

BOARD MEETING DATE: April 2, 2021

AGENDA NO. 18

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a meeting remotely on Friday, March 12, 2021. The following is a summary of the meeting.

Agenda Item	Recommendation/Action
AB 96 (O'Donnell) – California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program	Support
AB 1296 (Kamlager) – South Coast Air Quality Management District: District Board: Membership	No Position

RECOMMENDED ACTION:

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

Michael A. Cacciotti, Chair
Legislative Committee

DJA:LTO:PFC:DPG: sd:ar

Committee Members

Present: Mayor Pro Tem Michael A. Cacciotti/Chair
Council Member Joe Buscaino/Vice Chair
Senator Vanessa Delgado (Ret.)
Supervisor V. Manuel Perez
Supervisor Janice Rutherford

Absent: Dr. William A. Burke

Call to Order

Chair Cacciotti called the meeting to order at 9:00 a.m.

ACTION ITEMS:

1. Recommend Position on State Bills:

Derrick Alatorre, Deputy Executive Officer, Legislative, Public Affairs & Media, commented on AB 426 (Bauer-Kahan), sponsored by the Bay Area AQMD, which Committee Members had inquired about last month. Staff is working with Bay Area AQMD staff to resolve issues with the bill's language, and will be bringing the bill before this committee for consideration in April.

Supervisor Rutherford stated that this bill should have been on the agenda this month. Wayne Nastri, Executive Officer, explained that discussions took place with Bay Area AQMD and staff was looking to resolve those issues prior to bringing it before this committee. Mr. Nastri stated that the bill would be on the April Committee agenda.

AB 96 (O'Donnell) – California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program

Philip Crabbe, Public Affairs Manager, Legislative, Public Affairs & Media, summarized AB 96 (O'Donnell). The bill would extend, until December 31, 2026, the requirement that at least 20 percent of funding for the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program (Clean Truck and Bus Program) be made available to support early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology.

Staff recommended the following amendments to the bill:

1. The bill's initial 20 percent funding for zero- and near-zero-emission heavy-duty truck technology should be spent in the most cost-effective manner;
2. The 20 percent funding to support deployment of near-zero-emission heavy-duty truck technology, should be increased to 50 percent; and,
3. Technical changes should be made to the definition of "near-zero-emission" established by the bill.

Chair Cacciotti inquired about the definition of zero-emission in the bill. Staff responded that the bill attempts to clarify the ambiguous definitions of zero and near-zero emission that exist in current law and added that CARB has put into some of their regulations a definition of near-zero emissions that conflicts with how South Coast AQMD defines near-zero.

Chair Cacciotti inquired as to whether lawn and garden equipment can be included in the Clean Truck and Bus Program as referenced in the bill. Staff can request an amendment to allow lawn and garden equipment to receive incentives.

Staff recommended a “SUPPORT” position on this bill.

Moved by Buscaino; seconded by Perez; unanimously approved

Ayes: Buscaino, Cacciotti, Delgado, Perez, Rutherford

Noes: None

Abstain: None

Absent: Burke

There was no public comment.

AB 1296 (Kamlager) – South Coast Air Quality Management District: District Board: Membership

Mr. Crabbe presented AB 1296 (Kamlager), which would add two environmental justice (EJ) appointees to the Board. One would be appointed by the Senate Rules Committee and one by the Assembly Speaker. Mr. Crabbe noted that a second bill, SB 342 (Gonzalez), is nearly identical to AB 1296 (Kamlager).

Senator Delgado inquired if South Coast AQMD was consulted on this bill. Staff indicated they received notice regarding the bills and had a meeting with Assemblymember Kamlager’s office to gather more information.

Chair Cacciotti inquired about changes to the San Diego County Air Pollution Control District Board. Mr. Nastri responded that a previous bill changed having that district under San Diego County’s authority and to a separate entity with a new Board structure.

Supervisor Rutherford stated that the bill infringes on local control and she recommends an oppose position on the bill. She also stated that weekly reports to Board members, specific to their South Coast AQMD committee assignments, would be helpful and informative. Mr. Nastri stated that weekly reports will be prepared and distributed to committee members moving forward.

Supervisor Perez inquired about the bill’s sponsor and the motivation behind the bill. He recommended that staff continue to track and investigate the bill .

Council Member Buscaino recommended no position with continued advocacy for local control. Chair Cacciotti recommended no position on the bill and to continue working with legislative staff on the bill.

No position was taken on this bill. The bill will be brought back to the committee on the April meeting agenda.

There was no public comment.

DISCUSSION ITEMS:

2. Update on Federal Legislative Issues

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

Amelia Jenkins of Cassidy & Associates informed the committee that Michael Regan was confirmed by the Senate to serve as the U.S. EPA Administrator. The House Energy and Commerce Committee introduced the "Climate Leadership and Environmental Action for our Nation's (CLEAN) Future Act." It includes:

- \$500 million for electric vehicle infrastructure;
- \$2.5 million for a clean bus program;
- \$500 million for DERA; emission standards for locomotives; and additional language related to air monitoring.

The bill could be added to a second Budget Reconciliation package.

Mark Kadesh of Kadesh & Associates reported that the President signed the \$1.9 trillion "American Rescue Plan Act." The bill provides U.S. EPA funding of:

- \$50 million for air quality and other environmental programs impacting underserved communities;
- \$50 million for Clean Air Act Section 103 and 105 programs; and
- State and local government assistance including approximately \$24 billion for California.

Council Member Buscaino added that cities received approximately \$60 billion from the bill and the focus is now on the transportation and infrastructure bill.

Gary Hoistma of Carmen Group reported on the transportation and infrastructure bill. The House Transportation and Infrastructure Committee has held three hearings, including one on rail. The Senate Environment and Public Works Committee has held two hearings.

In mid-April the President is expected to give a State of the Union Address to outline priorities and release a budget. The Conference Committee will meet from September to the end of the year to work out differences between the House and Senate versions.

Chair Cacciotti asked about the Federal Transit Administration (FTA) “Low-No” transit grants. Mr. Hoitsma responded that the grants are largely awarded for the purchase of buses.

Chair Cacciotti requested staff investigate federal funding opportunities for South Coast AQMD and other agencies. Mr. Nastri confirmed the request to research grant opportunities, apply where possible, and share information with other agencies.

3. Update on State Legislative Issues

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

Ross Buckley of California Advisors, LLC reported that Assemblymember Sydney Kamlager was elected to the State Senate and was sworn in to represent the 30th Senate District. The State Assembly now has a vacancy to fill. Also, Speaker Anthony Rendon appointed Veronica Padilla-Campos to replace Chairman Burke on the South Coast AQMD Board. Her term begins on June 1.

There was no public comment.

OTHER MATTERS:

4. Other Business

There was no public comment.

5. Public Comment Period

Ian Stewart commented on state and federal policies in relation to locomotives.

6. Next Meeting Date

The next regular Legislative Committee meeting is scheduled for Friday, April 9, 2021 at 9:00 a.m.

Adjournment

The meeting adjourned at 9:52 a.m.

Attachments

1. Attendance Record
2. Recommend Position on State Bills
3. Update on Federal Legislative Issues – Written Reports
4. Update on State Legislative Issues – Written Reports

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT LEGISLATIVE COMMITTEE MEETING (VIA ZOOM) ATTENDANCE RECORD – March 12, 2021

Council Member, Joe Buscaino..... South Coast AQMD Board Member
Mayor Pro Tem Michael Cacciotti..... South Coast AQMD Board Member
Senator Vanessa Delgado..... South Coast AQMD Board Member
Supervisor V. Manuel Perez..... South Coast AQMD Board Member
Supervisor Janice Rutherford..... South Coast AQMD Board Member

Frank Cardenas..... Board Consultant (Cacciotti)
Guillermo Gonzalez Board Consultant (Perez)
Jacob Haik Board Consultant (Buscaino)
Debra Mendelsohn Board Consultant (Rutherford)
Mark Taylor..... Board Consultant (Rutherford)
Ben Wong..... Board Consultant (Cacciotti)
Ross Zelen Board Consultant (Kracov)

Ross Buckley California Advisors, LLC
Paul Gonsalves Joe A. Gonsalves & Son
Gary Hoitsma Carmen Group, Inc.
Amelia Jenkins Cassidy & Associates
Mark Kadesh Kadesh & Associates
Ben Miller Kadesh & Associates
David Quintana Resolute

Mark Abramowitz
Betsy Brien
Greg Busch
Curtis Coleman
Ramine Cromartie
Ken Dami
Kris Flaig
Barbara Graham
Otis Greer
Peter Herzog
Samuel Kang
Frances Keeler..... CCEEB
Bill LaMarr..... California Small Business Alliance
Barbara Lee
Adrieon Newman
David Rothbart
Patty Senecal
Chris Shimoda
Ian Stewart
Sarah Wiltfong

Derrick Alatorre	South Coast AQMD Staff
Debra Ashby.....	South Coast AQMD Staff
Jason Aspell.....	South Coast AQMD Staff
Barbara Baird	South Coast AQMD Staff
Philip Crabbe.....	South Coast AQMD Staff
Azar Dabiri.....	South Coast AQMD Staff
Stacy Day	South Coast AQMD Staff
Amir Dejbakhsh	South Coast AQMD Staff
Denise Gailey	South Coast AQMD Staff
Sheri Hanizavareh	South Coast AQMD Staff
Anissa Cessa Heard-Johnson.....	South Coast AQMD Staff
Nydia Ibarra.....	South Coast AQMD Staff
Sujata Jain	South Coast AQMD Staff
Jason Low.....	South Coast AQMD Staff
Matt Miyasato	South Coast AQMD Staff
Wayne Nastri.....	South Coast AQMD Staff
Stephano Padilla	South Coast AQMD Staff
Sarah Rees	South Coast AQMD Staff
Mary Reichert.....	South Coast AQMD Staff
Aisha Reyes.....	South Coast AQMD Staff
Angelica Reyes.....	South Coast AQMD Staff
Danielle Soto	South Coast AQMD Staff
Lisa Tanaka O'Malley.....	South Coast AQMD Staff
Jill Whynot.....	South Coast AQMD Staff
William Wong	South Coast AQMD Staff
Victor Yip.....	South Coast AQMD Staff

ATTACHMENT 2A

South Coast Air Quality Management District
Legislative Analysis Summary – AB 96 (O'Donnell)
Version: As Introduced – 12/7/2020
Analyst: PC

AB 96 (O'Donnell)

California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program.

