emission and near zero-emission vehicles and require that those vehicles be operated in the South Coast district, to the maximum extent feasible.

**Complete Bill Information**

[http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB302](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB302)

**AB 544 (Bloom)****Summary**

This bill creates a new program (upon expiration of the existing program) to grant federal inherently low emission vehicles (ILEVs) and transitional zero-

emission vehicles (TZEVs) access to high-occupancy vehicle (HOV) lanes for approximately a four-year period, regardless of vehicle occupancy level.

### Complete Bill Information

[https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=201720180AB544](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB544)

### AB 615 (Cooper)

#### Summary

This bill indefinitely extends the following provisions of the CVRP program that require the Air Resources Board to:

- Offer rebates on battery electric and plug-in hybrid vehicles to applicants whose income does not exceed the following:
  - \$150,000 for single filers;
  - \$204,000 for head-of-household filers; or
  - \$300,000 for joint filers.
- Provide an additional \$500 to low-income applicants for all eligible vehicle types.
- Offer rebates only for plug-in hybrid vehicles that have an electric range of at least 20 miles.
- Provide outreach to low-income households to increase consumer awareness of the CVRP.

### Complete Bill Information

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB615](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB615)

### AB 630 (Cooper)

#### Summary

This bill codifies the Plus-Up program and modifies the Enhanced Fleet Modernization Program (EFMP). This bill:

- Requires ARB, in consultation with the Bureau of Automotive Repair (BAR), beginning in 2018-19 and annually thereafter, to set specific measurable goals for the retirement and replacement of high polluting passenger vehicles and light-duty and medium-duty trucks and to meet these goals by updating EFMP and Plus-Up guidelines no later than July 1, 2018
- Requires the EFMP to continue to be administered by BAR pursuant to guidelines adopted by ARB. Requires the Plus-Up program to be administered by ARB pursuant to guidelines adopted by ARB.
- Stipulates that the updated guidelines ensure:
  - increased funding for low-income and disadvantaged communities (DACs); and
  - program expansion to areas at risk of being designated as federal extreme non-attainment areas and to all districts containing disadvantaged communities

- Requires ARB to collect and post specified information on program outcomes on its website, by July 1, 2018, and at least biennially thereafter
- Authorizes ARB, upon appropriation by the Legislature, to allocate money for program expansion from the EFMP subaccount, the High Polluter Repair and Removal Account, or the Vehicle Inspection and Repair Fund.
- Authorizes ARB, upon appropriation by the Legislature, to allocate money for the Plus-Up program from the GGRF.

### **Complete Bill Information**

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB630](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB630)

### **AB 1073 (E. Garcia)**

#### **Summary**

This bill extends by five years, until January 1, 2023, the requirement that ARB dedicate 20% of funding for the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program to support early commercial deployment of existing zero- and near-zero-emission heavy-duty trucks.

### **Complete Bill Information**

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB1073](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1073)

### **AB 1184 (Ting)**

#### **Summary**

This bill requires the California Public Utilities Commission (CPUC) to establish a California Electric Vehicle Initiative to incentivize the purchase of electric vehicles in the state. This bill requires:

- the CPUC to establish a California Electric Vehicle Initiative, to be administered by electrical corporations, subject to the CPUC's supervision
- the program to incentivize the purchase of electric vehicles in the state, including incentives to low-income households and incentives for electrical corporations for the deployment of electric vehicle charging infrastructure

### **Complete Bill Information**

[http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB1184](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1184)

## CLIMATE CHANGE & CLIMATE INVESTMENTS

### AB 33 (Quirk)

#### Summary

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

#### Complete Bill Information

[http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB33](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB33)

### AB 151 (Burke and Cooper)

#### Summary

This bill relates to the 2006 Global Warming Solution Act and provides:

- ARB must report to the Legislature to receive input, guidance and assistance, before adopting guidelines and regulations implementing the Scoping Plan and a regulation ensuring GHG emissions are reduced to 40 percent below 1990 levels by 2030
- By January 1, 2019, ARB would be required to report to the Legislature on the need for increased education, career technical education, job training and workforce development in ensuring this target is met
- The bill would authorize ARB to include the use of market-based compliance mechanisms in implementing the Act
- The establishment of the Compliance Offsets Protocol Task Force to investigate, analyze and provide guidance to ARB in approving new offset protocols for a market-based compliance mechanism

This is one of three bills (SB 775, AB 378) designed to address the extension of a market mechanism/cap-and-trade program post-2020.

