

BOARD MEETING DATE: December 4, 2020

AGENDA NO. 22

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a meeting remotely on Friday, November 13, 2020. The following is a summary of the meeting.

<b>Agenda Item</b>	<b>Recommendation/Action</b>
2021 State Legislative Goals and Objectives	Approve With Committee Revisions
2021 Federal Legislative Goals and Objectives	Approve With Committee Revisions
H.R. 8626 (Barragán) Energy Resilient Communities Act	Support With Amendments

**RECOMMENDED ACTION:**

Receive and file this report, and approve agenda items as specified in this letter.

Judith Mitchell, Chair  
Legislative Committee

DJA:LTO:PFC: sd:ar

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**Committee Members**

Present: Council Member Judith Mitchell/Chair  
Council Member Joe Buscaino/Vice Chair  
Dr. William A. Burke  
Supervisor V. Manuel Perez  
Supervisor Janice Rutherford

Absent: Senator Vanessa Delgado (Ret.)

**Call to Order**

Chair Mitchell called the meeting to order at 9:06 a.m.

## **DISCUSSION ITEMS:**

### **1. Update on Federal Legislative Issues**

South Coast AQMD's federal legislative consultants (Carmen Group, Cassidy & Associates, and Kadesh & Associates) each provided a written report on key Washington, D.C. issues.

Gary Hoistma of Carmen Group focused on the current status of the General Elections and reported that legislative activity is at a standstill until after the Electoral College votes in December. The likely outcome will be a Biden Administration and a narrowly divided Congress. There are two run-off Senate races in Georgia that will be held in January 2021. However, regardless of the outcome of the Georgia run-off elections, there will not be a 60-vote majority within either caucus to change the Senate filibuster rule.

Amelia Jenkins of Cassidy & Associates informed the committee that the existing Continuing Resolution (CR) for Fiscal Year 2021 Appropriations will expire on December 11. Congress may either pass an Omnibus to maintain funding through 2021 or another CR which would expire after the New Year. Other bills that may move in the final weeks of this Congress include the National Defense Authorization Act, which contains a reauthorization for the Diesel Emissions Reductions Act. The internal elections for Democratic and Republican Leadership will be held next week in the House. Transition teams for the Biden Administration are active.

Supervisor Perez asked if Presidential transition activities are occurring.

Ms. Jenkins reported that the Biden Administration is identifying staff for positions, so they will be ready once the election results are certified. Further, the Biden Administration has named policy teams who are actively preparing the 100-day agenda.

Council Member Buscaino asked if names were mentioned to lead the Environmental Protection Agency (EPA) and the Department of Energy (DOE).

Ms. Jenkins responded that Mary Nichols has been brought up for EPA, as well as Heather McTeer Toney, who previously served as EPA Regional Administrator. With regard to DOE, Ernie Moniz, Steven Chu and Arun Majumdar have been mentioned. A list of potential Cabinet and agency candidates will be sent to staff to distribute to Committee members.

Mark Kadesh of Kadesh & Associates reported that two members in the South Coast AQMD Delegation are running for House Leadership positions. Congressman Tony Cardenas is running for Democratic Congressional Campaign Committee and

Congressman Pete Aguilar is running for Democratic Caucus Vice Chair . Also pending is Governor Newsom's appointment for the junior Senate seat.

Supervisor Perez commented that both Congressmen Cardenas and Aguilar would be positive for air quality issues in Leadership positions. Chair Mitchell agreed and remarked how she had served with both Members through the California League of Cities.

There was no public comment.

## **2. Update on State Legislative Issues**

South Coast AQMD's state legislative consultants (Resolute, California Advisors, LLC, and Joe A. Gonsalves & Son) each provided written reports on key issues in Sacramento.

Mr. David Quintana of Resolute commented that there will be an open state Senate seat, which was formerly held by Senator Holly Mitchell, who was elected to the Los Angeles County Board of Supervisors. A special election will be called for her vacated seat. Assembly Member Sydney Kamlager has publicly expressed interest in running for that seat. As of yet, no one else has expressed a desire to run in opposition to Assembly Member Kamlager in this Senate race.

Mr. Ross Buckley of California Advisors, LLC reported that no incumbents in the Assembly lost their re-election campaigns regardless of party affiliation. However, there will be a slight change to the makeup of the Assembly, because in the 38<sup>th</sup> Assembly District a Republican will be replacing a Democrat who vacated the seat to run for Congress. In the next legislative session, of the 80 members, there will be 60 Democrats, 19 Republicans and one No Party Preference. Democrats will retain more than a two-thirds super-majority with six members above the 54 supermajority threshold. Over a million ballots remain uncounted. The four counties with the largest remaining balance of uncounted ballots are Sacramento, Los Angeles, Riverside and San Bernardino.

Chair Mitchell asked if there is any expectation that the remaining ballots could change the outcome of any election. Mr. Buckley responded that there are still some very close races in the state Senate and in Congress.

Mr. Paul Gonsalves of Joe A. Gonsalves & Son reported on the Senate elections and ballot propositions. In the state Senate, there are currently 28 Democrats, 11 Republicans and one vacant seat. Democrats are expected to gain two seats in the Senate and two other Senate elections remain closely contested. Former Senator Josh Newman is leading the race for the 29<sup>th</sup> District Senate seat, currently held by Senator Ling Ling Chang, by 10,000 votes. Dave Min is leading the race for the 37<sup>th</sup>

District Senate seat by 12,000 votes, against incumbent Senator John Moorlach. In the 23<sup>rd</sup> District, Republican candidate Rosilicie Ochoa Bogh is leading by 16,000 votes. In the 21<sup>st</sup> District, incumbent Senator Scott Wilk is leading by 5,300 votes. There were 12 ballot propositions overall. The outcome of a handful of those propositions represented a partial rebuke of the Legislature's efforts. Proposition 15 that increased taxes on commercial properties failed, Proposition 22, the Uber/Lyft initiative, passed, and Proposition 25 to replace cash bail failed.

There was no public comment.

### **ACTION ITEMS:**

#### **3. Recommend 2021 Legislative Goals and Objectives**

Philip Crabbe and Denise Peralta Gailey, Public Affairs Managers, presented on the proposed state legislative goals and objectives for 2021. The State Legislative Goals include:

- Seeking new and increasing existing sustainable funding sources for clean air programs and priorities that: 1) protect public health; 2) eliminate air pollution; 3) address the impacts of wildfires; 4) fund air district's efforts to implement the AB 617 Program; and 5) ensure attainment of state and federal air quality standards, with a focus on incentive programs that support South Coast AQMD AQMPs;
- Working to ensure that funding meant for air districts is properly allocated;
- Protecting South Coast AQMD authority to implement clean air policies and programs; and
- Working to ensure that the state government does its fair share to reduce air pollution by providing ample funding, legislative and regulatory action and support by the Administration, to facilitate implementation of South Coast AQMD AQMPs and attainment of federal air quality standards;

Mr. Crabbe added that the proposed goals and objectives include:

- Supporting policies, programs and funding that provide relief to South Coast AQMD to address the negative impacts of COVID-19, including items relating to policy priorities and operational needs;
- Supporting legislation and funding to promote environmental justice initiatives that: reduce localized health risks from criteria pollutant and toxic air emissions, and expand access to clean air technology, especially in disadvantaged communities. This includes securing the necessary resources to implement South Coast AQMD's responsibilities created under AB 617;
- Supporting policies and funding, including those which are part of economic stimulus efforts, that promote the deployment of zero and near-zero emission infrastructure, equipment, and vehicles, to protect public health, attain federal

clean air standards, support the economy and promote job retention and creation within the South Coast;

- Supporting policies, programs and funding that: 1) reduce air quality-related public health impacts within the South Coast region caused by wildfires; and 2) reduce the number of wildfires that impact the South Coast;
- Supporting efforts directing that the Greenhouse Gas Reduction Fund provide a sustainable funding source to maximize criteria pollutant and toxic emission reduction co-benefits; promote deployment of near- zero and zero-emission vehicles and infrastructure, and address air quality-related public health impacts in the South Coast;
- Supporting energy efficiency, demand reduction, and reliable, cost effective and clean energy for the South Coast region; and
- Supporting legislative policies and administrative actions that promote job retention and creation, as well as economic growth, while working toward attainment of clean air standards

Supervisor Rutherford recommended the following changes to the proposed 2021 state legislative goals and objectives in order to clarify and better reflect key South Coast AQMD priorities and needs:

- For air quality funding, include the funding priority to ensure attainment of state and federal air quality standards and move this item to the top of the list;
- For surface transportation and goods movement, move to the top of the list;
- Make explicit reference to the need for clean trucks in the goals and objectives;
- Within state support, add a priority to work to ensure that the state government does not impose unfunded mandates on the South Coast AQMD;
- Within state support, include that the state should ensure that local air districts' have sufficient resources to fully implement responsibilities and programs created through AB 617 (C. Garcia, 2017).

**Staff recommended an “APPROVE WITH COMMITTEE REVISIONS” position on the proposed 2021 State Legislative Goals and Objectives.**

Moved by Burke; seconded by Buscaino; unanimously approved

Ayes: Burke, Buscaino, Mitchell, Perez, Rutherford

Noes: None

Abstain: None

Absent: Delgado

Lisa Tanaka O'Malley, Senior Public Affairs Manager, Legislative, Public Affairs & Media, and Ms. Gailey presented the proposed federal legislative goals and objectives for 2021. Overall, the goals and objectives focused on the federal

government's responsibility for their assigned sources of air pollution in terms of policies and funding to assist our region with attainment of standards.

Emergencies and wildfires funding were added to encompass situations where Congress may take up measures to deal with natural disasters and other urgent issues. The federal government's responsibility was updated to address ozone attainment issues in our region by 2023 and 2031 through adequate funding, policy and regulatory actions. This section also states that the South Coast Air Basin should not be subject to sanctions, fees or penalties for the failure to attain the standards due to federal sources of emissions where South Coast AQMD does not have jurisdiction.

Ms. Tanaka noted that the revisions recommended for state goals and objectives would be incorporated into the federal goals and objectives to directly address attainment issues and identify heavy-duty trucks as a funding priority. Additional updates to the federal goals and objectives include COVID-19 and an economic stimulus to seek legislative and administrative relief to assist with the impacts of unplanned expenses and loss of revenues. This paragraph identifies the pursuit of funding for economic stimulus efforts to reflect South Coast AQMD's experience for clean air and green technologies to protect public health and create jobs. Lastly, technology advancement was updated to reflect opportunities to help clean the air through the deployment of renewable energy, energy storage and microgrids.

There was no public comment.

**Staff recommended an "APPROVE" position on the 2021 Federal Legislative Goals and Objectives.**

Moved by Buscaino; seconded by Perez; unanimously approved

Ayes: Burke, Buscaino, Mitchell, Perez, Rutherford

Noes: None

Abstain: None

Absent: Delgado

There were no public comments.

**4. Recommend Position on Federal Bill:**

**H.R. 8626 (Barragán) Energy Resilient Communities Act**

Ms. Tanaka presented H.R. 8626, the "Energy Resilient Communities Act" which was authored by Representative Nanette Barragán who represents communities from the Port of Los Angeles to the Watts Towers. The bill would create a new Clean Energy Microgrid Grant program within the Department of Energy to build resilience through clean energy microgrids in communities for critical infrastructure.

This program would provide two categories of grants for technical assistance and outreach, and project development and construction.

Technical assistance and outreach grants could be used to evaluate and upgrade building codes and standards for climate resiliency and to develop an infrastructure resilience plan. Other eligible grant activities would include identification and design of prospective clean energy microgrids, assistance to address permitting and siting challenges, and community outreach and collaborative planning. This grant program would be authorized at \$50 million per year from fiscal year 2021 to 2030.