Summary: This bill would extend, until December 31, 2026, the requirement that at least 20% of funding for the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program (Clean Truck and Bus Program) be made available to support early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology. The bill would also require that at least 20% of that funding be allocated to existing near-zero-emission heavy-duty truck technology.

Background: California's heavy-duty vehicle fleet is a significant contributor to greenhouse gas (GHG) emissions and a major source of air pollution containing particulate matter, carbon monoxide, sulfur dioxide, and toxic air contaminants. These chemicals can lead to serious health consequences, including eye, throat, and lung irritation; exacerbation of asthma, allergies, and cardiovascular disease; neurological and reproductive disorders; cancer; and premature death. This pollution disproportionately affects disadvantaged communities, which are frequently located along major transportation corridors.

In 2014, SB 1204 (Lara) created the Clean Truck and Bus Program under California Air Resources Board (CARB). The Clean Truck and Bus Program, upon appropriation from the Greenhouse Gas Reduction Fund (GGRF), funds zero- and near-zero-emission truck, bus, and off-road vehicle and equipment technologies and related projects. The program provides that projects eligible for funding include, among others, technology development, demonstration, precommercial pilots, and early commercial deployments of zero- and near-zero-emission medium- and heavy-duty truck technology. In order to provide more immediate benefits, the Program requires, until December 31, 2021, no less than 20% of funding be made available for that purpose to support early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology. The program defines "zero- and near-zero-emission" for its purposes.

Status: 1/11/2021 - Referred to Coms. on TRANS. and NAT. RES.

Specific Provisions: Specifically, this bill would:

- 1) Extend, until December 31, 2026, the requirement that no less than 20% of funding for the Clean Truck and Bus Program be made available to support early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology;
- 2) Require that of the funding set aside to support early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology, at least 20% of that amount must be allocated to existing near-zero-emission heavy-duty truck technology;

- 3) Define “Near-zero-emission” to mean vehicles, fuels, and related technologies that reduce greenhouse gas emissions and improve air quality when compared with conventional or fully commercialized alternatives. Near-zero-emission vehicles shall include vehicles that meet or exceed a 0.02 grams per brake horsepower-hour (g/bhp-hr) low oxides of nitrogen emissions standard; and
- 4) Revise the definition of “Zero-emission” to mean vehicles, fuels, and related technologies that reduce greenhouse gas emissions and improve air quality when compared with conventional or fully commercialized alternatives, as defined by CARB in consultation with the State Energy Resources Conservation and Development Commission. “Zero-emission” may include, but is not limited to, zero-emission technology and enabling technologies that provide a pathway to emissions reductions.

Impacts on South Coast AQMD’s Mission, Operations or Initiatives: California has set GHG emissions reduction goals that the state must meet by 2030. In addition, the federal government has designated the South Coast region as a “nonattainment area” under federal air quality standards and looming attainment deadlines are in 2023 and 2031. Reducing emissions from heavy-duty vehicles will be critical in meeting these requirements.

While the Clean Truck and Bus Program has made progress towards the adoption of clean heavy-duty truck technology, the state faces a steep road ahead. To achieve short- and long-term emissions reduction requirements and bring clean air to communities that need it most, the state must continue to incentivize private industry to deploy clean truck technologies. The author argues that this effort must include near-zero-emission technologies that have the range to replace heavy-duty diesel trucks and are ready to deploy on our roads today. This will help achieve the maximum emissions reductions possible in the short term and facilitate attainment of fast-approaching state and federal air quality deadlines.

South Coast AQMD suggested amendments:

- 1) Suggest that the 20% set-aside of Clean Truck and Bus Program funding to support early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology, extended by this bill, be required to be spent in the most cost-effective manner possible;
- 2) Suggest that the 20% sub set-aside for funding to support early commercial deployment of existing near-zero-emission heavy-duty truck technology only, be increased to 50%;
- 3) Suggest changes to definition of “near-zero-emission” as follows: “Near-zero-emission *on-road* vehicles shall include vehicles that meet ~~or exceed~~ *or emit less than* a 0.02 grams per brake horsepower-hour (g/bhp-hr) low oxides of nitrogen emissions standard.”

Recommended Position: SUPPORT

Support:

California Natural Gas Vehicle Coalition (Sponsor)
Clean Energy

Oppose:

N/A

ATTACHMENT 2B

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

ASSEMBLY BILL

No. 96

Introduced by Assembly Member O'Donnell

December 7, 2020

An act to amend Section 39719.2 of the Health and Safety Code, relating to greenhouse gases.

LEGISLATIVE COUNSEL'S DIGEST

AB 96, as introduced, O'Donnell. California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include in its regulation of emissions of greenhouse gases the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation by the Legislature.

The California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program, upon appropriation from the Greenhouse Gas Reduction Fund, funds zero- and near-zero-emission truck, bus, and off-road vehicle and equipment technologies and related projects. The program provides that projects eligible for funding include, among others, technology development, demonstration, precommercial pilots, and early commercial deployments of zero- and near-zero-emission medium- and heavy-duty truck technology, and requires, until December 31, 2021, no less than 20% of funding made

available for that purpose to support early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology. The program defines “zero- and near-zero-emission” for its purposes.

This bill would extend the requirement that 20% of funding be made available to support early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology until December 31, 2026. The bill would further require at least 20% of that funding support early commercial deployment of existing near-zero-emission heavy-duty truck technology. The bill would create a separate definition for “near-zero-emission” and revise the definition for “zero-emission,” as provided.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 39719.2 of the Health and Safety Code,
2 as amended by Section 1 of Chapter 100 of the Statutes of 2020,
3 is amended to read:

4 39719.2. (a) The California Clean Truck, Bus, and Off-Road
5 Vehicle and Equipment Technology Program is hereby created,
6 to be administered by the state board in conjunction with the State
7 Energy Resources Conservation and Development Commission.
8 The program, from moneys appropriated from the fund for the
9 purposes of the program, shall fund development, demonstration,
10 precommercial pilot, and early commercial deployment of zero-
11 and near-zero-emission truck, bus, and off-road vehicle and
12 equipment technologies. Priority shall be given to projects
13 benefiting disadvantaged communities pursuant to the requirements
14 of Sections 39711 and 39713.

15 (b) Projects eligible for funding pursuant to this section include,
16 but are not limited to, the following:

17 (1) (A) Technology development, demonstration,
18 precommercial pilots, and early commercial deployments of zero-
19 and near-zero-emission medium- and heavy-duty truck technology,
20 including projects that help to facilitate clean goods movement
21 corridors. ~~Until~~

22 (B) ~~Until~~ December 31, ~~2021~~, 2026, no less than 20 percent of
23 funding made available for purposes of this paragraph shall support
24 early commercial deployment of existing zero- and

1 near-zero-emission heavy-duty truck technology. *At least 20*
2 *percent of the funding described in this subparagraph shall support*
3 *early commercial deployment of existing near-zero-emission*
4 *heavy-duty truck technology.*

5 (2) Zero- and near-zero-emission bus technology development,
6 demonstration, precommercial pilots, and early commercial
7 deployments, including pilots of multiple vehicles at one site or
8 region.

9 (3) Zero- and near-zero-emission off-road vehicle and equipment
10 technology development, demonstration, precommercial pilots,
11 and early commercial deployments, including vehicles and
12 equipment in the port, agricultural, marine, construction, and rail
13 sectors.

14 (4) Purchase incentives, which may include point-of-sale, for
15 commercially available zero- and near-zero-emission truck, bus,
16 and off-road vehicle and equipment technologies and fueling
17 infrastructure to support early market deployments of alternative
18 technologies and to increase manufacturer volumes and accelerate
19 market acceptance.

20 (5) Projects that support greater commercial motor vehicle and
21 equipment freight efficiency and greenhouse gas emissions
22 reductions, including, but not limited to, advanced intelligent
23 transportation systems, autonomous vehicles, grid integration and
24 integrated storage solutions, charging management demonstration
25 and analytics, and other freight information and operations
26 technologies.

27 (c) The state board, in consultation with the State Energy
28 Resources Conservation and Development Commission, shall
29 develop guidance through the existing Air Quality Improvement
30 Program funding plan process for the implementation of this
31 section that is consistent with the California Global Warming
32 Solutions Act of 2006 (Division 25.5 (commencing with Section
33 38500)) and this chapter.

34 (d) The guidance developed pursuant to subdivision (c) shall
35 do all of the following:

36 (1) Outline performance criteria and metrics for deployment
37 incentives. The goal shall be to design a simple and predictable
38 structure that provides incentives for truck, bus, and off-road
39 vehicle and equipment technologies that provide significant
40 greenhouse gas reduction and air quality benefits.