#### Complete Bill Information

[http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB151](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB151)

### AB 378 (C. Garcia and E. Garcia)

#### Summary

Pursuant to the state's mandate to reduce GHGs by 40% below 1990 levels by 2030, this bill would:

- Authorize ARB to adopt or amend regulations that establish a market-based compliance mechanism, applicable from January 1, 2021, to December 31, 2030, to complement direct emissions reduction measures.
- Prohibit ARB from permitting a facility to increase its annual GHG emissions compared to the annual average of GHG emissions reported

during specified years. No-trade zones or facility-specific declining GHG emissions limits would be authorized where facilities' emissions contribute to a cumulative pollution burden that creates a significant health impact

- Require ARB to adopt air pollution emissions standards for criteria air pollutants and toxic air containments at industrial facilities that are subject to a market-based compliance mechanism. ARB would be prohibited from allocating allowances as part of a market-based compliance mechanism to industrial facilities that do not meet the air pollutant emissions standards for these pollutants.
- In ensuring ARB meets the state's climate targets, the agency is required to adopt the most effective and equitable mix of emissions reduction measures and ensure that emissions reduction measures collectively and individually support achieving air quality and other environmental and public health goals.

This is one of three bills (SB 775, AB 151) designed to address the extension of a market mechanism/cap-and-trade program post-2020.

### **Complete Bill Information**

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB378](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB378)

### **AB 555 (Cunningham)**

#### **Summary**

This bill would continuously appropriate 4% of the annual proceeds of the GGRF for FYs 2017-18, 2018-19, and 2019-2020 to ARB to implement a grant program to replace older, high-polluting school buses with zero-emission or near-zero emission school buses.

### **Complete Bill Information**

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB555](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB555)

### **SB 263 (Leyva)**

#### **Summary**

This bill establishes the Climate Assistance and Outreach Program, administered by the Strategic Growth Council, to create at least 10 regional Climate Assistance Centers and award competitive grants to eligible entities through a competitive grant process. The centers would be required to provide target user groups with technical assistance in applying for money, assistance and training in project management and implementation, and to work with local organizations to formulate policies and programming that accomplish specified goals. This program would help implement the Transformative Climate Communities Program.

### **Complete Bill Information**

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180SB263](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB263)

**AB 775 (Wieckowski)****Summary**

This bill relates to the 2006 Global Warming Solution Act and provides:

- ARB would be required to adopt regulations for a cap-and-trade program post-2020 that would prohibit free allowances and offsets, prohibit allowance banking, put a price ceiling and floor on the cost of allowances that changes predictably over time, and establish an Economic Competitiveness Assurance Program to protect trade-impacted industries in the state and reduce leakage.
- The California Climate Infrastructure Fund would be established to assist the state and local communities to adjust to the changing environment, the California Climate Dividend Fund to provide money directly to all Californians on a quarterly basis, and the California Climate and Clean Energy Research Fund to fund scientific research.

This is one of three bills (AB 378, AB 151) designed to address the extension of a market mechanism/cap-and-trade program post-2020.

**Complete Bill Information**

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180SB775](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB775)

**TRANSPORTATION OPERATIONS & FUNDING****AB 17 (Holden)****Summary**

This bill would create the Transit Pass Program administered by the Department of Transportation to support programs that provide free or reduced-fare transit passes to eligible students. Each eligible transit provider would receive \$20,000 for the program, after which the remaining program money would be allocated to transit providers by a specified distribution formula

**Complete Bill Information**

[http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB17](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB17)

**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.

**Complete Bill Information**

[http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180AB91](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB91)

**SB 1 (Beall) –Signed by the Governor on April 28****Summary**

This bill creates the Road Maintenance and Rehabilitation Program to address deferred maintenance on highways, streets and roads. Six billion in funding would be raised through: a \$0.12 per gallon increase in the gas tax; a \$0.20 per gallon increase in the diesel fuel excise tax; an increase of \$38 in the annual vehicle registration fee; and a new \$100 annual vehicle registration fee for zero-emission vehicles.

**Complete Bill Information**

[http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180SB1](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB1)

**SB 4 (Mendoza)****Summary**

Subject to voter approval at the June 5, 2018, statewide primary election, this bill would enact the Goods Movement and Clean Trucks Bond Act to authorize \$500 million of the state's general obligation bonds as follows:

- \$200 million to ARB for projects consistent with the Goods Movement Emission Reduction Program
- \$300 million to ARB for projects and programs to expand the use of zero- and near-zero emission trucks in severe or extreme nonattainment areas for ozone and PM.