The second type of grants for resiliency could be utilized to develop and construct either a clean energy microgrid that supports critical infrastructure or a clean energy microgrid for individual homes belonging to medical baseline customers. This grant would be authorized at \$1.5 billion per year from fiscal year 2021 to 2030 with grants up to \$10 million each.

The criteria for evaluating the grant applications include the reduction of greenhouse gases and criteria air pollutants, public health, and energy cost burden for communities. Additional criteria prioritize projects based on maximizing land use, supporting small and disadvantaged businesses, and apprenticeships. The bill defines critical community infrastructure as public safety facilities, hospitals, health clinics, emergency management facilities, water systems, schools, town halls, homeless shelters, senior housing, and public or affordable housing, community non-profit facilities providing essential services, libraries, and grocery stores.

Entities eligible to apply for either grant program include a State, territory of the United States, Tribal agency, local government, an electric utility, a non-profit, or a partnership of the aforementioned entities. Ms. Tanaka noted that South Coast AQMD would seek an amendment to the bill to clarify South Coast AQMD's eligibility to apply for a grant.

For South Coast AQMD, microgrids could reduce the need for diesel powered back-up generators to support public safety, health and other important services in the aftermath of weather events and/or due to public safety power shutoffs (PSPS). South Coast AQMD has more than 10,000 permitted diesel fueled emergency back-up generators in its jurisdiction. At least 40 percent of these permitted diesel back-up generators are at least twenty-years old and diesel back-up generators located near sensitive receptors increase localized health impacts.

Another application of clean energy microgrids of interest to South Coast AQMD is not currently mentioned in H.R. 8626 relates to alternative fuel transportation infrastructure (battery electric and fuel cell technologies). The Board recently approved a project with the University of California at Irvine to develop a model for

a connected model of microgrids for zero emission transportation. Clean energy microgrids could be used to increase the resiliency and reliability of transportation infrastructure during PSPS and other events which may compromise the electric grid and impact the operation of zero emissions transportation and equipment. Additionally, microgrids could reduce emissions by increasing efficiency by shifting loads through energy storage and minimizing electricity delivery losses.

Amendments that South Coast AQMD developed include adding transportation as a criterion for evaluating grant applications; prioritizing grants for projects in an extreme or severe non-attainment region for ozone and/or PM2.5; adding zero-emissions transportation infrastructure for heavy-, medium-, and light-duty vehicles and equipment; and, per Chair Mitchell's recommendation to clarify South Coast AQMD's eligibility to apply for grants by adding "subdivision of state government."

Dr. Burke commented that back-up generators have become more prevalent. He also commented that there could be additional public safety and air quality issues related to diesel ambulances.

Mr. Wayne Nastri reported that emissions from diesel back-up generators has come to the forefront with wildfires and PSPS events occurring more often. Staff assessed that during one PSPS event, diesel back-up generators could emit more air pollution than the refineries. Microgrids could help reduce emissions, stabilize and provide reliability for communities and zero-emission transportation. South Coast AQMD is moving forward with investigations on microgrids including the University of California, Irvine study which will look at NOx emission reductions with widespread deployment of microgrids. With regard to diesel ambulances, staff will look into the issue and discuss with CARB. There are technology demonstrations and fuel cells that could potentially meet the critical functions and duty cycles of ambulances.

**Staff recommended a "SUPPORT WITH AMENDMENTS" position on this bill.**

Moved by Perez; seconded by Mitchell; unanimously approved

Ayes: Burke, Buscaino, Mitchell, Perez, Rutherford

Noes: None

Abstain: None

Absent: Delgado

There were no public comments.

**OTHER MATTERS:**

**5. Other Business**

There was no other business.

**6. Public Comment Period**

There were no public comments.

**7. Next Meeting Date**

The next regular Legislative Committee meeting is scheduled for Friday, December 11, 2020 at 9:00 a.m.

**Adjournment**

The meeting adjourned at 9:50 a.m.

**Attachments**

1. Attendance Record
2. Update on Federal Legislative Issues – Written Reports
3. Update on State Legislative Issues – Written Reports
4. Proposed 2021 Legislative Goals and Objectives
5. Recommend Position on Federal Bill

# ATTACHMENT 1

## **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT LEGISLATIVE COMMITTEE MEETING (VIA ZOOM) ATTENDANCE RECORD – November 13, 2020**

Dr. William A. Burke .....	South Coast AQMD Board Member
Council Member, Joe Buscaino .....	South Coast AQMD Board Member
Council Member, Judith Mitchell .....	South Coast AQMD Board Member
Supervisor V. Manuel Perez .....	South Coast AQMD Board Member
Supervisor Janice Rutherford.....	South Coast AQMD Board Member
Teresa Acosta.....	Board Consultant (Delgado)
Jacob Haik .....	Board Consultant (Buscaino)
Fred Minassian.....	Board Consultant (Mitchell)
Mark Taylor .....	Board Consultant (Rutherford)
Ross Zelen .....	Board Consultant (Kracov)
Ross Buckley .....	California Advisors, LLC
Jarrell Cook .....	Resolute
Paul Gonsalves .....	Joe A. Gonsalves & Son
Gary Hoitsma .....	Carmen Group, Inc.
Amelia Jenkins.....	Cassidy & Associates
Mark Kadesh.....	Kadesh & Associates
David Quintana .....	Resolute
Dave Ramey.....	Kadesh & Associates
Mark Abramowitz	
Stephanie Bream	
Curtis Coleman .....	Southern California Air Quality Alliance
Ken Dami	
Frances Keeler.....	CCEEB
Bill LaMarr .....	California Small Business Alliance
David Rothbart	
Brissa Sotela-Vargas	
Peter Whittingham.....	Whittingham Public Affairs Advisors
Derrick Alatorre .....	South Coast AQMD Staff
Jason Aspell .....	South Coast AQMD Staff
Barbara Baird.....	South Coast AQMD Staff
Naveen Berry .....	South Coast AQMD Staff
Philip Crabbe .....	South Coast AQMD Staff
Stacy Day .....	South Coast AQMD Staff
Amir Dejbakhsh .....	South Coast AQMD Staff
Angela Ebiner .....	South Coast AQMD Staff
Philip Fine.....	South Coast AQMD Staff
Denise Gailey.....	South Coast AQMD Staff
Iliana Garcia.....	South Coast AQMD Staff
Bayron Gilchrist .....	South Coast AQMD Staff
Sheri Hanizavareh .....	South Coast AQMD Staff
Mark Henninger .....	South Coast AQMD Staff
Sean Kearns .....	South Coast AQMD Staff
Josephine Lee.....	South Coast AQMD Staff

Jason Low ..... South Coast AQMD Staff  
Debra Mendelsohn ..... South Coast AQMD Staff  
Matt Miyasato ..... South Coast AQMD Staff  
Ron Moskowitz ..... South Coast AQMD Staff  
Wayne Nastri ..... South Coast AQMD Staff  
Sarah Rees ..... South Coast AQMD Staff  
Lisa Tanaka O'Malley ..... South Coast AQMD Staff  
Mary Reichert ..... South Coast AQMD Staff  
Aisha Reyes ..... South Coast AQMD Staff  
Jeanette Short ..... South Coast AQMD Staff  
Anthony Tang ..... South Coast AQMD Staff  
Maria Vides ..... South Coast AQMD Staff  
Jill Whynot ..... South Coast AQMD Staff  
William Wong ..... South Coast AQMD Staff  
Paul Wright ..... South Coast AQMD Staff  
Victor Yip ..... South Coast AQMD Staff

# ATTACHMENT 2



**Carmen Group**  
I N C O R P O R A T E D

**To:** South Coast AQMD Legislative Committee

**From:** Carmen Group

**Date:** October 29, 2020

**Re:** Federal Update -- Executive Branch

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**Legislative Outlook:** During October, there was no significant movement on COVID Relief, Special Districts or Energy legislation, as was to be expected with Congress and the Administration largely focused on other matters in the run-up to the November 3 elections. For example, while there was considerable public posturing on both sides about the possibilities of reaching a pre-election COVID Relief deal, closed-door negotiations between Treasury Secretary Mnuchin and Speaker Pelosi could never get past several key items in dispute, not the least of which was how to structure any new money that would be targeted to state and local governments, a topic of special interest to SCAQMD. By the end of October, both sides were saying a deal would emerge after the election during the lame duck session. But even that is very much in doubt, as post-election incentives on the matter are bound to produce different calculations among the key players.

**Zero Emission Truck Recommendations:** On October 7, CALSTART's National Zero Emission Truck Coalition (which includes South Coast AQMD) sent a letter to Congressional leadership outlining major federal legislative recommendations to incentivize fleet acquisition of zero emission trucks, to build charging and fueling infrastructure, and to prioritize related technological innovations. We participated in discussions with CALTART on these matters and made outreach to several key members of our own business coalition in preparation for post-election advocacy efforts.

**EPA Awards California DERA Grants:** As the previous federal fiscal year came to a close on October 1, the U.S. Environmental Protection Agency (EPA) announced \$11.8 million in Diesel Emission Reduction Act (DERA) grant funding in California as part of over \$50 million in FY 2020 DERA funding being awarded nationwide. This year's California grants included the following:

- South Coast Air Quality Management District received \$2.2 million to replace 41 diesel-fueled refrigerated trucks and trailers with 26 hybrid electric units and 15 all-electric units, and to install 194 electrified parking spaces for such trucks at three grocery distribution locations.
- San Joaquin Valley Air Pollution Control District received \$3.6 million and \$3.2 million for two projects respectively. One will help replace 23 older diesel trucks with 23 zero-emission electric trucks. The other will replace 85 diesel-powered agricultural tractors with new equipment having Tier 4 or cleaner engines.

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- San Diego County Air Pollution Control District received \$2.0 million to replace one Tier 2 diesel-powered tugboat at the Port of San Diego with a new tugboat powered by a zero-emission electric propulsion system.
- California Air Resources Board received \$681,000 to help replace 6 heavy-duty school buses with all-electric alternatives throughout rural areas of California.

**EPA Appoints New Leaders, Members of Science Advisory Board:** Pursuant to a formal public process inviting nominations, the EPA Administrator in October announced the selection of a new Chair and Vice Chair of the EPA’s Science Advisory Board (SAB) along with the appointment of 16 new members of the 44-member panel. Named to be Chair was Dr. John Graham, professor in the School of Public and Environmental Affairs at Indiana University who previously served as Dean of the Pardee RAND Graduate School in California. Named as Vice Chair was Dr. Barbara Beck, a principal at Gradient, and environmental and risk sciences consulting firm. She is an expert in toxicology and human health risk assessment for environmental chemicals, especially metals and air pollutants.

**EPA Proposes Cross-State Air Rule Update for 2008 Ozone NAAQS:** In October, EPA proposed revisions to the Cross-State Air Pollution Rule (CSAPR) Update to address interstate air quality impacts for the 2008 ozone air quality standards. The proposed revision would reduce summertime emissions of NOx from power plants in 12 states in the Eastern U.S. that contribute to downwind ozone problems.

**EPA Finalizes Rule on Clean Air Permitting Process:** In October, the EPA finalized a rule it said would streamline and improve the Clean Air New Source Review (NSR) permitting process. Specifically, the new rule will clarify the process for evaluating whether an NSR preconstruction permit is needed when an existing major emitting facility plans to make changes to its facility.

**EPA Announces Florida is Largest State to Meet National Air Quality Standards:** In October, the EPA announced that Florida had come into compliance with all EPA air quality standards after the Hillsborough-Polk County area became the last in the state to attain sulfur-dioxide levels. EPA Administrator Andrew Wheeler: “Of the four large states – Texas, California, New York and Florida – Florida is the only state that’s in total attainment for all six air-quality pollutants.”