1 (2) (A) Ensure that program investments are coordinated with
2 funding programs developed pursuant to the California Alternative
3 and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon
4 Reduction Act of 2007 (Chapter 8.9 (commencing with Section
5 44270) of Part 5).

6 (B) The State Energy Resources Conservation and Development
7 Commission shall advise the state board on how to allocate money
8 for vehicle charging infrastructure consistent with the commission's
9 investment plan strategies on charging infrastructure.

10 (3) Promote projects that assist the state in reaching its climate
11 goals beyond 2030, consistent with Section 38566.

12 (4) Promote investments in medium- and heavy-duty trucking,
13 including, but not limited to, vocational trucks, short-haul and
14 long-haul trucks, buses, and off-road vehicles and equipment,
15 including, but not limited to, port equipment, agricultural
16 equipment, marine equipment, and rail equipment.

17 (5) Implement purchase incentives for eligible technologies to
18 increase the use of the cleanest vehicles in disadvantaged
19 communities.

20 (6) Allow for remanufactured and retrofitted vehicles to qualify
21 for purchase incentives if those vehicles meet warranty and
22 emissions requirements, as determined by the state board.

23 (7) Establish a competitive process for the allocation of moneys
24 for projects funded pursuant to this section.

25 (8) Leverage, to the maximum extent feasible, federal or private
26 funding.

27 (9) Ensure that the results of emissions reductions or benefits
28 can be measured or quantified.

29 (10) Ensure that activities undertaken pursuant to this section
30 complement, and do not interfere with, efforts to achieve and
31 maintain federal and state ambient air quality standards and to
32 reduce toxic air contaminants.

33 (e) In evaluating potential projects to be funded pursuant to this
34 section, the state board shall give priority to projects that
35 demonstrate one or more of the following characteristics:

36 (1) Benefit disadvantaged communities pursuant to Sections
37 39711 and 39713 or communities with a community emissions
38 reduction program implemented pursuant to Section 44391.2.

39 (2) The ability to leverage additional public and private funding.

40 (3) The potential for cobenefits or multiple-benefit attributes.

1 (4) The potential for the project to be replicated.

2 (5) Regional benefit, with focus on collaboration between
3 multiple entities.

4 (6) Support for technologies with broad market and emissions
5 reduction potential.

6 (7) Support for projects addressing technology and market
7 barriers not addressed by other programs.

8 (8) Support for enabling technologies that benefit multiple
9 technology pathways.

10 (f) In implementing this section, the state board, in consultation
11 with the State Energy Resources Conservation and Development
12 Commission, shall create an annual framework and plan. The
13 framework and plan shall be developed with public input and may
14 use existing investment plan processes and workshops as well as
15 existing state and third-party research and technology roadmaps.
16 The framework and plan shall do all of the following:

17 (1) Articulate an overarching vision for technology development,
18 demonstration, precommercial pilot, and early commercial
19 deployments, with a focus on moving technologies through the
20 commercialization process.

21 (2) Outline technology categories and performance criteria for
22 technologies and applications that may be considered for funding
23 pursuant to this section. This shall include technologies for
24 medium- and heavy-duty trucking, including, but not limited to,
25 vocational trucks, short-haul and long-haul trucks, buses, and
26 off-road vehicles and equipment, including, but not limited to, port
27 equipment, agricultural equipment, construction equipment, marine
28 equipment, and rail equipment.

29 (3) Describe the roles of the relevant agencies and the process
30 for coordination.

31 (g) For purposes of this section, ~~“zero- and near-zero-emission”~~
32 *the following definitions apply:*

33 (1) *“Near-zero-emission” means vehicles, fuels, and related*
34 *technologies that reduce greenhouse gas emissions and improve*
35 *air quality when compared with conventional or fully*
36 *commercialized alternatives. Near-zero-emission vehicles shall*
37 *include vehicles that meet or exceed a 0.02 grams per brake*
38 *horsepower-hour (g/bhp-hr) low oxides of nitrogen emissions*
39 *standard.*

1 (2) “Zero-emission” means vehicles, fuels, and related
2 technologies that reduce greenhouse gas emissions and improve
3 air quality when compared with conventional or fully
4 commercialized alternatives, as defined by the state board in
5 consultation with the State Energy Resources Conservation and
6 Development Commission. ~~“Zero—and near-zero-emission”~~
7 “Zero-emission” may include, but is not limited to, zero-emission
8 ~~technology,~~ *technology* and enabling technologies that provide a
9 pathway to emissions ~~reductions, advanced or alternative fuel~~
10 ~~engines for long-haul trucks, and hybrid or alternative fuel~~
11 ~~technologies for trucks and off-road equipment.~~ *reductions.*

12 (h) (1) In addition to the requirements of Section 44258.4,
13 commencing with the funding plan for the 2019–20 fiscal year of
14 the Air Quality Improvement Program (Article 3 (commencing
15 with Section 44274) of Chapter 8.9 of Part 5), the state board shall
16 include a three-year investment strategy that includes the immediate
17 fiscal year and a forecast of estimated funding needs for the
18 subsequent two fiscal years for zero- and near-zero-emission
19 heavy-duty vehicles and equipment commensurate with meeting
20 the goals of this chapter and the goals of the state.

21 (2) The three-year investment strategy shall do all of the
22 following:

23 (A) Describe the role of public investments in supporting the
24 demonstration and deployment of advanced technologies.

25 (B) Provide an assessment of available funding and the
26 investment needed.

27 (C) Provide a description of the state board’s portfolio of
28 investments.

29 (3) The state board, in consultation with the State Energy
30 Resources Conservation and Development Commission, shall
31 include in the investment strategy information related to milestones
32 achieved by the state’s schoolbus incentive programs and the
33 projected need for funding taking into consideration the state’s
34 schoolbus inventory, turnover, and useful life.

ATTACHMENT 2C

South Coast Air Quality Management District
Legislative Analysis Summary – AB 1296 (Kamlager)
Version: Introduced – 2/19/2021
Analyst: SD

AB 1296 (Kamlager)

South Coast Air Quality Management District: district board: membership.

Summary: This bill would increase the number of members of the South Coast AQMD Governing Board from 13 to 15 members by adding two environmental justice (EJ) appointees, one appointed by the Senate Rules Committee and one appointed by the Speaker of the Assembly.

Background: Existing law imposes various limitations on the emissions of air contaminants for the control of air pollution from vehicular and nonvehicular sources. Existing law assigns the responsibility for controlling air pollution for sources other than vehicular sources to an air pollution control district or air quality management district. Existing law establishes the South Coast AQMD as the district with the responsibility for controlling air pollution from sources other than vehicular sources in the South Coast region.

Existing law establishes a district board consisting of 13 members to govern the South Coast AQMD. Existing law requires one member of the South Coast AQMD Governing Board to be appointed by the Senate Rules Committee and one member to be appointed by the Speaker of the Assembly.

Status: 3/4/2021 Referred to Com. on NAT. RES.

Specific Provisions: Specifically, this bill would:

- a) Increase the number of members on the South Coast AQMD district board from 13 to 15 appointed members;
- b) Add an additional board member to be appointed by the Senate Rules Committee;
- c) Add an additional board member to be appointed by the Speaker of the Assembly; and
- d) Require that both of these two new members be EJ appointees who are persons who work directly with communities in the South Coast district that are most significantly burdened by, and vulnerable to, high levels of pollution, including, but not limited to, communities with diverse racial and ethnic populations and communities with low-income populations.

Impacts on South Coast AQMD's Mission, Operations or Initiatives: Currently, there are three existing members of the South Coast AQMD Governing Board that are appointed by state authorities, i.e., by the Governor, Senate Rules Committee, and the Speaker of the Assembly. If signed into law, this bill would result in 1/3 of the Board being appointed by state authorities.

Recommended Position: NO STAFF RECOMMENDATION

ATTACHMENT 2D

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

ASSEMBLY BILL

No. 1296

Introduced by Assembly Member Kamlager

February 19, 2021

An act to amend Section 40420 of the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 1296, as introduced, Kamlager. South Coast Air Quality Management District: district board: membership.

Existing law imposes various limitations on the emissions of air contaminants for the control of air pollution from vehicular and nonvehicular sources. Existing law assigns the responsibility for controlling air pollution for sources other than vehicular sources to an air pollution control district or air quality management district. Existing law establishes the South Coast Air Quality Management District as the district with the responsibility for controlling air pollution from sources other than vehicular sources in the South Coast Air Basin. Existing law establishes a district board consisting of 13 members to govern the south coast district. Existing law requires one member of the district board to be appointed by the Senate Committee on Rules and one member to be appointed by the Speaker of the Assembly.

This bill would increase the number of members of the district board of the south coast district to 15 members by adding 2 environmental justice appointees, one appointed by the Senate Committee on Rules and one appointed by the Speaker of the Assembly.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 40420 of the Health and Safety Code is
2 amended to read:

3 40420. (a) The south coast district shall be governed by a
4 district board consisting of ~~13~~ 15 members appointed as follows:

5 (1) One member appointed by the Governor, with the advice
6 and consent of the Senate.

7 ~~One member~~ (A) Two members appointed by the Senate
8 Committee on Rules.

9 (B) *One of the members appointed under subparagraph (A)*
10 *shall be an environmental justice appointee who is a person who*
11 *works directly with communities in the south coast district that*
12 *are most significantly burdened by, and vulnerable to, high levels*
13 *of pollution, including, but not limited to, communities with diverse*
14 *racial and ethnic populations and communities with low-income*
15 *populations.*

16 (3) ~~One member~~ (A) Two members appointed by the Speaker
17 of the Assembly.