**Complete Bill Information**

[http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180SB4](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB4)

**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
- Because federal laws in these areas set “baselines” but allow states to adopt more stringent standards, this bill would ensure California does not backslide as a result of rollbacks by the federal Administration

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.

**Complete Bill Information**

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180SB49](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB49)



**SR 27 (Wieckowski)****Summary**

This resolution relates to California's authority to enact its own vehicle emission standards. It resolves that the California Senate opposed any effort by the federal administration or congress to deny, roll back, or otherwise undermine California's waiver authority under the federal Clean Air Act.

**Complete Resolution Information**

[https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180SR27](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SR27)

**Key Federal Activities****FEDERAL LEGISLATIVE ACTIVITIES****CONGRESS KEEPS TRANSPORTATION FUNDING STATUS QUO; REJECTS PRESIDENT'S CUTS**

In March, the White House released its 2018 budget outline that cuts transportation programs dramatically. It proposed \$16.2 billion for U.S. DOT's discretionary programs – a \$2.4 billion or 13 percent cut from the previous fiscal year. However, at the beginning of May, Congress' Omnibus bill, which keeps the federal government funded until the end of September, rejected these cuts and keeps transportation programs funded at current 2017 levels. The President signed the bill on May 5. The following are highlights from the FY 2017 Transportation, Housing and Urban Development, and Related Agencies Appropriations bill:

- \$500 million for U.S. DOT's TIGER infrastructure grant program, which is equivalent to the FY 2016 enacted level
- \$43.27 billion from the Highway Trust Fund for the Federal-aid Highway Program, consistent with the authorized level in the FAST Act
- \$12.4 billion for the Federal Transit Administration, including \$9.7 billion for transit formula grants from the Highway Trust Fund and \$2.4 billion for the New Starts program, fully funding all current Full Funding Grant Agreement Transit projects

A summary is available at

<https://www.appropriations.senate.gov/imo/media/doc/FY17%20Transportation%20HUD%20Conference%20Agreement%20Summary%20-%20Final1.pdf>

**ENVIRONMENT & PUBLIC WORKS COMMITTEE HOLDS INFRASTRUCTURE HEARINGS**

On May 16, the Senate Environment and Public Works Committee held a hearing on leveraging federal funding to fund infrastructure projects. Speakers included: Los Angeles Mayor Eric Garcetti, Geoffrey Yarema from Nossaman LLP in Los Angeles, Tim Gatz from the Oklahoma Turnpike Authority, Kevin DeGood from the Center for American Progress, and Aubrey

Layne from the Virginia Transportation Authority. On May 17, the Committee held a hearing titled, “Improving American’s Transportation Infrastructure: The Road Forward,” which featured U.S. Transportation Secretary Elaine Chao.

More information is available at

<https://www.epw.senate.gov/public/index.cfm/hearings>

## FEDERAL FUNDING ACTIVITIES

### 2017 DERA FUNDING AVAILABLE

U.S. EPA has \$11 million in funding available for the Diesel Emission Reduction Act Program. Projects can include diesel vehicle and engine replacement and diesel emission reduction control technologies. Eligible applicants include regional, state, local or tribal agencies, or port authorities with jurisdiction over transportation or air quality, and some nonprofit organizations. Applications are due by June 20.

More information is available at

<https://www.epa.gov/cleandiesel/clean-diesel-national-grants>

## FEDERAL RESEARCH ACTIVITIES

### REPORT SHOWS CO-BENEFITS OF REDUCING VMT

A new report by the National Center for Sustainable Transportation and UC Davis’ Institute of Transportation Studies titled, “Cutting Greenhouse Gases is Only the Beginning: A Literature Review of the Co-Benefits of Reducing Vehicle Miles Traveled,” documents co-benefits such as reductions in: other air pollutant emissions, water pollution, wildlife mortality, and traffic congestion, as well as improvements in safety and health, and savings in public and private costs. Demonstrating these benefits may provide additional justification for reducing VMT. The report explores the presence and magnitude of potential co-benefits of reducing VMT, providing several California-specific examples.

The report is available here

<https://ncst.ucdavis.edu/white-paper/cutting-greenhouse-gas-emissions-is-only-the-beginning-a-literature-review-of-the-co-benefits-of-reducing-vehicle-miles-traveled/>