**Maritime Administration Issues Port Infrastructure Grant to Port of Los Angeles:** The U.S. Department of Transportation ‘s Maritime Administration announced in October the award of \$9,880,000 to the Port of Los Angeles for the SR 47-Vincent Thomas Bridge & Harbor Boulevard-Front Street Interchange Improvement, a project that will help reduce delays and accidents at the port. This was one of 18 port projects nationwide that received awards under MARAD’s announcement of \$220 million in Port Infrastructure Development Program discretionary grants.

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**Outreach:** Relevant contacts included Republican Senate leadership offices (Majority Leader, Majority Whip and Appropriations Chair) on COVID Relief and special districts legislation. We were also in contact with multiple members of our business coalition group on zero-emission truck issues. These included the Truck & Engine Manufacturers Association, the National Automobile Dealers Association-American Truck Dealers, the Diesel Technology Forum and the U.S. Chamber of Commerce.

###



To: South Coast Air Quality Management District  
From: Cassidy & Associates  
Date: October 28, 2020  
Re: October Report

## HOUSE/SENATE

The House is not in session. Members are advised that as conversations surrounding additional coronavirus relief legislation continue, it is possible that the House will meet soon after the election to pass a relief deal with the White House and Senate.

This week the Senate voted to confirm Amy Coney Barrett as the next Supreme Court Justice after a hasty confirmation process. The vote was largely on a party-line basis, with Senator Collins being the only Republican to vote no. Barrett is the first confirmation vote since 1869 without any support from the opposing party.

With respect to appropriations, the House passed all of their appropriations bills before the August recess. The bill for Environmental Protection Agency (EPA) appropriations includes \$90 million for Diesel Emissions Reduction Act (DERA) grants, an additional \$450 million in emergency DERA grants for COVID relief, and \$57.3 million in Targeted Airshed Grants to be focused on the ten most heavily polluted areas in the country.

The Senate has not yet begun work on their appropriations bills and they do not expect to move on appropriations until after the election. Right before the Fiscal Year deadline Congress passed a Continuing Resolution (CR) to maintain funding at current levels through December 11, 2020. At that point, whether Congress passes an omnibus appropriations package or an additional CR depends on the post-election political scenario.

On October 16th the EPA announced settlements with three companies over violations of California's trucking pollution regulations. The three companies are Roadrunner Transportation Systems, Ruan Transportation Management Systems, and the Boise Cascade Company. The companies will pay \$417,000 in penalties for violating the California Air Resources Board's

federal enforceable Truck and Bus Regulation, Drayage Truck Regulation and Transport Refrigeration Unit Regulation.

Cassidy and Associates support in October:

- Continued to track provisions of interest in energy bills moving in both chambers.
  - The House passed the Clean Economy Jobs and Innovation Act in late September.
  - Due to member demands on controversial provisions, the Senate failed to pass their version of the bill. With the end of the 116<sup>th</sup> Congress quickly approaching, the Senate is out of time to pass their own stand-alone bill.
  - However, the Senate and House are negotiating a compromise package with the hope of having a bill signed into law before the end of the year.
  - This compromise package will be negotiated informally among bipartisan Committee staff in both Chambers, and by the time the text of the bill is public it will need to pass quickly and it will be too late to make changes.
  - To ensure that SCAQMD's priorities remain on the table in this informal negotiation, Cassidy is in constant contact with Republican and Democrat staff leading the negotiations and is aggressively advocating for SCAQMD via Committee staff and CA delegation.
- Strategized with SCAQMD on identifying federal funds through DERA, TAG, and other sources to assist the district with COVID related expenses.
  - Engaged in ongoing discussions with House and Senate Committee staff to include increased funding for these programs in COVID relief and appropriations legislation.
- Built support for legislation from Sens. Cornyn and Sinema to ensure "special districts" are eligible for federal funding.
  - In close contact with Sen. Sinema staffer that is leading the charge for this bill.
    - At our urging, Sen. Sinema staff contacted House and Senate leadership to voice support for the bill. It is our understanding that Sen. Sinema will make a push at the member level when negotiations heat up again after the election.

Government funding, major programs up for renewal

- Annual defense authorization and surface transportation are both in the works.
- Federal health programs, which are now set to expire Nov. 30.
- Current CR expires Dec. 11.
- Tax extenders, including for energy and alcohol, expire Dec. 31

## IMPORTANT LEGISLATIVE DATES

### ***Oct. (open ended)***

- Continuation of negotiations for new COVID-19 package
- Senate staff-level discussions on Appropriations

### ***Nov. 30 – Dec. 31***

- Temporary Assistance for Needy Families
- Community Health Centers
- Medicare Programs

## PANDEMIC RESPONSE PROGRAMS AND AUTHORITIES

### **EPA's list of approved SARS-CoV-2 surface disinfectant products passes 500**

The EPA has approved more than 500 surface disinfectant products for use against COVID-19. In early March, EPA released its initial list with 85 products and has continued to update the approved list on a weekly basis. The list can be found [here](#).

### **FDA launched a new webpage at [www.fda.gov/covid19vaccines](http://www.fda.gov/covid19vaccines) to highlight new information as it becomes available**

- The FDA hosted a meeting of the Vaccines and Related Biological Products Advisory Committee on October 22, 2020. The Center for Biologics Evaluation and Research's, Vaccines and Related Biological Products Advisory Committee met to discuss the development, authorization and/or licensure of vaccines to prevent COVID-19.
- The FDA issued Guidance for [Industry on Emergency Use Authorization for COVID-19 Vaccines](#) to provide sponsors of requests for Emergency Use Authorization for COVID-19 vaccines with recommendations regarding the data and information needed to support the issuance of an EUA under section 564 of the FD&C Act (21 U.S.C. 360bbb-3) for an investigational vaccine to prevent COVID-19 for the duration of the COVID-19 public health emergency. The FDA brief can be found [here](#).

### **FDA holds weekly Virtual Town Halls on COVID diagnostics**

Every Wednesday, from 12:15 to 1:15pm ET. For more information, click [here](#).

### **FDA holds bi-weekly webinars on PPE, with a new topic every two weeks**

The next webinar will be held on October 27, 2020, from 12:00 to 1:00pm ET. The webcast can be found [here](#).

**End Date/Program**

**Dec. 11, 2020**

Current CR expires

**Dec. 31, 2020**

Treasury Department business, state, & local government loan authority

Various temporary tax breaks

Emergency sick and family leave programs

Pandemic unemployment assistance

Medicare sequestration suspension

Changes to banking and accounting rules (could expire sooner if epidemic ends)

**March 27, 2025**

Special inspector General for Pandemic Recovery

**Sept. 30, 2025**

Pandemic Response Accountability Committee, Congressional Oversight Commission

## AGENCY RESOURCES

USA.gov is cataloging all U.S. government activities related to coronavirus. From actions on health and safety to travel, immigration, and transportation to education, find pertinent actions [here](#). Each Federal Agency has also established a dedicated coronavirus website, where you can find important information and guidance. They include: Health and Human Services ([HHS](#)), Centers of Medicare and Medicaid ([CMS](#)), Food and Drug Administration ([FDA](#)), Department of Education ([DoED](#)), Department of Agriculture ([USDA](#)), Small Business Administration ([SBA](#)), Department of Labor ([DOL](#)), Department of Homeland Security ([DHS](#)), Department of State ([DOS](#)), Department of Veterans Affairs ([VA](#)), Environmental Protection Agency ([EPA](#)), Department of the Interior ([DOI](#)), Department of Energy ([DOE](#)), Department of Commerce ([DOC](#)), Department of Justice ([DOJ](#)), Department of Housing and Urban Development ([HUD](#)), Department of the Treasury ([USDT](#)), Office of the Director of National Intelligence ([ODNI](#)), and U.S. Election Assistance Commission ([EAC](#)).

Helpful Agency Contact Information:

U.S. Department of Health and Human Services – Darcie Johnston (Office – 202-853-0582 / Cell – 202-690-1058 / Email – [darcie.johnston@hhs.gov](mailto:darcie.johnston@hhs.gov))

U.S. Department of Homeland Security – Cherie Short (Office – 202-441-3103 / Cell – 202-893-2941 / Email – [Cherie.short@hq.dhs.gov](mailto:Cherie.short@hq.dhs.gov))

U.S. Department of State – Bill Killion (Office – 202-647-7595 / Cell – 202-294-2605 / Email – [killionw@state.gov](mailto:killionw@state.gov))

U.S. Department of Transportation – Sean Poole (Office – 202-597-5109 / Cell – 202-366-3132 / Email – [sean.poole@dot.gov](mailto:sean.poole@dot.gov))

# IMPORTANT DATES: ELECTIONS



□ Democratic Caucus   
 ○ Democratic Primary   
 ★ Democratic Convention   
 ✦ VP Debate  
□ Republican Caucus   
 ○ Republican Primary   
 ★ Republican Convention   
 ✦ Presidential Debate   
☑ Election Day   
 politicopro.com

DATE	STATE	DEMOCRAT	REPUBLICAN
February 3	Iowa	Caucus	Caucus
February 11	New Hampshire	Primary	Primary
February 22	Nevada	Caucus	—
February 29	South Carolina	Primary	—
March 3	Alabama	Primary	Primary
	American Samoa	Primary	Primary
	Arkansas	Primary	Primary
	California	Primary	Primary
	Colorado	Primary	Primary
	Democrats Abroad	Primary	—
	Maine	Primary	Primary
	Massachusetts	Primary	Primary
	Minnesota	Primary	Primary
	North Carolina	Primary	Primary
	Oklahoma	Primary	Primary
	Tennessee	Primary	Primary
	Texas	Primary	Primary
	Utah	Primary	Primary
	Vermont	Primary	Primary
	Virginia	Primary	—
March 8	Puerto Rico	—	Primary
March 10	Hawaii	—	Caucus
	Idaho	Primary	Primary
	Michigan	Primary	Primary
	Mississippi	Primary	Primary
	Missouri	Primary	Primary
	North Dakota	Primary	—
	Washington	Primary	Primary
March 14	North Mariana	Caucus	—
March 17	Arizona	Primary	—
	Florida	Primary	Primary
	Illinois	Primary	Primary
	Ohio	Primary	Primary
March 24	Georgia	Primary	Primary
March 29	Puerto Rico	Primary	—
April 4th	Alaska	Primary	—
	Hawaii	Primary	—
	Louisiana	Primary	Primary
	Wyoming	Caucus	—
April 7	Wisconsin	Primary	Primary
April 28	Connecticut	Primary	Primary
	Delaware	Primary	Primary
	Maryland	Primary	Primary
	New York	Caucus	Primary
	Pennsylvania	Primary	Primary
	Rhode Island	Primary	Primary

DATE	STATE	DEMOCRAT	REPUBLICAN
May 2	Guam	Caucus	—
	Kansas	Primary	—
May 5	Indiana	Primary	Primary
May 12	Nebraska	Primary	Primary
	West Virginia	Primary	Primary
May 19	Kentucky	Primary	Primary
	Oregon	Primary	Primary
June 2	District of Columbia	Primary	—
	Montana	Primary	Primary
	New Jersey	Primary	Primary
	New Mexico	Primary	Primary
	South Dakota	Primary	Primary
June 6	Virgin Islands	Caucus	—
July 13 - 16	Democratic Convention (Milwaukee, WI)		
August 24 - 27	Republican Convention (Charlotte, NC)		
September 29	First Presidential Debate (South Bend, IN)		
October 7	Vice Presidential Debate (Salt Lake City, UT)		
October 15	Second Presidential Debate (Ann Arbor, MI)		
October 22	Third Presidential Debate (Nashville, TN)		
November 3	2020 Presidential Election		

South Coast AQMD Report for the November 2020 Legislative Meeting covering October 2020  
Kadesh & Associates

*October:* Both the House and Senate have recessed. The Senate cleared the Amy Coney Barrett nomination elevating her to be an Associate Justice of the Supreme Court by a vote of 52-48 on October 26 and recessed until November 9. The House is not expected to return until November 16. The Senate also voted in October on two packages of COVID relief – an extension of the PPP and a “skinny” relief bill – both of which failed to proceed to as they could not garner 60 votes.