18 (B) *One of the members appointed under subparagraph (A)*
19 *shall be an environmental justice appointee who is a person who*
20 *works directly with communities in the south coast district that*
21 *are most significantly burdened by, and vulnerable to, high levels*
22 *of pollution, including, but not limited to, communities with diverse*
23 *racial and ethnic populations and communities with low-income*
24 *populations.*

25 (4) Four members appointed by the boards of supervisors of the
26 counties in the south coast district. Each board of supervisors shall
27 appoint one of these members, who shall be one of the following:

28 (A) A member of the board of supervisors of the county making
29 the appointment.

30 (B) A mayor or member of a city council from a city in the
31 portion of the county making the appointment that is included in
32 the south coast district.

33 (5) Three members appointed by cities in the south coast district.
34 The city selection committee of Orange, Riverside, and San
35 Bernardino Counties shall each appoint one of these members,
36 who shall be either a mayor or a member of the city council of a
37 city in the portion of the county included in the south coast district.

1 (6) A member appointed by the cities of the western region of
2 Los Angeles County, consisting of the Cities of Agoura Hills,
3 Artesia, Avalon, Bell, Bellflower, Bell Gardens, Beverly Hills,
4 Calabasas, Carson, Cerritos, Commerce, Compton, Cudahy, Culver
5 City, Downey, El Segundo, Gardena, Hawaiian Gardens,
6 Hawthorne, Hermosa Beach, Hidden Hills, Huntington Park,
7 Inglewood, La Habra Heights, La Mirada, Lakewood, Lawndale,
8 Lomita, Long Beach, Lynwood, Malibu, Manhattan Beach,
9 Maywood, Montebello, Norwalk, Palos Verdes Estates, Paramount,
10 Pico Rivera, Rancho Palos Verdes, Redondo Beach, Rolling Hills,
11 Rolling Hills Estates, Santa Fe Springs, Santa Monica, Signal Hill,
12 South Gate, Torrance, Vernon, West Hollywood, Westlake Village,
13 and Whittier. These cities shall organize as a city selection
14 committee for the purposes of subdivision (f), and shall be known
15 as the city selection committee of the western region of Los
16 Angeles County. The member appointed shall be either a mayor
17 or a member of the city council of a city in the western region.

18 (7) A member appointed by the cities of the eastern region of
19 Los Angeles County, consisting of the cities in Los Angeles County
20 that are not listed in paragraph (6) or (8), and excluding the Cities
21 of Lancaster, Los Angeles, and Palmdale. These cities shall
22 organize as a city selection committee for the purposes of
23 subdivision (f), and shall be known as the city selection committee
24 of the eastern region of Los Angeles County. The member
25 appointed shall be either a mayor or a member of the city council
26 of a city in the eastern region.

27 (8) A member appointed by the Mayor of the City of Los
28 Angeles from among the members of the Los Angeles City
29 Council.

30 (b) All members shall be appointed on the basis of their
31 demonstrated interest and proven ability in the field of air pollution
32 control and their understanding of the needs of the general public
33 in connection with air pollution problems of the South Coast Air
34 Basin.

35 (c) The member appointed by the Governor shall be either a
36 physician who has training and experience in the health effects of
37 air pollution, an environmental engineer, a chemist, a
38 meteorologist, or a specialist in air pollution control.

39 (d) Each member shall be appointed on the basis of ~~his or her~~
40 *the member's* ability to attend substantially all meetings of the

1 south coast district board, to discharge all duties and responsibilities
2 of a member of the south coast district board on a regular basis,
3 and to participate actively in the affairs of the south coast district.
4 No member may designate an alternate for any purpose or
5 otherwise be represented by another in ~~his or her~~ *their* capacity as
6 a member of the south coast district board.

7 (e) Each appointment by a board of supervisors shall be
8 considered and acted on at a duly noticed, regularly scheduled
9 hearing of the board of supervisors, which shall provide an
10 opportunity for testimony on the qualifications of the candidates
11 for appointment.

12 (f) The appointments by cities in the south coast district shall
13 be considered and acted on at a duly noticed meeting of the city
14 selection committee, which shall meet in a government building
15 and provide an opportunity for testimony on the qualifications of
16 the candidates for appointment. Each appointment shall be made
17 by not less than a majority of all the cities in the portion of the
18 county included in the south coast district having not less than a
19 majority of the population of all the cities in the portion of the
20 county included in the south coast district. Population shall be
21 determined on the basis of the most recent verifiable census data
22 developed by the Department of Finance. Persons residing in
23 unincorporated areas or areas of a county outside the south coast
24 district shall not be considered for the purposes of this subdivision.

25 (g) The members appointed by the Senate Committee on Rules
26 and the Speaker of the Assembly shall have one or more of the
27 qualifications specified in subdivision (c) or shall be a public
28 member. None of those appointed members may be a locally
29 elected official.

30 (h) All members shall be residents of the district.

31 (i) (1) The member who was serving on the district board as
32 of June 1, 2007, who had been appointed to represent the eastern
33 region of Los Angeles County shall be deemed on January 1, 2008,
34 to be the member appointed to represent the western region of Los
35 Angeles County pursuant to paragraph (6) of subdivision (a) and
36 shall serve from January 1, 2008, until the end of the term of office
37 for the member who had been appointed to represent the western
38 region of Los Angeles County. At the end of that term, the city
39 selection committee of the western region of Los Angeles County

1 shall make an appointment pursuant to paragraph (6) of subdivision
2 (a).

3 (2) The member who was serving on the district board as of
4 June 1, 2007, who had been appointed to represent the western
5 region of Los Angeles County shall be deemed on January 1, 2008,
6 to be the member appointed pursuant to paragraph (8) of
7 subdivision (a) until the end of that member's term. At the end of
8 that term, the Mayor of the City of Los Angeles shall make an
9 appointment pursuant to paragraph (8) of subdivision (a).

10 (3) On or after January 1, 2008, the city selection committee of
11 the eastern region of Los Angeles County shall convene promptly
12 to make an appointment pursuant to paragraph (7) of subdivision
13 (a).

O

ATTACHMENT 3A

KADESH & ASSOCIATES

South Coast AQMD Report for the March 2021
Legislative Meeting covering February 2021
Kadesh & Associates

February:

The House has rapidly advanced the President's COVID response proposal, now called the American Rescue Plan Act of 2021, through multiple committees and to the House floor. Key provisions in the legislation for the South Coast AQMD include a \$219.8 billion fund for states, tribes, and territories, and a \$130.2 billion fund for cities and counties; both of these accounts will allow funds to be transferred to special purpose units of government. The bill also includes \$50 million for environmental justice grants and activities, and \$50 million for grants and activities authorized in §103 and §105 of the Clean Air Act. The bill is expected to be considered on the House floor late the week of Feb 22, and considered quickly thereafter by the Senate once the parliamentarian has reviewed its provisions.

Several other priority pieces of legislation have been introduced in the House this month, as well. Rep. Nanette Barragán reintroduced the Climate Smart Ports Act, to fund the replacement of diesel-burning port harbor craft, drayage trucks, and other port equipment with zero emissions equipment. She has also reintroduced the Energy Resilient Communities Act, which would authorize \$1.5 billion in annual grants for clean energy microgrids, prioritized for environmental justice communities. Rep. Mike Thompson has reintroduced the GREEN Act, which creates a tax credit for zero-emission heavy vehicle and bus manufacturers, expands the credit for EV charging infrastructure, and increases the energy efficient commercial building tax deduction, among other provisions.

Senator Padilla has been named to the Environment and Public Works Committee, which has jurisdiction over air pollution programs, highways, ports, and environmental policy generally. This month the committee approved the nomination of Michael Regan as Administrator of the EPA, and Senator Padilla participated in a hearing setting the stage for the committee's work on surface transportation and infrastructure investment.

Kadesh & Associates Activity Summary-

- Working with South Coast AQMD staff to prioritize and submit timely programmatic funding requests to South Coast members of the Appropriations Committee, as we monitor the possible return of earmarks;
- Monitoring the progress of, and changes to, the American Rescue Plan; and
- Continue outreach to the California congressional delegation.

Contacts:

Contacts included staff and House Members throughout the CA delegation, especially the authors of priority legislation, new members of the South Coast House delegation, and members of key committees. We have also been in touch with administration staff.