The current Continuing Resolution (CR) expires at midnight ET on December 11, 2020. At this point, we are assuming that another CR will be required to get into next year. The duration of that CR will depend largely on the outcome of the election. There has also been a lot of talk about using the CR as a vehicle for COVID relief. If this materializes, there will probably be a few short term interim CRs before the 116<sup>th</sup> Congress adjourns sine die. The Senate has still not released any of its Fiscal Year (FY) 21 appropriations bills. At this point, it is unclear when this will occur. In the last 25 years plus this is the first time the Senate hasn't produced a single bill this late in the year. The House has passed 10 of its 12 Appropriations bills. (Not passed are Homeland Security and Legislative Branch.)

There are many plans/ideas for the December lame duck session, but experience indicates that they are never as productive as hoped. That said, the National Defense Authorization Act (NDAA), Water Resources Development Act (WRDA), an energy bill, and more nominations are all likely/possible.

Negotiations on the next round of COVID/stimulus between Speaker Pelosi and Treasury Secretary Mnuchin continued until the last week of October, but finally broke down with each side blaming the other for inflexibility. Speaker Pelosi said it is still possible to get a deal on fiscal stimulus with the Trump administration after the election, but before the start of the new Congressional and White House terms in January. Speaker Pelosi listed seven major areas of disagreement in a letter to Secretary Mnuchin regarding issues on which Democrats are awaiting responses from the administration: national coronavirus testing-and-tracing program; relief for state and local governments; school safety measures; child-care funding; tax credits for working families; unemployment assistance; and workplace protections and liability issues.

**Kadesh & Associates Activity Summary-**

- COVID/stimulus legislation – funding for special districts, including an appeal to Congressional offices to be included in what may be the most significant work product of the lame duck session;
- Working with the CALSTART/National ZET Coalition/Clean Corridors Coalition at the direction of South Coast AQMD staff on shaping a viable and effective legislative proposal;
- Identifying leaders of potential administration transition teams on South Coast AQMD's issues;
- Monitoring FY21 Appropriations – DERA, Targeted Airshed Grants and Section 103/105;
- Monitoring Continuing Resolution(s);
- Monitoring prospects for: H.R. 2 – the Moving Forward Act; H.R. 4447 – Clean Economy Jobs and Innovation Act; Rep. Eshoo's smoke bill; and Rep. DeSaulnier's Clean Corridors bill.
- Look Ahead discussion and draft memo for South Coast AQMD staff

**Contacts:**

Contacts included staff and House Members throughout the CA delegation, especially Leadership and Appropriators who were targeted.

# ATTACHMENT 3

# RESOLUTE<sup>\*</sup>

## South Coast Air Quality Management District Legislative and Regulatory Update – October 29, 2020

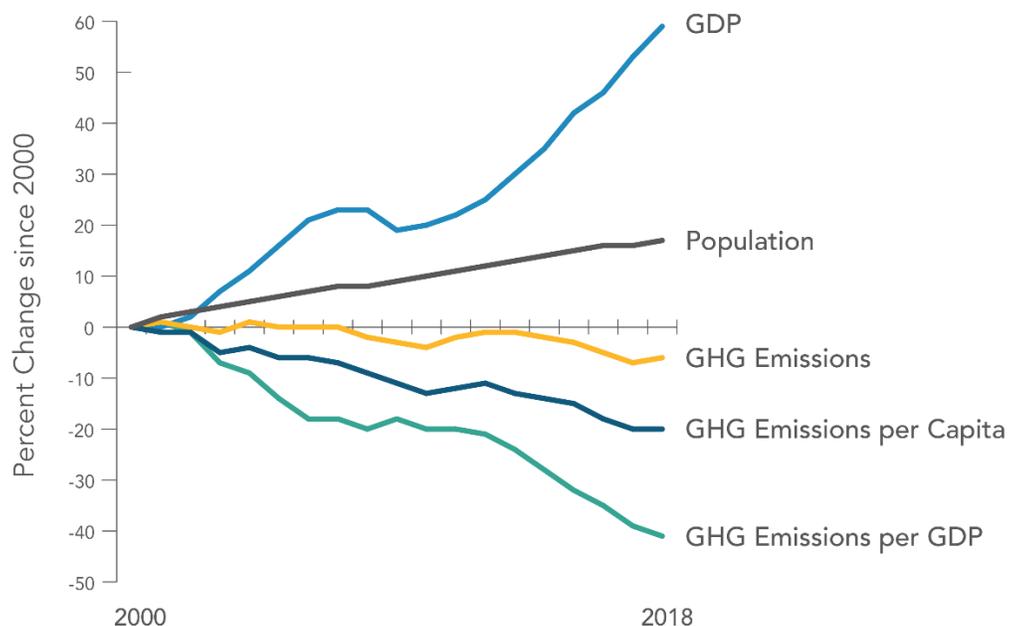
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### ❖ Important Dates

- Nov. 3 General Election.
- Nov. 5 CA State Assembly Democratic Caucus Meeting
- Nov. 30 Adjournment sine die at midnight (Art IV, Sec, 3(a))
- Dec. 7 2021-22 Regular Session convenes for Organizational Session at 12 noon (Art IV, Sec, 3(a))
- Jan. 1 Statutes take effect (Art IV, Sec, 8(c))

❖ **RESOLUTE Secures Meeting Between SCAQMD and Incoming Los Angeles City Councilman Kevin DeLeon.** Resolute Partner David Quintana coordinated a meeting between SCAQMD Executive Officer Wayne Nastri, Deputy Executive Officer Derrick Alatorre, and City Councilmember Keven DeLeon to discuss South Coast’s legislative priorities. DeLeon indicated that he understood the District’s agenda and would be eager to help South Coast obtain support from the City Council in the future to assist its lobbying efforts and funding requests in both Sacramento and Los Angeles.

❖ **CARB Reports that CA is Below 2020 Emissions Target.** On October 23, CARB released Greenhouse Gas Emissions data showing California’s total 2018 greenhouse gas emissions were 425.3 million metric tons, essentially equal to the 424.5 million metric tons of greenhouse gas emissions the state produced in 2017. This is lower than the state’s 1990 emissions totals but remains six million metric tons below the 2020 target.



Overall, emissions have declined: Per capita GHG emissions in California have been reduced 24% since they peaked in 2001 to 10.7 tons per person in 2018. Transportation emissions dropped 1.5 million metric tons between 2017 and 2018, the first such decline since 2013.

- ❖ **Black Employees Introduce Proposal to Address Alleged Racism at CARB.** Anonymous Black employees at the California Air Resources Board (CARB) [released an open letter and action plan](#) to address what they allege is “systemic racism and implicit bias” at the Board. The letter details alleged slights to black employees, discriminatory hiring practices, biased personnel management, and a lack of representation.

The action plan calls for, among other things, appointing at least one Black board member and two other people of color to fill upcoming vacancies on the board, closing pay gaps between white and non-white employees, removing bias in the recruitment and hiring process, and creating a Racial Equity Committee/Task Force at CARB.

These allegations and proposal follow the ongoing criticism of CARB and many environmental interest groups by Assemblymember Jim Cooper. (D-Elk Grove). Cooper has been consistent in his criticism of the Board and certain interest groups as they pursue electric vehicle mandates and other energy and climate policies that “systematically drive racial economic inequities and fuel environmental racism.” Cooper noted that the letter is “yet again another example of how out of touch CARB is with protecting, serving and advancing the well-being of communities of color.”

- ❖ **EPA Responds to Governor Newsom’s Executive Order Banning Gas Vehicles by 2035.** EPA Administrator Andrew Wheeler responded to Governor Newsom’s [Executive Order N-79-20](#), which established new state goals for the sale of zero-emission vehicles, stating that the Order may require California to request a waiver from the EPA. Wheeler also commented that the plan “raises serious questions regarding its legality and practicality.”

Wheeler continued, “California’s record of rolling blackouts – unprecedented in size and scope – coupled with recent requests to neighboring states for power begs the question of how you expect to run an electric car fleet that will come with significant increases in electricity demand, when you can’t even keep the lights on today,”

This tension comes on the heels of the EPA’s 2019 rules revoking its 2013 waiver that granted California the authority to set vehicle tailpipe emissions standards and require the sale of more zero emission vehicles. The state is challenging that decision in court.

- ❖ **CARB Demands Automakers Self-Disclose Violations of Emission Standards.** On October 14, CARB released a [letter](#) to vehicle and engine manufacturers urging them to disclose non-compliant software and other violations related to auxiliary emission control devices (AECs) by December 31, 2020. In 2015, CARB encouraged manufacturers to disclose non-compliant devices in exchange for reduced penalties and remedial measures. According to CARB, many manufacturers did not self-disclose and the Board’s subsequent “screening tests and investigations have uncovered several types of systemic violations” resulting in “multiple settlements with manufacturers for cheating on their certification documentation.”

CARB’s letter comes as it announces a new testing laboratory and techniques to investigate and identify non-compliant AECs. The Board warns manufacturers that “If you are not in compliance with CARB regulations, and you do not voluntarily disclose your violations, you may become the subject of a lengthy investigation and enforcement action.”

- ❖ **C40 Global Mayors Recovery Task Force Calls for Green Stimulus to Create \$280B in Economic Benefits.** The C40 Cities Climate Leadership Group’s task force on COVID-19 recovery has [released research](#) encouraging a stimulus package to fund a ‘green recovery.’ The group suggests that stimulating the economy with funds invested in climate solutions could create 50 million jobs by 2025, reduce air pollution by 30%, and halve greenhouse gas emissions by 2030; however, only an estimated 3-5% of COVID-19 related stimulus spending is currently committed to the green initiative, according to the group.

The C40 Cities Climate Leadership Group is a group of 96 cities around the world and is currently chaired by Los Angeles Mayor Eric Garcetti.



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# CALIFORNIA ADVISORS, LLC

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South Coast AQMD Report  
California Advisors, LLC  
November 13, 2020 Legislative Committee Hearing

## **General Update**

The Legislature is starting to prepare for the upcoming session. They are still operating under the assumption that they will be physically distant and will implement many of the same rules that were put in place this past year. How long this will last is uncertain but it will be based on the Governor's actions and the availability of a vaccine. Legislators will only be allowed to have one staff member in their office unless there is adequate space for two staffers to physically distance themselves. Members have also been encouraged to continue taking meetings remotely. However, starting 2021, it is anticipated that they will attend policy hearings in person. The Legislature expects to release their calendar in the next few weeks which will set the legislative deadlines for them to operate under.

Currently, December 7<sup>th</sup> marks the first day of the new session. This day typically is ceremonially for members to be sworn into office. However, it is also the first day for members to introduce bills. Once, they have completed the swearing in ceremony the Legislature usually goes on a holiday break until January. One thing to watch for during this break is new committee assignments. There will likely be several committee chairmanships that will change and new faces will be added to each policy committee.

The general election has dominated most conversations in Sacramento over the past month. As of October 29<sup>th</sup>, over 8.4 million ballots have already been returned which accounts for 38.7% of the total registered voters in California. A deep dive into the numbers provide some interesting trends in the days leading up to the election. First, 54% of those ballots were Democrat and 22% were Republican. The state has seen Republican votes come in later than normal. Additionally, over 50% of those ballots were from the 55 and over age category. Whereas just 20% were from the age category of 18-34 year olds. The state has not seen a wave of younger voters at this point. Lastly, female voters are showing up in the early voting returns and outpacing males by almost 500,000 votes with five days to go.

## **Elected Officials Contacted on Behalf of South Coast AQMD:**

California Advisors met with the following legislators or their offices on behalf of the South Coast AQMD:

Senate: Glazer (Back-up Generators)  
Assembly: Reyes (Clean vehicles)



## **Joe A. Gonsalves & Son**

**Anthony D. Gonsalves**

**Jason A. Gonsalves**

**Paul A. Gonsalves**

PROFESSIONAL LEGISLATIVE REPRESENTATION

925 L ST. · SUITE 250 · SACRAMENTO, CA 95814-3766

916 441-0597 · FAX 916 441-5061

Email: gonsalves@gonsalvi.com

**TO:** South Coast Air Quality Management District

**FROM:** Anthony, Jason & Paul Gonsalves

**SUBJECT:** Legislative Update – October 2020

**DATE:** Wednesday, October 28, 2020

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On August 31, 2020, the Legislature recessed their 2019-20 Legislative session. Due to COVID-19 related challenges that necessitated unprecedented actions and a compressed legislative session, the Legislature greatly reduced the number of bills it heard in 2020 to focus on COVID-19 policy response and other priority areas. In a typical year, the Legislature sends roughly 2,000 bills to the governor for consideration. However, in 2020 the Legislature passed 428 bills (137 Senate bills and 291 Assembly bills) to the Governor for his consideration. In total, the Governor signed 372 into law and vetoed 56 bills.

Meanwhile, legislators have returned to their districts and are preparing for the November 3rd election. While California began casting most of its ballots by mail years ago, there is a lot of uncertainty about how campaigning in the era of COVID-19 will play out. As always though, the California ballot is brimming with propositions in this Presidential election year.

The following will provide you with updates of interest to the District:

### **DEL MONTE FRESH PENALTIES**

On October 7, 2020, CARB announced a settlement with Del Monte Fresh Produce N.A. Inc. for \$1,990,650, marking the largest penalty to date related to clean air violations for the state's Ocean-Going Vessel At Berth Regulation.

The goal of CARB's At-Berth Regulation is to reduce diesel emissions from ocean-going vessels. It requires anyone who owns, operates, charters, rents or leases any U.S. or foreign-flagged container, passenger or refrigerated-cargo vessel that visits a California port to meet the

operational time limits and reduce their power generation fleet-wide, as well as submit statements of compliance. The auxiliary engines covered under this regulation power the electricity and other onboard operations during a vessel's visit, which can run from less than one day to several days. Power reduction requirements have been phased in over time and fleets can accomplish this by turning off their diesel engines and connecting to grid-based shore power, or by using alternative technologies to achieve equivalent emission reductions while in port.

Through routine audits, CARB discovered that Del Monte's chartered fleet calling at the Port of Hueneme for 2015-2016 did not meet the operational time limits for at least 50% of its visits and did not reduce its auxiliary engine power generation by 50%. In addition, their 2017-2019 chartered fleet visiting the same port did not meet the operational time limits for at least 70% of its visits and did not reduce its auxiliary engine power generation by 70%.

To resolve these violations, Del Monte agreed to pay a settlement of \$1,990,650. Half of the funds will be paid to the Air Pollution Control Fund, and the remaining half will be paid to the Marine Vessel Speed Reduction Incentive Program, a supplemental environmental project located in the Santa Barbara Channel Region and the Bay Area. The project provides financial and other incentives for ocean-going vessels to reduce their speed in specified areas along the coast during peak ozone and migratory whale seasons. These reductions decrease air pollution and the mortality rate of endangered whales.

## **CALIFORNIA'S GHG LEVELS**

On October 19, 2020, the California Air Resources Board (CARB) released GHG emissions data for 2018 showing that emissions remain below 1990 levels but are effectively flat compared to 2017, while the economy grew by 4.3%. The data shows a slight increase in overall emissions from the previous year, and a slight decline in emissions from transportation, which is the state's main source of both GHGs and air pollutants.

In Executive Order N-79-20 issued September 23, 2020, Governor Newsom recognized that achieving our air quality and climate goals hinge on transforming the state's transportation sector. In that EO, the Governor called for 100% sales of zero emission light-duty vehicles by 2035. The Governor issued a second Executive Order N-82-20 on October 7, 2020 elevating the role of nature in addressing climate change by enlisting California's vast network of natural and working lands to store and remove carbon from the atmosphere and establishing a goal of conserving at least 30% of California's land and coastal waters by 2030.

The total, statewide 2018 GHG emissions were 425.3 million metric tons, compared to 424.5 million metric tons in 2017. That remains six million metric tons below the 2020 target.

Transportation emissions declined 1.5 million metric tons between 2017 and 2018, the first such decline since 2013. Per capita GHG emissions in California have dropped from a 2001 peak of 14.0 tons per person to 10.7 tons per person in 2018, a 24% decrease.

## **GOVERNOR NEWSOM'S USE OF LAND TO FIGHT CLIMATE CHANGE**

On October 7, 2020, Governor Newsom issued an executive order enlisting California's vast network of natural and working lands and urban greenspaces in the fight against climate change.

The order directs state agencies to deploy a number of strategies to store carbon in the state's natural and working lands and remove it from the atmosphere. The order also sets a first-in-the-nation goal to conserve 30% of the state's land and coastal water by 2030 to fight species loss and ecosystem destruction.

Specifically, state agencies are directed to pursue innovative actions, strategies and partnerships to maximize the full climate benefits of our natural and working land, through:

- Healthy soils management, including planting cover crops, hedgerows and compost applications;
- Wetlands restoration to protect coastal areas;
- Active forest management to reduce catastrophic risk and restore forest health; and
- Boosting green infrastructure in urban areas like trees and parks.

In advancing this executive order, California joins 38 countries to support the global effort to achieve protection for 30% of the planet by 2030. The executive order directs the California Natural Resources Agency to form a California Biodiversity Collaborative to bring together experts, leaders and communities to pursue a unified approach to protecting biodiversity and develop strategies to support the 30 by 30 goal. Through this stakeholder process, Californians will help chart the path forward to these critical conservation goals.

## **EXIDE BANKRUPTCY**

On October 16, 2020, Exide Holdings Inc. got court approval of its bankruptcy plan, allowing the battery manufacturer to sell its overseas assets and avoid paying for a full cleanup of a former recycling facility in California over the state's objections.

The plan, which was amended four times before it was approved, incorporates a global settlement Exide reached with its creditors, purchasers of the overseas assets, the U.S. Environmental Protection Agency, and ten state environmental agencies. California's was the only environmental agency that rejected the settlement agreement.

Governor Newsom called the plan approval "dangerous" and said the state would appeal it. "I am outraged that the federal bankruptcy court let Exide and its creditors off the hook today and decided that lead exposure does not pose an imminent or immediate harm to the public."

The Chapter 11 plan allows Exide to sell its European and overseas assets to a group of existing lenders in a \$559 million credit bid, preserving 5,000 jobs. The company also will wind down its involvement at former sites in the U.S. that still need environmental remediation.

After filing for bankruptcy in May, it sold its North American business operations to an affiliate of Atlas Holdings LLC for \$178.6 million. The settlement incorporated into the plan creates a \$10 million multi-state environmental trust that would manage future environmental cleanup at former Exide sites. California would receive \$2.6 million for the former battery recycling facility in Vernon, if the state signs onto the agreement.

The state has until Oct. 30 to decide whether it will participate in the trust. Exide may choose to abandon the site after that date, said Judge Christopher S. Sontchi of the U.S. Bankruptcy Court for the District of Delaware at a hearing Friday.

The California DTSC had objected to the settlement on the grounds that the company is still responsible for ongoing remediation of lead and other heavy metals at the Vernon site. If California ultimately rejects the settlement and Exide abandons the facility, California will still have access to \$26.5 million in surety bonds that Exide purchased to help maintain the Vernon site.

## **2020 LEGISLATIVE CALENDAR**

Oct. 1 - Bills enacted on or before this date take effect January 1, 2021.

Nov. 3 - General Election.

Dec. 7 - 2021-22 Regular Session convenes for Organizational Session at 12 noon.

Jan. 1, 2021 - Statutes take effect



# South Coast Air Quality Management District



21865 Copley Drive, Diamond Bar, CA 91765-4178  
(909) 396-2000 • www.aqmd.gov

## South Coast AQMD's State Legislative Goals & Objectives for 2021

*The following goals and objectives are identified to protect public health, facilitate attainment of state and federal clean air standards within the South Coast region by statutory deadlines and address other South Coast AQMD needs and policy priorities, while working with and serving as a resource to state legislators and the Governor; federal, state, and local agencies; business, environmental and community groups; and other stakeholders:*

### ***Air Quality Funding***

Increase existing and identify new funding sources that provide a sustainable revenue stream for clean air programs and priorities that: 1) ensure attainment of state and federal air quality standards; 2) protect public health; 3) eliminate unhealthy air pollution; 4) fund local air districts' efforts to implement Assembly Bill 617 (C. Garcia, Chapter 136, Statutes of 2017); and, 5) address impacts of wildfires; ~~4) fund local air districts' efforts to implement Assembly Bill 617 (C. Garcia, Chapter 136, Statutes of 2017); and 5) ensure attainment of state and federal air quality standards,~~ with a focus on incentive programs and research and development projects that support applicable South Coast AQMD Air Quality Management Plans (AQMPs), and create opportunities to partner with stakeholders. Ensure that funding meant for air districts' efforts is properly allocated.

### ***Surface Transportation & Goods Movement***

Support and expand policy and funding considerations that promote air quality priorities in connection with the implementation of state and federal surface transportation, infrastructure and goods movement policies and programs, especially with regard to the development and deployment of zero and near-zero emission medium- and heavy-duty trucks.

### ***South Coast AQMD Authority / Policy Implementation***

Protect and ensure adequate South Coast AQMD authority for implementation of the Board's clean air policies and programs, including those required by state and federal law and applicable South Coast AQMD AQMPs.

### ***State Support***

Work to ensure that the state government does not impose unfunded mandates on the South Coast AQMD and does its fair share to reduce air pollution within the South Coast region by providing ample funding, legislative action, regulatory action and support by the Administration to the South Coast AQMD to: 1) facilitate implementation of applicable South Coast AQMD AQMPs and attainment of federal ozone and particulate matter air quality standards by upcoming deadlines; and, 2) ensure that local air districts' have sufficient resources to fully implement their responsibilities and programs created through AB 617 (C. Garcia, 2017).

### ***COVID-19***

Support and seek legislative and administrative policies, programs, funding and actions that

## South Coast AQMD's State Legislative Goals & Objectives for 2021

provide relief to South Coast AQMD to address the negative impacts of COVID-19, including items relating to South Coast AQMD funding, policy priority and operational needs.

### ***Environmental Justice***

Support and advocate for legislative policies and funding that: 1) promote and sustain environmental justice initiatives which reduce localized health risks resulting from criteria pollutant and toxic air contaminant emissions; 2) develop and expand access to clean air technology, especially in disproportionately impacted communities; 3) enhance community participation in decision-making; and 4) provide the resources necessary to fully implement local air districts' responsibilities and programs created through AB 617 (C. Garcia, 2017).

### ***Development and Deployment of Clean Technology / Economic Stimulus***

Support and advocate for legislative and administrative policies, programs and funding, including as part of any economic stimulus efforts, that promote the development and deployment of near-zero and zero emission infrastructure, equipment and vehicle technology, especially with regard to medium- and heavy-duty trucks, to: 1) protect public health; 2) facilitate attainment of clean air standards; and/or 3) support a healthy economy and promote job retention/creation within the South Coast region.

### ***Addressing Impacts of Wildfires***

Support and advocate for legislative and administrative policies, programs and funding that: 1) reduce air quality-related public health impacts within the South Coast region caused by wildfires; and 2) reduce the number of wildfires that impact the South Coast region.