###

ATTACHMENT 3B



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

To: South Coast AQMD Legislative Committee
From: Carmen Group
Date: February 25, 2021
Re: Federal Update -- Executive Branch

Update on Status of Cabinet Appointments

<u>The Cabinet</u>		<u>Senate Vote</u>
Vice President	Kamala Harris	N/A
Secretary of State	Antony Blinken	78-22
Secretary of the Treasury	Janet Yellen	84-15
Secretary of Defense	Lloyd Austin	93-2
Attorney General	Merrick Garland	
Secretary of the Interior	Deb Haaland	
Secretary of Agriculture	Tom Vilsack	92-7
Secretary of Labor	Marty Walsh	
Secretary of HHS	Xavier Becerra	
Secretary of HUD	Marcia Fudge	
Secretary of Transportation	Pete Buttigieg	86-13
Secretary of Energy	Jennifer Granholm	64-35
Secretary of Education	Miguel Cardona	
Secretary of VA	Denis McDonough	87-7
Secretary of DHS	Alejandro Mayorkas	56-43
Administrator of the EPA	Michael Regan	
Director of OMB	Neera Tanden	
Director of DNI	Avril Haines	84-10
US Trade Representative	Katherine Tai	
US Ambassador to the UN	Linda Thomas-Greenfield	78-20
Chair of Economic Advisors	Cecelia Rouse	
Administrator of the SBA	Isabel Guzman	
Presidential Science Advisor	Eric Lander	N/A
Chief of Staff	Ron Klain	N/A

Other Notable Appointments

David Turk, *Deputy Secretary of Energy, WH Energy and Jobs Team*
Int. Energy Agency, Obama DOE & NSC, Senate/House Staff

Julie Su, *Deputy Secretary of Labor, WH Energy and Jobs Team*
Sec., CA Labor/Workforce Dev. Agency; CA Labor Commissioner

Kiran Arjandas Ahuja, *Director, Office of Personnel Management*
Obama WH and OPM, National Asian Pacific Women's Forum

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Transportation and Infrastructure Update: Major transportation and infrastructure legislation (with the inclusion of key climate, environmental and environmental justice provisions) remains a high priority for the President, for Congress, and for leaders in both political parties. But the details and the political dynamics surrounding how this can or will get done remain clouded in some uncertainty. Much depends on the disposition of the President’s first legislative priority—the \$1.9 trillion “American Rescue Plan” (aka COVID Relief Bill) -- that appears on track to be passed in the House and the Senate, most likely without a single Republican vote in either body. Once this is done -- likely before mid-March -- higher focus will turn to the President’s next big legislative priority – the much anticipated multi-trillion-dollar “American Recovery Plan” (aka transportation / infrastructure / climate / jobs bill) -- likely starting with a State-of-the-Union-like address to Congress. Here are a few early markers of note:

- In mid-February the President met cordially and positively on infrastructure in the White House with the Senate Environment & Public Works (EPW) Committee’s Big Four (Senators Carper, Capito, Cardin, and Inhofe).
- In late February, the Senate EPW Committee held its first infrastructure hearing of the year.
- Senate Majority Leader Schumer said infrastructure legislation would move “soon” and “should have big infrastructure, it should be green, it should include communities that are left out, (and) it should deal with worker training.”
- Senator Bernie Sanders (I-VT), chair of the Senate Budget Committee, said he’s consulted with the White House and is prepared to pave the way for infrastructure to be passed in the Senate via the same 51-vote “reconciliation” process being used to pass the COVID bill.
- Meanwhile, Senator Shelly Moore Capito (R-WV), ranking member of the Senate EPW Committee, said her optimism about such a bill was tempered by fears that it would not be bipartisan and might sink as a result.
- Republican Leader McConnell said a partisan infrastructure bill would likely include major tax increases.

Earmarks Debate: Congressional Democrats are moving to reinstate rules to allow Congressionally directed project spending known as earmarks, which have been banned in recent years. Republicans are split on the issue, though mostly opposed. A possible outcome could be a reinstatement of the earmark practice in which most Democrats take part, and most –if not all -- Republicans do not.

Federal Agency Round-Up: Here are quick summaries of relevant activities of interest in key Federal agencies:

Environmental Protection Agency (*Notable Appointments*)

Alejandra Nunez, *Deputy Assistant Administrator for Mobile Sources, OAR*
Sierra Club Attorney; World Bank; S.J.D., LL.M., Harvard Law

Eunjung Kim, *Special Assistant, Office of Air and Radiation*
Biden, Warren Campaigns; U.S. Army Corps of Engineers
Carlton Waterhouse, *Deputy Asst. Administrator for Land & Emergency Mgt.*
Prof./Expert in Environmental Justice; Former EPA; Howard Univ. Law
Charles Frey, *Deputy Assistant Administrator for Science Policy, Office of R&D*
Prof., NC St. Univ.; EPA CASAC; Ph.D-Engineering, Carnegie Mellon U.

EPA Sees Decline in Power Plant Emissions: In February, the EPA released data showing a marked decline in 2020 power plant emissions of nitrogen oxides, sulfur dioxide, carbon dioxide and mercury, compared to 2019. It said the declines are largely due to changes in the mix of fuels used in electricity generation, including a decrease in coal generation and an increase in natural gas and renewable generation.

EPA Solicits Solutions for Indoor Air Pollution from Western Wildfires: In February, the EPA -- along with 10 other federal, state and local partners (including CARB) -- launched the Cleaner Indoor Air During Wildfires Challenge Competition. The goal is to solicit ideas for low-cost air cleaning technologies that reduce particulate air pollutants in homes during wildfires or other high pollution episodes. If their ideas are chosen, Challenge winners will receive prizes of up to \$10,000. Proposals will be accepted through May 17, 2021.

EPA Extends Deadline for Environmental Education Awards Nominations: In February, the EPA announced it will accept applications for the 2021 Presidential Environmental Youth Awards (PEYA) (K-12 youth) and Presidential Innovation Awards for Environmental Educators (PIAEE) (K-12 educators) through April 30, 2021.

EPA Penalizes California Company for Violating Clean Air Act: In February, the EPA announced a settlement with GreenGate Fresh, LLC, whose Salinas, CA, facility chills and stores produce-related products for the food storage industry. The company will pay a penalty of \$80,000 and restore its facility to compliance with federal law after it was found to have violated the Clean Air Act's chemical safety-related Risk Management Plan regulations.

Department of Transportation (Notable Appointments)

Andrew Wishnia, *Deputy Assistant Secretary for Climate Policy*
Senate EPW Staff; Sen. Carper (D-DE); Rep. Yarmouth (D-KY)
Arlando Teller, *Deputy Assistant Secretary for Tribal Affairs*
AZ St. Rep; Caltrans; Navajo Div. of Transportation
Tristan Brown, *Deputy Assistant Secretary, Pipeline & Hazardous Materials Safety Admin.*, Sen. Peters (D-MI); Sen. Klobuchar (D-MN); Obama EPA; Attorney

USDOT Announces Funds Available for INFRA Grants: In February, the Department of Transportation announced it is seeking applicants for \$889 million in funds available for the FY 21 round of INFRA grants to support transportation projects of national or regional significance. Among changes from previous rounds, the Biden Administration emphasizes it is seeking projects that address climate change and environmental justice, including projects that promote racial equity, reduce greenhouse gas emissions, deploy zero-emission vehicle infrastructure and/or encourage modal shifts

and a reduction in vehicle-miles-traveled. In addition, this year’s notice announces the creation of the “INFRA Extra” Program, which will identify competitive INFRA applicants who do not receive an award and authorize them to seek a TIFIA loan for up to 49 percent of their project cost. Applications are due by March 19, 2021.

FTA Announces Funds Available for “Low-No” Transit Grants: In February, the Federal Transit Administration announced it is seeking applicants for \$180 million in funds available for the FY 21 round of Low or No Emission (Low-No) grants to support projects that provide cleaner and more energy efficient transit operations. The Biden Administration says it is placing a priority on projects that will help improve air quality in non-attainment and maintenance areas and help prioritize the goals of environment justice and workforce development. Applications are due by April 12, 2021.

Department of Energy (Notable Appointments)

David Turk, *Deputy Secretary, WH Energy and Jobs Team*

Int. Energy Agency, Obama DOE & NSC, Senate/House Staff

Jeremiah Baumann, *Deputy Chief of Staff*

Energy Innovation; Bloomberg Philanthropies; Sen. Merkley (D-OR)

Luke Branscum, *Sp. Asst, Office of Congressional and Intergovernmental Affairs*

Biden Campaign; B.A., UCLA; Hails from CA Bay Area

Hanna Schanzer, *Special Assistant, Office of EERE*

Staff Analyst, California Energy Commission; B.A.-Washington Univ.

DOE Announces Funds Available for Clean Energy Solutions: In February, the Department of Energy announced it is seeking applicants for up to \$100 million for transformative clean energy technology research and development via its Advanced Research Projects Agency – Energy (ARPA-E) program. It says this is the first of billions of dollars of DOE R&D opportunities to be announced this year to foster “affordable, game-changing technologies that can help America achieve the President’s goal of net zero economy-wide emissions by 2050.” Concept papers are due by April 6, 2021.

The White House

National Climate Task Force Meeting: On February 11, the Biden Administration’s National Climate Task Force (as established by Executive Order on Jan. 27) held its first meeting. Chaired by National Climate Advisor Gina McCarthy, the Task Force includes representatives from 21 federal agencies and senior White House officials. The virtual inaugural meeting included a drop-by by Vice President Kamala Harris who emphasized the administration’s whole-of-government approach, making sure that every agency plays a role in the implementing the broad goals of tackling climate change, creating union jobs, and achieving environmental justice.

Climate Innovation Working Group: As part of the Climate Task Force, a new research working group was launched called the Climate Innovation Working Group designed to advance the President’s commitment to create an Advanced Research Projects Agency-Climate (ARPA-C), modeled after the Department of Energy’s ARPA-

E, created in 2009. According to the White House, through targeted research the Climate Innovation Working Group will help advance:

- Zero net carbon buildings at zero net cost, including carbon-neutral construction materials;
- Energy storage at one-tenth the cost of today's alternatives;
- Advanced energy system management tools to plan for and operate a grid powered by zero carbon power plants;
- Very low-cost zero carbon on-road vehicles and transit systems;
- New, sustainable fuels for aircraft and ships, as well as improvements in broader aircraft and ship efficiency and transportation management;
- Affordable refrigeration, air conditioning, and heat pumps made without refrigerants that warm the planet;
- Carbon-free heat and industrial processes that capture emissions for making steel, concrete, chemicals, and other important industrial products;
- Carbon-free hydrogen at a lower cost than hydrogen made from polluting alternatives;
- Innovative soil management, plant biologies, and agricultural techniques to remove carbon dioxide from the air and store it in the ground;
- Direct air capture systems and retrofits to existing industrial and power plant exhausts to capture carbon dioxide and use it to make alternative products or permanently sequester it deep underground.