### ***Climate Change***

Seek to influence climate change policies and initiatives and facilitate their implementation consistent with Board policy. In particular, support efforts directing that the Greenhouse Gas Reduction Fund provide a sustainable funding source to maximize criteria pollutant and toxic emission reduction co-benefits, promote the development and deployment of near- zero and zero-emission vehicles, equipment and fueling/charging infrastructure, especially with regard to ~~clean~~ medium- and heavy-duty trucks, and address air quality and public health impacts in the South Coast region.

### ***Clean Energy***

Support legislative efforts that advance the Board's Energy Policy which promotes energy efficiency, demand reduction and reliable, cost effective and clean energy for all consumers in the District, while facilitating attainment of clean air standards and providing support for a healthy economy.

### ***Business/Jobs Climate***

Support legislative policies and/or administrative actions that promote job retention and creation as well as economic growth, while working toward attainment of clean air standards; and that support and assist the regulated community in complying with rules and regulations in the most efficient and cost-effective manner.

### ***~~Surface Transportation & Goods Movement~~***

~~Support and expand policy and funding considerations that promote air quality priorities in connection with the implementation of state and federal surface transportation, infrastructure and goods movement policies and programs.~~





# South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178  
(909) 396-2000 • www.aqmd.gov

## South Coast AQMD's Federal Legislative Goals & Objectives for 2021

*The following goals and objectives are identified to enable South Coast AQMD to seek rules, legislative policies, and funding levels from the federal government that will assist the South Coast Air Basin in meeting the National Ambient Air Quality Standards (NAAQS) to protect public health through practical and innovative strategies. It is critical that SCAQMD work with and serve as a resource to the Administration and agencies, Congress, business, environmental, health, community and other stakeholders.*

### ***Air Quality Funding (Authorization of Program and Policies and Appropriations of Funds)***

Seek adequate funding levels for air quality issues through existing and new opportunities to enable the South Coast Air Basin to reach attainment of NAAQS, including heavy-, medium-, and light-duty vehicles, off-road equipment, stationary sources and supportive agency functions such as monitoring, compliance and enforcement, permitting, outreach and other essential activities. Support key programs such as, but not limited to, Targeted Airshed Grants, the Diesel Emissions Reduction Act, Subvention Funds from Clean Air Act Section 103/105, Energy Efficiency & Renewable Energy grants, and other programs including emergencies such as wildfires.

### ***Federal Support -- Clean Air Act, NAAQS and State Implementation Plan (SIP)***

Work to ensure the federal government does its fair share to reduce air pollution with the South Coast region by providing funding and administrative support. Support policies, legislation and/or administrative efforts to:

- Provide federal incentive funding, policies, and require regulatory actions sufficient to, in combination with state and local actions, attain the national ambient air quality standards for ozone by 2023 and 2031 in the South Coast Air Basin, and if standards are not attained due to lack of federal actions, provide that the Basin is not punished by sanctions, fees or other penalty for failure to timely attain.
- Provide and protect state and local regulatory authority adequate for nonattainment areas to attain NAAQS for upcoming federal deadlines, and in particular, the South Coast AQMD to implement Air Quality Management Plans (AQMP) and attain federal ozone and particulate matter standards.
- Protect science-driven and health-based determinations of NAAQS, and efforts to streamline and provide flexible implementation of SIP requirements, as needed, to ensure feasibility of attainment; and,
- ~~Provide and protect state and local regulatory authority adequate for nonattainment areas to attain NAAQS for upcoming federal deadlines, and in particular, the South Coast AQMD to implement Air Quality Management Plans (AQMP) and attain federal ozone and particulate matter standards.~~
- ~~Provide federal incentive funding, policies, and require regulatory actions sufficient to, in combination with state and local actions, attain the national ambient air quality standards for~~

~~ozone by 2023 and 2031 in the South Coast Air Basin, and if standards are not attained due to lack of federal actions, provide that the Basin is not punished by sanctions, fees or other penalty for failure to timely attain.~~

### ***Technology Advancement***

Expand funding opportunities, policies and federal tax incentives for advanced clean technology research, development, demonstration and deployment programs, including those related to:

- Clean vehicles (such as heavy-, medium-, and light-duty vehicles, locomotives, marine vessels, and aircraft technologies);
- Zero and near-zero emission technologies;
- Clean fuels and refueling/recharging technologies and infrastructure;
- Technologies, systems and/or processes which reduce ambient concentrations of air pollutants and/or toxic air emissions;
- Establishing programs or policies that incentivize the federal government to purchase and use advanced clean, zero and near-zero emission technologies;
- Incentivizing individuals, businesses, states, and local governments to purchase and use advanced clean, zero and near-zero emission technologies; and,
- Renewable energy and alternative energy, energy storage and microgrids and other programs, especially as related to electric and hydrogen infrastructure for transportation and emissions reductions from sources such as back-up generators.

### ***COVID-19 and Economic Stimulus***

~~Seek legislative and administrative relief to assist with the impacts of COVID-19 including, but not limited to, unplanned expenses and loss of revenues. Pursue funding for economic stimulus efforts to assist South Coast AQMD meet NAAQS and to promote green technologies that mitigate and/or reduce air pollution and create jobs.~~

### ***Climate Change***

~~Seek to influence climate change initiatives and facilitate their implementation at local levels, including funding, to promote co-benefits with NAAQS and air toxics reduction, consistent with the Board's policy.~~

### ***Surface Transportation & Goods Movement***

Pursue the adoption of legislation and/or policies which will reduce or eliminate air quality impacts from mobile sources with an emphasis on the goods movement sector (for both medium-duty and heavy duty vehicles), as well as off-road vehicles (such as agricultural vehicles, cargo handling equipment, freight handling equipment, and construction equipment).

### ***Marine Vessels***

Pursue legislative and/or administrative policies that will further reduce marine vessel emissions and will ensure, through regulatory and/or incentive-based policies that the cleanest vessels come to U.S. ports.

### ***Locomotives***

Pursue efforts to reduce locomotive emissions, through regulatory and/or incentive-based policies.

### ***Reduction of Toxic Emissions***

Pursue efforts through legislative and administrative programs, to reduce toxic emissions, and the public's exposure to toxic emissions, within the South Coast region.

### ***Environmental Justice***

Support legislation which promotes environmental justice initiatives that will reduce localized health risks, develop clean air technologies that directly benefit disproportionately impacted communities, and enhance community participation in decision-making.

### ***Technology Advancement***

Expand funding opportunities, policies and federal tax incentives for advanced clean technology research, development, demonstration and deployment programs, including those related to:

- ~~— Clean vehicles (such as heavy-, medium-, and light-duty vehicles, locomotives, marine vessels, and aircraft technologies);~~
- Zero and near zero emission technologies;
- ~~● Clean vehicles (such as heavy-, medium-, and light-duty vehicles, locomotives, marine vessels, and aircraft technologies);~~
- Clean fuels and refueling/recharging technologies and infrastructure;
- Technologies, systems and/or processes which reduce ambient concentrations of air pollutants and/or toxic air emissions;
- Establishing programs or policies that incentivize the federal government to purchase and use advanced clean, zero and near zero emission technologies;
- Incentivizing individuals, businesses, states, and local governments to purchase and use advanced clean, zero and near zero emission technologies; and,
- Renewable energy and alternative energy, energy storage and microgrids and other programs, especially as related to electric and hydrogen infrastructure for transportation and emissions reductions from sources such as back-up generators.

### ***COVID-19 and Economic Stimulus***

Seek legislative and administrative relief to assist with the impacts of COVID-19 including, but not limited to, unplanned expenses and loss of revenues. Pursue funding for economic stimulus efforts to assist South Coast AQMD meet NAAQS and to promote green technologies that mitigate and/or reduce air pollution and create jobs.

### ***Climate Change***

Seek to influence climate change initiatives and facilitate their implementation at local levels, including funding, to promote co-benefits with NAAQS and air toxics reduction, consistent with the Board's policy.

### ***Business/Jobs***

Support legislation, policies or administrative actions that support and assist the regulated community to comply with rules and regulations in the most efficient and cost-effective manner that protects and encourages job retention and creation, and promotes economic growth, while working toward attainment of clean air standards.



**H.R. 8626, Barragán (CA)**  
Energy Resilient Communities Act

**Summary:** Directs the Secretary of Energy (Secretary) to carry out two grant programs (technical assistance/outreach and projects) to improve energy resilience and security of communities, prioritizing environmental justice communities.

**Background:** The Office of Representative Nanette Diaz Barragán is seeking South Coast AQMD’s technical feedback on legislation that she has introduced this session to raise visibility on clean energy microgrids to power critical infrastructure in emergency situations. The Congresswoman will consider feedback gathered over the next few months and reintroduce the bill in the 117<sup>th</sup> Congress.

**Status:** 10/20/2020 – Introduced and referred to the Committee on Energy and Commerce and the Committee on Science, Space and Technology.

**Specific Provisions:** The bill would create a new Clean Energy Microgrid Grant program within the Department of Energy to build resilience in communities for critical infrastructure. The grant program would provide two categories of grants for technical assistance and outreach, and project development and construction. The cost share for these grants would be 60 percent and, in the case of projects located in environmental justice communities, 90 percent.

Entities eligible to apply for grants under the bill include a State, territory of the United States, or Tribal agency, local government, electric utility, or nonprofit organization. Partnerships among eligible entities also would be allowed to apply for grants.

The bill defines critical community infrastructure as schools, town halls, public safety facilities, hospitals, health clinics, community centers, community non-profit facilities providing essential services, libraries, grocery stores, emergency management facilities, water systems, homeless shelters, senior housing, and public or affordable housing.

The technical assistance and outreach grants would be authorized at \$50 million per year from fiscal year 2021 to 2030. An eligible entity could use a technical assistance and outreach grant to evaluate and upgrade building codes and standards for climate resiliency and to develop an infrastructure resilience plan. Other eligible grant activities would include identification and design of prospective clean energy microgrids, assistance to address permitting and siting challenges, and community outreach and collaborative planning.

The resiliency grants would be authorized at \$1.5 billion per year from fiscal year 2021 to 2030. Each grant may not exceed \$10 million. An eligible entity may use these grants to develop and construct either a clean energy microgrid that supports critical infrastructure or a clean energy microgrid for individual homes belonging to medical baseline customers. Grant applications for projects that received a Technical Assistance and Outreach Grant would be given priority.

Thereafter, resiliency projects would be evaluated on criteria including the reduction of greenhouse gases and criteria air pollutants, public health, and energy cost burden for communities. The bill also would prioritize projects that are in a community owned energy system, located within the already built environment, minimize land use impacts, involve small business or nonprofits in environmental justice communities (especially women and minority owned and operated), and promote apprenticeships. Additionally, the bill requires the Department of Energy to develop and implement an outreach program to inform eligible entities about the Clean Energy Microgrid Grant program.

Buy American and labor-related provisions of the bill require the use of American iron, steel and manufactured goods. However, the Secretary of Energy could provide a waiver of these provisions if iron, steel and manufactured goods are not sufficiently available and of satisfactory quality or, if the cost of American products would increase the project cost by more than 25 percent. The bill also includes prevailing wage requirements and labor provisions which seek to prioritize the local labor force including disadvantaged individuals.

Lastly, the Secretary of Energy would be required to report to Congress and publish online annual data on the program including the number of grants provided, total dollar amount of all grants, grant disbursements by State, project descriptions, specify environmental justice grants, employment data, greenhouse gas and criteria pollutant reduction impacts, public health benefits, and energy cost savings.