Executive Order on Securing Critical Supply Chains: On February 24, the President signed an Executive Order to help create more resilient and secure supply chains for critical and essential goods. This included direction for an immediate 100-day review across federal agencies to address vulnerabilities in the supply chains of four key products:

- Pharmaceuticals
- Critical Minerals
- Semiconductors
- Electric Vehicle Batteries

Outreach: Contacts included the offices of Sen. James Inhofe and the Senate Environment & Public Works Committee on infrastructure legislation; and NGVAmerica and other business groups on incentives for cleaner trucks and electric vehicles.

###

ATTACHMENT 3C



CASSIDY | ASSOCIATES

To: South Coast Air Quality Management District
From: Cassidy & Associates
Date: February 24, 2021
Re: February Report

HOUSE/SENATE

The House has finished marking up the Biden Administration's \$1.9 trillion "American Rescue Plan." The full package is slated for floor action the week of February 22 with votes possible through the weekend. President Biden wants it signed in to law by March 14.

Looking ahead at the month of March, the House will address H.R. 1, the For the People Act; The George Floyd Justice in Policing Act; Immigration Reform; and the Senate's amended reconciliation bill, if amended.

Budget Reconciliation FAQ:

What Is Reconciliation?

- A fast-track, budgetary tool used to implement policy changes into law. Legislation considered under reconciliation only requires 51 votes in the Senate for passage.
- Reconciliation is triggered by Congress adopting a concurrent budget resolution that includes reconciliation instructions.
- The instructions direct authorizing committees to report legislation that meets specified targets. While reconciliation is often used for deficit reduction, it can also be used to increase spending or reduce revenues.
- Although reconciliation is a powerful tool, it does have limits:
 - Can only be used to make changes to mandatory spending, revenue levels, and/or the debt limit.
 - A maximum of only three reconciliation bills are allowed for each fiscal year's budget resolution: one for mandatory spending, one for revenue, and one for the debt limit.
 - Limited by the Senate's Byrd Rule which prohibits "extraneous" provisions.

How Does Reconciliation Work?

Step 1: House and Senate agree to a budget resolution that includes reconciliation instructions.

Step 2: Authorizing committee(s) receiving reconciliation instructions and report legislation back to the Budget Committee that meets the target(s) set by the instructions.

Step 3: Budget Committee combines these measures, without substantive revision, and reports the reconciliation bill.

Step 4: Each Chamber considers the reconciliation bill.

- In the House, debate is typically governed by a rule reported by the Rules Committee.
- In the Senate, a reconciliation bill is a privileged measure with debate limited to 20 hours and only a simple majority vote required for passage (51 votes).

Step 5: Upon passage by both Chambers, the reconciliation bill is sent to the President for his signature.

How Many Times Can Reconciliation Be Used?

- Democrats could potentially use up to three budget resolutions to trigger reconciliation this Congress:
- Fiscal Year (FY) 2021 budget resolution – “shell” budget that the House will imminently vote on.
- FY 2022 budget resolution – likely considered this spring.
- FY 2023 budget resolution – potentially considered next year.

Past uses of reconciliation:

- Tax Cuts and Jobs Act (enacted December 2017)
- American Health Care Act (passed House May 2017)
- ACA Repeal (vetoed by President Obama January 2016)

Nominee Tracker:

Cabinet nominees include:

- Secretary of State: Antony Blinken (Confirmed)
- Treasury: Janet Yellen (Confirmed)
- Defense: Lloyd Austin (Confirmed)
- Attorney General: Merrick Garland (Nomination Hearings 2/22 & 2/23)
- Homeland Security: Alejandro Mayorkas (Confirmed)
- Veterans Affairs: Denis McDonough (Confirmed)
- Health and Human Services: Xavier Becerra (Nomination Hearing 2/23)
- Energy: Jennifer Granholm (Confirmation vote on 2/24)
- Interior: Deb Haaland (Nomination Hearing 2/23 & 2/24)
- Transportation: Pete Buttigieg (Confirmed)
- Commerce: Gina Raimondo (Waiting for vote)
- Labor: Marty Walsh (Waiting for vote)

- Agriculture: Tom Vilsack (Confirmed)
- Housing & Urban Dev: Marcia Fudge (Waiting for vote)
- Education: Miguel Cardona

Cabinet-level officials

- White House Chief of Staff: Ron Klain
- White House OMB Director: Neera Tanden (Waiting for vote)
- Office of Science & Tech Policy Director: Eric Lander
- EPA Administrator: Michael Regan (Waiting for vote)
- Director of National Intelligence: Avril Haines (Confirmed)
- USTR: Katherine Tai
- SBA Administrator: Isabel Guzman
- Ambassador to the UN: Linda Thomas-Greenfield (Nomination Cloture Vote 2/22)
- Special Presidential Envoy for Climate: John Kerry

The Biden Administration is expected to make the following changes to the Paycheck Protection Program (PPP) this week:

- Institute a 14-day period, starting Wednesday, during which only businesses with fewer than 20 employees can apply for relief through the program,
- Help sole proprietors, independent contractors, and self-employed individuals receive more financial support,
- Eliminate an exclusionary restriction that prevents small business owners with prior non-fraud felony convictions from obtaining relief through PPP,
- Eliminate an exclusionary restriction that prevents small business owners who are delinquent on their federal student loans from obtaining relief through PPP, and
- Ensure access for non-citizen small business owners who are lawful U.S. residents by clarifying that they may use Individual Taxpayer Identification Numbers (ITINs) to apply for relief.

Cassidy and Associates support in February:

- Ensure inclusion of language in House Oversight and Government Reform portion of the COVID relief bill that would allow state and local governments to transfer funds to South Coast AQMD.
- Informed relevant Senate staff of such language in House bill and advocated for inclusion in Senate bill.
- Collected intel on the Administration's and Congressional Leadership's plan for infrastructure legislation, which we expect to move in late spring or early summer.
- Participated in weekly strategy meetings with South Coast AQMD staff.

PANDEMIC RESPONSE PROGRAMS AND AUTHORITIES

On January 26, the FDA announced that it had placed all alcohol-based hand sanitizers from Mexico on a country-wide import alert. The FDA is continuing efforts to protect consumers from potentially dangerous or subpotent hand sanitizers, all alcohol-based hand sanitizers from Mexico are on a country-wide import alert to help stop products that appear to be in violation from entering the U.S. until the agency is able to review the products' safety.

Over the course of the ongoing pandemic, the agency has seen a sharp increase in hand sanitizer products from Mexico that were labeled to contain ethanol (also known as ethyl alcohol) but tested positive for methanol contamination. Methanol, or wood alcohol, is a substance that can be toxic when absorbed through the skin and life-threatening when ingested. Methanol is not an acceptable ingredient in hand sanitizer or other drugs.

The FDA has scheduled a meeting of its Vaccines and Related Biological Products Advisory Committee (VRBPAC) for February 26, to discuss the request for emergency use of authorization (EUA) for a COVID-19 vaccine from Janssen Biotech Inc. The FDA intends to make background materials available to the public, including the meeting agenda and committee roster, no later than two business days prior to the meeting. The FDA intends to livestream the VRBAC meeting on the agency's YouTube, Facebook, and Twitter channels; the meeting will also be webcast on the FDA website.

Since the beginning of the pandemic, the FDA has anticipated the possible emergence of COVID-19 variants. They have been actively assessing the impact of new strains on authorized products and continue to work with medical product sponsors and international partners to evaluate the impact that each variant may have on effectiveness or utility of authorized medical products. The FDA has already been communicating with individual medical product sponsors to provide information as they evaluate the impact of COVID-19 variants on their products. And as part of their commitment to a public and transparent process, the FDA is developing guidances for diagnostic, therapeutic and vaccine developers to help guide ongoing medical product development.

The FDA is revising the Letter of Authorization for COVID-19 convalescent plasma to limit the authorization to the use of high titer COVID-19 convalescent plasma only for the treatment of hospitalized patients with COVID-19 early in the disease course and for those hospitalized patients who have impaired humoral immunity and cannot produce an adequate antibody response. Plasma with low levels of antibodies have not been shown to be helpful in COVID-19.

The use of low titer COVID-19 convalescent plasma is no longer authorized under the EUA as additional data from clinical trials, including randomized, controlled trials, have not shown

evidence to demonstrate that low titer convalescent plasma may be effective in the treatment of hospitalized patients with COVID-19.

On February 5, the FDA approved Breyanzi (lisocabtagene maraleucel), a cell-based gene therapy to treat adult patients with certain types of large B-cell lymphoma who have not responded to, or who have relapsed after, at least two other types of systemic treatment. Breyanzi, a chimeric antigen receptor (CAR) T cell therapy, is the third gene therapy approved by the FDA for certain types of non-Hodgkin lymphoma, including diffuse large B-cell lymphoma (DLBCL). Breyanzi is not indicated for the treatment of patients with primary central nervous system lymphoma.