**Impacts on South Coast AQMD’s Mission, Operations or Initiatives:**

The Energy Resilient Communities Act would assist in the deployment of clean energy microgrids to support critical infrastructure, especially within environmental justice communities. These microgrids could reduce the need for diesel powered back-up generators to support public safety, health and other important services in the aftermath of weather events and/or due to public safety power shutoffs (PSPS). South Coast AQMD has more than 10,000 permitted diesel fueled emergency back-up generators in its jurisdiction. At least 40 percent of these permitted diesel back-up generators are at least twenty-years old. During a PSPS, if diesel powered back-up generators that support critical services in the four-county region ran for 24-hours, the estimated NOx emissions would be higher than any one of the refineries in our basin produces in a single-year. While it is unlikely that there would simultaneous PSPS in all four counties, the duration and severity of wildfires and extreme weather events could require increased use of diesel back-up generators which could contribute significantly to air pollution in our region. Further, diesel back-up generators located near sensitive receptors increase localized health impacts. This bill could help reduce emissions from diesel back-up generators by deploying clean energy microgrids in communities to support critical services such as public safety and healthcare.

One application of clean energy microgrids of interest to South Coast AQMD that is not currently mentioned in H.R. 8626 relates to alternative fuel transportation (battery electric and fuel cell). The Board recently approved a project with the University of California at Irvine to develop a model for a connected model of microgrids for zero emission transportation. Clean energy microgrids could be used to increase the resiliency and reliability of transportation infrastructure during PSPS and

other events which may compromise the electric grid and impact the operation of zero emissions transportation and equipment. These microgrids could also reduce emissions by increasing efficiency, shift loads through energy storage and minimizing electricity delivery losses. Staff recommends working with the bill author to integrate transportation considerations into the uses of the grant funds and criteria for evaluating project awards.

Overall, H.R. 8626 could assist the region, especially within environmental justice communities, build clean energy microgrids which have benefits for air quality and public health. Staff recommend supporting the bill and working with Representative Barragán to address South Coast AQMD’s interest in microgrid technology to support zero emissions technology for reintroduction in the 117<sup>th</sup> Congress.

**Recommended Position: SUPPORT WITH AMENDMENTS**

Recommended amendments are below:

- Page 3, amend Paragraph (3) Clean Energy Microgrid Grants to include (H) proposes to support publicly accessible alternative fuel infrastructure (battery electric and fuel cell) for heavy-, medium-, and light-duty vehicles and equipment.

*This amendment would add criteria to consider grants under the “Clean Energy Microgrid” program for projects that “propose to support publicly accessible alternative fuel infrastructure (battery electric and fuel cell) for heavy-, medium- and light duty vehicles and infrastructure.*

- Page 3, amend Paragraph (c)(1) as follows:

(c) PRIORITY.—

(1) IN GENERAL.—In providing grants under the program established pursuant to subsection (a), the Secretary of Energy shall give priority to an eligible entity that proposes to use a grant to obtain technical assistance described in subsection (b)(1), provide outreach described in subsection (b)(2), or carry out a project described in subsection (b)(3), that will benefit an environmental justice community *and/or is located in an extreme or severe non-attainment region for ozone and/ or PM2.5.*

*This amendment would prioritize grants for projects in and/or in an extreme or severe non-attainment region for ozone and/ or PM2.5 for the Technical Assistance and Outreach and Clean Energy Microgrids programs.*

- Page 6, amend Paragraph (5) Critical Community Infrastructure to include (O) zero-emissions transportation infrastructure (battery electric and fuel cell) for heavy-, medium- and light-duty vehicles and equipment.

*This amendment would add “zero-emissions transportation infrastructure (battery electric and fuel cell) for heavy-, medium-, and light-duty vehicles and equipment” the definition of “critical*

*infrastructure” for the purposes of this bill. This will enable “zero emissions transportation infrastructure” to be considered as an eligible consideration under the “Technical Assistance and Outreach” program grant.*

- Page 16, amend paragraph (6)(B) to include after “government” or “political subdivision of the state”

*This amendment would add “political subdivisions of the state” such as South Coast AQMD as an eligible entity to apply for grants under the Clean Energy Microgrids program.*

.....  
(Original Signature of Member)

116TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To direct the Secretary of Energy to carry out a grant program to improve the energy resilience, energy democracy, and security of communities, prioritizing environmental justice communities, and for other purposes.

\_\_\_\_\_  
IN THE HOUSE OF REPRESENTATIVES

Ms. BARRAGÁN introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To direct the Secretary of Energy to carry out a grant program to improve the energy resilience, energy democracy, and security of communities, prioritizing environmental justice communities, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Energy Resilient Com-  
5 munities Act”.

1 **SEC. 2. CLEAN ENERGY MICROGRID GRANT PROGRAM.**

2 (a) IN GENERAL.—The Secretary of Energy shall es-  
3 tablish and carry out a program to provide grants to eligi-  
4 ble entities.

5 (b) USE OF FUNDS.—An eligible entity may use a  
6 grant provided under the program established pursuant to  
7 subsection (a) to—

8 (1) obtain technical assistance to—

9 (A) upgrade building codes and standards  
10 for resiliency to climate change hazards (includ-  
11 ing wildfires, flooding, sea level rise, landslides,  
12 drought, storms, temperature extremes, and  
13 other extreme weather events);

14 (B) develop an infrastructure resilience  
15 plan to identify and overcome known climate  
16 change hazards to critical community infra-  
17 structure; or

18 (C) conduct a needs assessment of prospec-  
19 tive clean energy microgrid projects and, as ap-  
20 plicable, design prospective clean energy  
21 microgrids, including assistance to address per-  
22 mitting and siting challenges, understand and  
23 facilitate financing options, and understand the  
24 technical characteristics of clean energy  
25 microgrids;

1           (2) provide community outreach and collabo-  
2           rative planning with respect to a prospective project  
3           described in paragraph (3); or

4           (3) carry out a project to develop and con-  
5           struct—

6                   (A) a clean energy microgrid that supports  
7                   critical community infrastructure; or

8                   (B) a clean energy microgrid for residences  
9                   of medical baseline customers.

10          (c) PRIORITY.—

11           (1) IN GENERAL.—In providing grants under  
12           the program established pursuant to subsection (a),  
13           the Secretary of Energy shall give priority to an eli-  
14           gible entity that proposes to use a grant to obtain  
15           technical assistance described in subsection (b)(1),  
16           provide outreach described in subsection (b)(2), or  
17           carry out a project described in subsection (b)(3),  
18           that will benefit an environmental justice commu-  
19           nity.

20           (2) TECHNICAL ASSISTANCE AND COMMUNITY  
21           OUTREACH GRANTS.—After priority given under  
22           paragraph (1), in providing grants to obtain tech-  
23           nical assistance described in subsection (b)(1) or  
24           provide outreach described in subsection (b)(2), the  
25           Secretary of Energy shall give priority to an eligible

1       entity proposing to obtain technical assistance or  
2       provide outreach that the Secretary of Energy deter-  
3       mines will further the development of clean energy  
4       microgrids that are community-owned energy sys-  
5       tems.

6               (3) CLEAN ENERGY MICROGRID GRANTS.—After  
7       priority given under paragraph (1), in providing  
8       grants under the program established pursuant to  
9       subsection (a) for projects described in subsection  
10      (b)(3), the Secretary of Energy shall give priority to  
11      an eligible entity that—

12              (A) proposes to develop and construct a  
13              clean energy microgrid that, in comparison to  
14              other clean energy microgrids for which grants  
15              are sought under such program, will result in  
16              the greatest reduction—

17                      (i) of greenhouse gas emissions;

18                      (ii) of emissions of criteria air pollut-  
19                      ants;

20                      (iii) in public health disparities in  
21                      communities experiencing a dispropor-  
22                      tionate level of air pollution; or

23                      (iv) in the energy cost burden for  
24                      communities;

1 (B) proposes to develop and construct a  
2 clean energy microgrid that is a community-  
3 owned energy system;

4 (C) proposes to develop and construct a  
5 clean energy microgrid that, in comparison to  
6 other clean energy microgrids for which grants  
7 are sought under such program, will provide the  
8 greatest amount of resiliency benefits to a juris-  
9 diction in which the microgrid is located;

10 (D) proposes to develop and construct a  
11 clean energy microgrid that minimizes land use  
12 impacts by—

13 (i) siting sources of clean energy with-  
14 in the already-built environment, including  
15 over rooftops and parking lots;

16 (ii) siting sources of clean energy on  
17 existing brownfield sites or contaminated  
18 sites;

19 (iii) co-locating sources of clean en-  
20 ergy on agricultural lands or over res-  
21 ervoirs; or

22 (iv) siting sources of clean energy on  
23 compatible lands;

24 (E) proposes to, in developing and con-  
25 structing a clean energy microgrid, utilize or in-

1            involve small businesses or nonprofits that pri-  
2            marily operate or are located within environ-  
3            mental justice communities, particularly those  
4            that are women-owned and operated or minor-  
5            ity-owned and operated;

6            (F) has previously received a grant to ob-  
7            tain technical assistance under such program;  
8            or

9            (G) imposes registered apprentice utiliza-  
10           tion requirements on projects, provided that  
11           such requirements comply with the apprentice  
12           to journey worker ratios established by the De-  
13           partment of Labor or the applicable State Ap-  
14           prenticeship Agency.

15           (d) EDUCATIONAL OUTREACH PROGRAM.—

16           (1) IN GENERAL.—Not later than 90 days after  
17           funds are made available to carry out this section,  
18           the Secretary of Energy shall develop and carry out  
19           an educational outreach program to inform eligible  
20           entities about the program established pursuant to  
21           subsection (a).

22           (2) CONTRACTS.—The Secretary of Energy  
23           may enter into third-party contracts to implement  
24           the educational outreach program under paragraph  
25           (1). In entering into contracts pursuant to this para-

1 graph, the Secretary shall prioritize entering into  
2 contracts with women-owned and operated or minor-  
3 ity-owned and operated entities.

4 (3) PRIORITY.—The educational outreach pro-  
5 gram under paragraph (1) shall prioritize—

6 (A) providing information on the program  
7 established pursuant to subsection (a) to eligi-  
8 ble entities that serve an environmental justice  
9 community and to environmental justice com-  
10 munities; and

11 (B) promoting public understanding of the  
12 community benefits of clean energy microgrids  
13 for critical community infrastructure.

14 (e) COST SHARE.—

15 (1) IN GENERAL.—Except as provided in para-  
16 graphs (2), the Federal share of the cost of technical  
17 assistance, outreach, or a project for which a grant  
18 is provided pursuant to the program established pur-  
19 suant to subsection (a) shall not exceed 60 percent  
20 of such cost.

21 (2) ENVIRONMENTAL JUSTICE COMMUNITY.—

22 The Federal share of the cost of technical assistance  
23 that is obtained for, outreach that is provided to, or  
24 a project that is carried out in, an environmental  
25 justice community, and for which a grant is provided

1       pursuant to the program established pursuant to  
2       subsection (a) shall not exceed 90 percent of such  
3       cost.

4       (f) LIMITATION ON AMOUNT.—The amount of a  
5       grant provided to an eligible entity under this section to  
6       carry out a project described in subsection (b)(3) may not  
7       exceed \$10,000,000.

8       (g) USE OF AMERICAN IRON, STEEL, AND MANUFAC-  
9       TURED GOODS.—

10           (1) No funds authorized under this section shall  
11           be made available with respect to a project unless all  
12           of the iron, steel, and manufactured goods used in  
13           the project are produced in the United States.

14           (2) Paragraph (1) shall not apply in any case  
15           or category of cases in which the Secretary of En-  
16           ergy finds that—

17                   (A) applying paragraph (1) would be in-  
18                   consistent with the public interest;

19                   (B) iron, steel, and the relevant manufac-  
20                   tured goods are not produced in the United  
21                   States in sufficient and reasonably available  
22                   quantities and of a satisfactory quality; or

23                   (C) inclusion of iron, steel, and manufac-  
24                   tured goods produced in the United States will

1           increase the cost of the overall project by more  
2           than 25 percent.

3           (3) If the Secretary of Energy receives a re-  
4           quest for a waiver under this subsection, the Sec-  
5           retary shall make available to the public on an infor-  
6           mal basis a copy of the request and information  
7           available to the Secretary concerning the request,  
8           and shall allow for informal public input on the re-  
9           quest for at least 15 days prior to making a finding  
10          based on the request. The Secretary shall make the  
11          request and accompanying information available by  
12          electronic means, including on the official public  
13          website of the Department of Energy.

14          (4) This subsection shall be applied in a man-  
15          ner consistent with the United States' obligations  
16          under international agreements.

17          (h) PREVAILING WAGES.—All laborers and mechan-  
18          ics employed by contractors or subcontractors in the per-  
19          formance of construction, alteration, or repair work as-  
20          sisted, in whole or in part, by a grant under this section  
21          shall be paid wages at rates not less than those prevailing  
22          on similar construction in the locality as determined by  
23          the Secretary of Labor in accordance with subchapter IV  
24          of chapter 31 of title 40, United States Code. With respect  
25          to the labor standards in this subsection, the Secretary

1 of Labor shall have the authority and functions set forth  
2 in Reorganization Plan Numbered 14 of 1950 (64 Stat.  
3 1267; 5 U.S.C. App.) and section 3145 of title 40, United  
4 States Code.

5 (i) PROJECT LABOR.—An eligible entity that uses a  
6 grant provided under this section to construct a clean en-  
7 ergy microgrid shall ensure, to the greatest extent prac-  
8 ticable, that any subgrantee of such eligible entity, and  
9 any subgrantee thereof, that carries out such construction  
10 employs at least 40 percent of laborers or mechanics for  
11 such construction that are individuals who—

12 (1) are domiciled, if the applicable construction  
13 area is—

14 (A) a major urban area, not further than  
15 15 miles from such construction area; or

16 (B) not a major urban area, not further  
17 than 50 miles from such construction area;

18 (2) are displaced and unemployed energy work-  
19 ers;

20 (3) are members of the Armed Forces serving  
21 on active duty, separated from active duty, or retired  
22 from active duty;

23 (4) have been incarcerated or served time in a  
24 juvenile or adult detention or correctional facility, or

1       been placed on probation, community supervision, or  
2       in a diversion scheme;

3           (5) have a disability;

4           (6) are homeless;

5           (7) are receiving public assistance;

6           (8) lack a general education diploma or high  
7       school diploma;

8           (9) are emancipated from the foster care sys-  
9       tem;

10          (10) reside or work in an environmental justice  
11       community; or

12          (11) are registered apprentices with fewer than  
13       15 percent of the required graduating apprentice  
14       hours in a program.

15       (j) REPORTS.—The Secretary of Energy shall submit  
16       to Congress, and make available on the public website of  
17       the Department of Energy, an annual report on the pro-  
18       gram established pursuant to subsection (a) that includes,  
19       with respect to the previous year—

20           (1) the number of grants provided;

21           (2) the total dollar amount of all grants pro-  
22       vided;

23           (3) a list of grant disbursements by State;

24           (4) for each grant provided—

1 (A) a description of the technical assist-  
2 ance obtained, outreach provided, or project  
3 carried out with grants funds; and

4 (B) whether the grant is provided to obtain  
5 technical assistance, provide outreach, or carry  
6 out a project with respect to an environmental  
7 justice community; and

8 (5) for each grant provided to carry out a clean  
9 energy microgrid project—

10 (A) employment data for such project, in-  
11 cluding the number of jobs created and what  
12 percent of laborers and mechanics hired for  
13 such project meet the criteria under subsection  
14 (i);

15 (B) the greenhouse gas and criteria air  
16 pollutant reduction impacts for such project;

17 (C) the public health benefits from such  
18 project; and

19 (D) the reduced energy cost burden from  
20 such project.

21 (k) FUNDING.—

22 (1) AUTHORIZATION OF APPROPRIATIONS.—For  
23 each of fiscal years 2021 through 2030, there is au-  
24 thorized to be appropriated—

1 (A) \$50,000,000 for grants for technical  
2 assistance described in subsection (b)(1) and  
3 outreach described in subsection (b)(2); and

4 (B) \$1,500,000,000 for grants for projects  
5 described in subsection (b)(3).

6 (2) COMMUNITY-OWNED ENERGY SYSTEMS.—

7 To the maximum extent practicable, not less than 10  
8 percent of the amount appropriated under para-  
9 graph (1)(B) for any fiscal year shall be used to pro-  
10 vide grants for projects to develop and construct  
11 clean energy microgrids that are community-owned  
12 energy systems.

13 (3) ADMINISTRATIVE EXPENSES.—

14 (A) TECHNICAL ASSISTANCE AND OUT-  
15 REACH.—The Secretary may use not more than  
16 2 percent of the amount appropriated for any  
17 fiscal year under paragraph (1)(A) for adminis-  
18 trative expenses.

19 (B) CLEAN ENERGY MICROGRID  
20 PROJECTS.—The Secretary may use not more  
21 than 2 percent of the amount appropriated for  
22 any fiscal year under paragraph (1)(B) for ad-  
23 ministrative expenses, including expenses for  
24 carrying out the educational outreach program  
25 under subsection (d).

1 (l) DEFINITIONS.—In this section:

2 (1) CLEAN ENERGY.—The term “clean energy”  
3 means electric energy generated from solar, wind,  
4 geothermal, existing hydropower, micro-hydropower,  
5 hydrokinetic, or hydrogen fuel cells.

6 (2) COMMUNITY OF COLOR.—The term “com-  
7 munity of color” means a geographically distinct  
8 area in which the population of any of the following  
9 categories of individuals is higher than the average  
10 populations of that category for the State in which  
11 the community is located:

12 (A) Black.

13 (B) African American.

14 (C) Asian.

15 (D) Pacific Islander.

16 (E) Other non-White race.

17 (F) Non-White Hispanic.

18 (G) Latino.

19 (H) Linguistically isolated.

20 (3) COMMUNITY-OWNED ENERGY SYSTEM.—

21 The term “community-owned energy system” means  
22 an energy system owned—

23 (A) by the local government where the sys-  
24 tem is located;

1 (B) by a non-profit organization that is  
2 based in the local jurisdiction where the energy  
3 system is located;

4 (C) collectively, by community members; or

5 (D) by a worker-owned or community-  
6 owned for-profit entity.

7 (4) COMPATIBLE LAND.—The term “compatible  
8 land” means land that is at least 5 miles away from  
9 existing protected areas and within 3 miles of exist-  
10 ing transmission infrastructure.

11 (5) CRITICAL COMMUNITY INFRASTRUCTURE.—  
12 The term “critical community infrastructure” means  
13 infrastructure that is necessary to providing vital  
14 community and individual functions, including—

15 (A) schools;

16 (B) town halls;

17 (C) public safety facilities;

18 (D) hospitals;

19 (E) health clinics;

20 (F) community centers;

21 (G) community non-profit facilities pro-  
22 viding essential services;

23 (H) libraries;

24 (I) grocery stores;

25 (J) emergency management facilities;

- 1 (K) water systems;  
2 (L) homeless shelters;  
3 (M) senior housing; and  
4 (N) public or affordable housing.

5 (6) ELIGIBLE ENTITY.—The term “eligible enti-  
6 ty” means—

- 7 (A) a State, territory of the United States,  
8 or Tribal agency;  
9 (B) a local government;  
10 (C) an electric utility;  
11 (D) a nonprofit organization; or  
12 (E) a partnership between—  
13 (i) a private entity, or a nonprofit or-  
14 ganization, that owns critical community  
15 infrastructure; and  
16 (ii) a State, territory of the United  
17 States, Tribal agency, or local government.

18 (7) ENVIRONMENTAL JUSTICE COMMUNITY.—  
19 The term “environmental justice community” means  
20 a community with significant representation of com-  
21 munities of color, low-income communities, or Tribal  
22 and indigenous communities, that experiences, or is  
23 at risk of experiencing, higher or more adverse  
24 human health or environmental effects.

1           (8) LOW-INCOME COMMUNITY.—The term “low-  
2           income community” means any census block group  
3           in which 30 percent or more of the population are  
4           individuals with an annual household income equal  
5           to, or less than, the greater of—

6                   (A) an amount equal to 80 percent of the  
7                   median income of the area in which the house-  
8                   hold is located, as reported by the Department  
9                   of Housing and Urban Development; and

10                   (B) 200 percent of the Federal poverty  
11                   line.

12           (9) MAJOR URBAN AREA.—The term “major  
13           urban area” means a metropolitan statistical area  
14           within the United States with an estimated popu-  
15           lation that is greater than or equal to 1,500,000.

16           (10) MEDICAL BASELINE CUSTOMER.—The  
17           term “medical baseline customer” means a customer  
18           of an electric utility with special energy needs due  
19           to a medical condition, including energy needs for—

20                   (A) a motorized wheelchair;

21                   (B) a ventilator;

22                   (C) a dialysis machine;

23                   (D) an apnea monitor;

24                   (E) an electrostatic nebulizer;

25                   (F) a respirator;

1 (G) medication requiring refrigeration; and

2 (H) for a customer with a vulnerable res-  
3 piratory system, an air cleaning system.

4 (11) MICROGRID.—The term “microgrid”  
5 means an interconnected system of loads and clean  
6 energy resources (including distributed energy re-  
7 sources, energy storage, demand response tools, and  
8 other management, forecasting, and analytical tools)  
9 which—

10 (A) is appropriately sized to meet the crit-  
11 ical needs of its customers;

12 (B) is contained within a clearly defined  
13 electrical boundary and has the ability to oper-  
14 ate as a single and controllable entity;

15 (C) has the ability to—

16 (i) connect to, disconnect from, or run  
17 in parallel with the applicable grid region;  
18 or

19 (ii) be managed and isolated from the  
20 applicable grid region in order to withstand  
21 larger disturbances and maintain the sup-  
22 ply of electricity to a connected location;

23 (D) has no point of interconnection to the  
24 applicable grid region with a throughput capac-  
25 ity in excess of 20 megawatts; and

1 (E) can connect to one building or multiple  
2 interconnected buildings.

3 (12) MICRO-HYDROPOWER.—The term “micro-  
4 hydropower” means hydropower that produces no  
5 more than 100 kilowatts of electricity using the nat-  
6 ural flow of water.

7 (13) PRODUCED IN THE UNITED STATES.—The  
8 term “produced in the United States” means, in the  
9 case of iron or steel, that all manufacturing proc-  
10 esses, including the application of a coating, occur in  
11 the United States.

12 (14) REGISTERED APPRENTICE.—The term  
13 “registered apprentice” means a person in an ap-  
14 prenticeship program that is registered with, and ap-  
15 proved by, the United States Department of Labor  
16 or a State Apprenticeship Agency in accordance with  
17 parts 29 and 30 of title 29, Code of Federal Regula-  
18 tions (as in effect on January 1, 2020).

19 (15) SMALL BUSINESS.—The term “small busi-  
20 ness” has the meaning given the term “small busi-  
21 ness concern” under section 3 of the Small Business  
22 Act (15 U.S.C. 632).

23 (16) TRIBAL AND INDIGENOUS COMMUNITY.—  
24 The term “Tribal and indigenous community”  
25 means a population of people who are members of—

- 1 (A) a federally recognized Indian Tribe;
- 2 (B) a State-recognized Indian Tribe;
- 3 (C) an Alaska Native or Native Hawaiian
- 4 community or organization; or
- 5 (D) any other community of indigenous
- 6 people located in a State.