Reminders:

- FDA holds weekly Virtual Town Halls on COVID Diagnostics, every Wednesday – from 12:15 to 1:15 pm ET. For more information, click [here](#).
- FDA hosts regular webinars to share information and answer your questions about respirators and other personal protective equipment (PPE). The next webinar will be held on February 23 at 12:00 pm ET. For more information, click [here](#).
- [FDA's Coronavirus Disease 2019 \(COVID-19\)](#) webpage provides the latest news and information.
- FDA's COVID-19 Vaccines webpage at www.fda.gov/covid19vaccines highlights new information as it becomes available.
- For a Vaccine Development 101 click [here](#)
- Emergency Use Authorization for Vaccines Explained can be found [here](#)
- FDA Vaccine Facts - [The Path for a COVID-19 Vaccine from Research to Emergency Use Authorization](#)
- FDA's webpage - [A Closer Look at COVID-19 Diagnostic Testing](#) - provides health care providers and other public health professionals, including those who might purchase COVID-19 tests, with more technical information and resources.

End Date/Program

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)

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

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

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

ATTACHMENT 4A



Joe A. Gonsalves & Son

Anthony D. Gonsalves

Jason A. Gonsalves

Paul A. Gonsalves

PROFESSIONAL LEGISLATIVE REPRESENTATION

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TO: South Coast Air Quality Management District

FROM: Anthony, Jason & Paul Gonsalves

SUBJECT: Legislative Update – February 2021

DATE: Thursday, February 25, 2021

February 19 marked the deadline for legislators to introduce bills for the 2021 legislative session. The Legislature's response to the pandemic seriously limited the number of bills it could pass in 2020. Despite this, the Legislature seems ready to pursue its normal workload and collectively introduced 2,373 bills, 1,560 in the Assembly and 813 in the Senate. We will continue to work with SCAQMD staff to identify bills that are of interest to the District.

It remains to be seen whether the Legislature will be able to work through anywhere near that number of bills. Social distancing measures in place in the Capitol have severely limited the number of hearings that each Committee can conduct, and at times slowed work on the Assembly and Senate floors. In an effort to avoid legislative traffic jams during deadline weeks, the Senate waived the requirement that introduced bills be in print for 30 days prior to the Legislature taking action. While this will allow bills to be set for hearing sooner, it also gives stakeholders, like SCAQMD, less time to review and engage on legislation.

Additionally, the Legislature passed and the Governor signed a \$7.6 billion Covid-19 economic relief package that includes a \$600 stimulus payment and \$2.1 billion for small businesses.

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

BUDGET

On February 23, 2021, Governor Gavin Newsom signed into law a comprehensive package of budget actions that will speed needed relief to individuals, families and businesses suffering the most significant economic hardship due to COVID-19. The budget trailer bill package consists of AB 81, AB 82, AB 85, AB 87, AB 88 and SB 94.

The package, passed by the Legislature on February 22, 2021, builds on the initiatives in the Governor's January state budget proposal to provide cash relief to lower-income Californians, increase aid to small businesses and provide license renewal fee waivers to businesses impacted by the pandemic. In addition to these measures, these actions will commit additional resources for critical childcare services and fund emergency financial aid for community college students.

The following will provide you with a summary of the bills signed into law:

Direct Relief to Individuals and Families

Provides \$5.7 billion to incorporate the Governor's Golden State Stimulus plan to assist California households that have borne the disproportionate economic burden of the COVID-19 Recession – those with incomes below \$30,000, as well as those unfairly excluded from previous federal stimulus payments.

Provides \$600 in one-time relief to households receiving the California EITC for 2020. In addition, the agreement provides a \$600 one-time payment to taxpayers with Individual Tax Identification Numbers (ITINs) who were precluded from receiving the \$1,200 per person federal payments issued last spring and the more recent \$600 federal payments. The legislation also provides \$600 payments to households with ITINs and income below \$75,000. ITIN taxpayers who also qualify for the California EITC would receive a total of \$1,200. The payments will be provided to these households shortly after they file their 2020 tax returns.

Provides direct relief to additional lower-income Californians through a \$600 one-time grant to households enrolled in the CalWORKS program and recipients of SSI/SSP and Cash Assistance Program for Immigrants (CAPI). Grant payments for CalWORKS households are expected by mid-April; timing for the delivery of SSI/SSP and CAPI grants is currently under discussion with federal officials.

Immediate Relief for Small Businesses

Provides \$2.1 billion for grants up to \$25,000 for small businesses impacted by the pandemic, and allocates \$50 million of this total for non-profit cultural institutions.

Fee Waivers for Heavily Impacted Licensees

Provides two years of fee relief for roughly 59,000 restaurants and bars licensed through the state's Department of Alcoholic Beverage Control that can range annually from \$455 to \$1,235.

More Resources for Critical Childcare

Provides for over \$400 million in new federal funds to provide stipends of \$525 per enrolled child for all state-subsidized childcare and preschool providers. The new federal resources will extend care for children of essential workers through June 2022.

Additional Aid for Individuals and Families

Provides an additional \$24 million for financial assistance and services through Housing for the Harvest – a program providing support for agricultural workers who have to quarantine due to COVID-19. The effort also provides a combined \$35 million for food banks and diapers.

Emergency Financial Relief to Support Community College Students

Provides an additional \$100 million in emergency financial aid for qualifying low-income students carrying six or more units. In addition, the agreement provides \$20 million to reengage students who have either left their community college studies because of the pandemic or to engage students at risk of leaving.

CalFresh Student Outreach and Application Assistance

Provides roughly \$6 million to support outreach and application assistance to University of California, California State University and California Community College students made newly eligible for CalFresh. The agreement also provides \$12 million in state funds to support associated county administrative workload.

Restoration of Reductions

Restoration of the previously enacted reductions, effective July 1st, for the University of California, California State University, the Judicial Branch, Child Support Services and for moderate-income housing.

SPECIAL ELECTION

As we have reported in the past, Assemblymember Dr. Shirley Weber (San Diego) was appointed by Governor Newsom to fill the Secretary of State position that was vacated by the Governor's appointment of Senator Padilla to fill Vice-President Harris' US Senate seat.

Due to Dr. Weber's appointment, there is now a vacancy in the 79th Assembly District. Governor Gavin Newsom issued a proclamation declaring a special election for the 79th Assembly District of the State of California on June 8, 2021. The primary for the special election will be held on April 6, 2021.

CAP AND TRADE AUCTION RESULTS

The February 17, 2021 Cap and Trade auction was fully subscribed, marking the second quarter in a row where all allowances were sold, and generated \$650 million for the Greenhouse Gas Reduction Fund. All 54,773,607 current vintage allowances were offered for sale. Current

vintage allowances cleared at \$17.80, .09 cents above the floor price of \$17.71. This is .87 cents above the November 2020 settlement price of \$16.93.

All of the 8,306,250 future vintage allowances offered for sale sold, just as 100% sold in the previous auction. These allowances may not be used for compliance until 2024. Future vintage allowances sold at \$18.01, .30 cents above the floor price of \$17.71, and .66 cents above the \$17.35 settlement price from November 2020.

It should also be noted that there were just under 2 million more allowances offered in November compared to February, mainly due to the annual decline of the emissions cap. Because this is the second auction in a row to sell out of allowances, previously-unsold allowances such as those from the May and August 2020 auctions, can begin to be offered for sale again at the May 2021 auction. When allowances go unsold at auction, they are withheld from sale until two consecutive auctions sellout, after which they are slowly added back to the volume of allowances offered at subsequent auctions.

This first auction of 2021 is notable because it is the first sale reflecting the changes to the Program made in AB 398, the extension of the cap-and-trade program from 2017. Most notably, AB 398 directed CARB to add a ceiling price, above which no allowances would be sold at auction. AB 398 also required that any revenue raised from the sale of allowances at the price ceiling would be used to purchase emissions on at least a ton-for-ton basis. This ensures that the cap stays intact.

Additionally, AB 398 changed the usage limit and added new requirements for compliance obligation. Specifically, from 2021 to 2025 companies can only use offsets to meet 4% of their compliance obligation. This increases to 6% starting in 2026. Additionally, half of all offsets used must provide a “direct environmental benefit” to California.

There are 4 scheduled Cap and Trade auction in 2021; February 17, 2021, May 19, 2021, August 18, 2021, and November 17, 2021. We will continue to update you on the Cap and Trade program results.

2021 LEGISLATIVE CALENDAR

Feb. 19 - Last day for bills to be introduced.

Apr. 30 - Last day for policy committees to hear and report to Fiscal Committees fiscal bills introduced in their house.

May 7 - Last day for policy committees to hear and report to the Floor non-fiscal bills introduced in their house.

May 14 - Last day for policy committees to meet prior to June 7.

May 21 - Last day for fiscal committees to hear and report to the Floor bills introduced in their house. Last day for fiscal committees to meet prior to June 7th.

June 1-4 - Floor Session Only. No committee, other than Conference or Rules, may meet for any purpose.

June 4 - Last day for bills to be passed out of the house of origin.

June 7 - Committee meetings may resume.

June 15 - Budget bill must be passed by midnight.

July 14 - Last day for policy committees to meet and report bills.

Aug. 27 - Last day for fiscal committees to meet and report bills to the Floor.

Aug. 30-Sept. 10 - Floor Session only. No committees, other than conference committees and Rules Committee, may meet for any purpose.

Sept. 3 - Last day to amend bills on the Floor.

Sept. 10 - Last day for each house to pass bills. Interim Study Recess begins at end of this day's session.

South Coast Air Quality Management District Legislative and Regulatory Update – February 25, 2021

❖ Important Dates

- Mar. 10 – Last day for bills to be amended in the Senate.
- Mar. 25 – Spring Recess begins upon adjournment of the Legislature.
- Apr. 5 – Legislature reconvenes from Spring Recess.
- Apr. 30 – Last day for policy committees to meet and report to fiscal bills introduced in their house to the Appropriations Committee.
- May 7 – Last day for policy committees to meet and report to non-fiscal bills introduced in their house to the floor.
- May 14 – Last day for policy committees to meet until June 7.
- May 21 – Last day for Appropriations Committees to meet and report to non-fiscal bills introduced in their house to the floor.
- Jun 1-4 – Floor session only.
- Jun 4 – Last day for each house to pass bills introduced in that house.

❖ RESOLUTE Actions on Behalf of South Coast AQMD. RESOLUTE partners David Quintana and Jarrell Cook continued their representation of SCAQMD before the State's Legislative and the Executive branch. Selected highlights of our recent advocacy include:

- Set up a call between South Coast's team and Asm. Cristina Garcia (D-Bell Gardens) to discuss AB 617 funding allocations.
- Working with State Controller's Office to discuss South Coast's designation as an independent special district vs. a dependent special district.

❖ Governor Newsom Signs Coronavirus Relief Package. Governor Newsom signed into law a \$7.6 billion 'Golden State Stimulus' package that is focused on providing immediate relief to struggling Californians and small businesses. The legislation is a compromise on the proposal from the Governor's January budget proposal. The measure will provide cash relief to lower-income Californians, increase aid to small businesses and provide license renewal fee waivers to businesses impacted by the pandemic.

The stimulus package will provide \$600 for Californians received the Earned Income Tax Credit in 2020, as well as one-time \$600 grants to households enrolled in the CalWORKS program and recipients of SSI/SSP and Cash Assistance Program for Immigrants. \$2.1 billion will be distributed in grants of up to \$25,000 to small businesses impacted by the pandemic. Restaurants, bars, barbers, and cosmetologists will also be entitled to two years of relief from licensing fees.

The stimulus package also provides financial support for child care, community college students, food banks, and agricultural workers that have been forced to quarantine due to COVID-19. The bills signed as part of the Golden State Stimulus package include AB 81, AB 82, AB 85, SB 87, SB 88, and SB 94.

❖ Cap-and-Trade Auction Generates \$647 Million. The California Air Resources Board's [February 17 auction sold out of emissions allowances, raising \\$647 million for the state](#). The successful auction follows the uncharacteristically low revenue generated in May 2020 at the onset of the pandemic that had lawmakers and stakeholders concerned about the weaknesses and long-term stability in the program.

- ❖ **Senate Releases Schedule for Committee Hearings and Amendment Deadline.** The Senate has released its committee calendar detailing the scheduled meetings for its policy committees to hear bills through the Spring and Summer. Committee hearings will begin on March 8 and are scheduled through the end of April.

The Senate Rules Committee has also announced that all spot bill amendments must be submitted to the Committee by March 10. Requests for amendments to spot bills must be submitted to the Office of Legislative Counsel by Friday, February 26 to meet this deadline.

Senate Committee Schedule

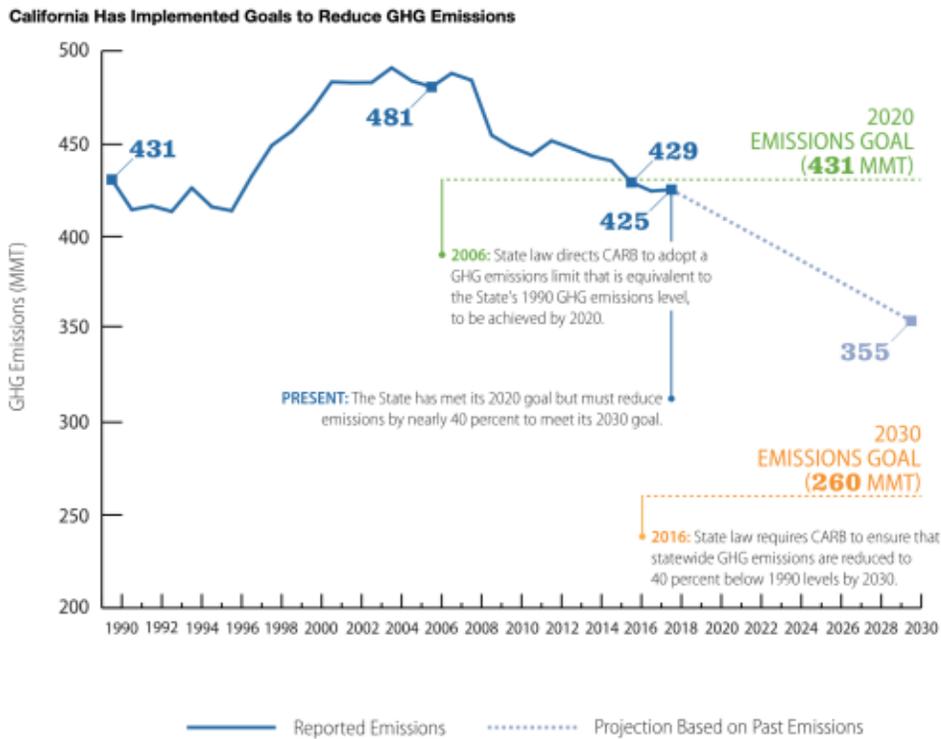
	Monday 3/8/2021	Tuesday 3/9/2021	Wednesday 3/10/2021	Thursday 3/11/2021	Friday 3/12/2021	Saturday 3/13/2021
AM	Business & Professions 9:00am-Noon (Senate Chamber)	Public Safety 9:00am-Noon (Rm 4203) Govt. Organization 9:00am-Noon (Senate Chamber)	Education 9:00am-Noon (Rm 4203) Banking & Finance 9:00am-Noon (Senate Chamber)	Senate Floor Session 9:00 AM Gov. & Finance Upon adjournment of Senate Session (Rm 4203)	No Cmtes Scheduled at this time	No Cmtes Scheduled at this time
PM	Senate Floor Session 2:00 PM Labor & PERS Upon adjournment of Senate Session (Rm 4203)	Judiciary 1:30pm-5:00pm (Senate Chamber) Human Services 1:30pm-5:00pm (Rm 4203)	Rules 1:30 PM (Rm 3191) Health 1:00pm-5:00pm (Senate Chamber)	Insurance Upon adjournment of Senate Session (Senate Chamber)	No Cmtes Scheduled at this time	No Cmtes Scheduled at this time

	Monday 3/15/2021	Tuesday 3/16/2021	Wednesday 3/17/2021	Thursday 3/18/2021	Friday 3/19/2021	Saturday 3/20/2021
AM	Elections 9:00am-Noon (Rm 3191) Environmental Quality 9:00am-Noon (Rm 4203)	Nat Resources 9:00am-Noon (Rm 4203) Transportation 9:00am-Noon (Senate Chamber)	Education 9:00am-Noon (Senate Chamber) Military & Vets Affairs 9:00am-Noon (Rm 4203)	Senate Floor Session 9:00am Agriculture Cmte Upon adjournment of Senate Session (Rm 4203)	No Cmtes Scheduled at this time	No Cmtes Scheduled at this time
PM	Senate Floor Session 2:00pm Energy, Utilities Cmte Upon adjourn of Senate Session (Senate Chamber)	Public Safety 1:30pm- 5:00pm (Rm 4203) Judiciary 1:30pm- 5:00pm (Senate Chamber)	Rules 1:30 PM (Rm 3191) Health 1:00pm- 5:00pm (Senate Chamber)	Housing Upon adjournment of Agriculture Cmte (Rm 4203)	No Cmtes Scheduled at this time	No Cmtes Scheduled at this time
	Monday 3/22/2021	Tuesday 3/23/2021	Wednesday 3/24/2021	Thursday 3/25/2021	Friday 3/26/2021	Saturday 3/27/2021
AM	Appropriations 9:00am -Noon (Rm 4203) Business & Professions Cmte 9:00am-Noon (Senate Chamber)	Public Safety 9:00am-Noon (Rm 4203) Govt. Organization Cmte 9:00am-Noon (Senate Chamber)	Education 9:00am-Noon (Rm 4203) Banking & Finance 9:00am-Noon (Senate Chamber)	Senate Floor Session 9:00am Gov.& Finance Upon adjournment of Senate Session (Rm 4203)	No Cmtes Scheduled at this time Spring Recess	No Cmtes Scheduled at this time
PM	Senate Floor Session 2:00pm Labor & PERS Upon adjournment of Senate Session (Rm 4203)	Judiciary 1:30pm- 5:00pm (Senate Chamber) Human Services 1:30pm- 5:00pm (Rm 4203)	Rules 1:30 PM (Rm 3191) Health 1:00pm- 5:00pm (Senate Chamber)	Insurance Upon adjournment Senate Session (Senate Chamber) Spring Recess Begins	Spring Recess	
	Monday 3/29/2021	Tuesday 3/30/2021	Wednesday 3/31/2021	Thursday 4/1/2021	Friday 4/2/2021	Saturday 4/3/2021
AM	Spring Recess	Spring Recess	Spring Recess	Spring Recess	Spring Recess	

	Monday 4/5/2021	Tuesday 4/6/2021	Wednesday 4/7/2021	Thursday 4/8/2021	Friday 4/9/2021	Saturday 4/10/2021
AM	Appropriations 9:00am-Noon (Rm 4203) Business & Professions Cmte 9:00am-Noon (Senate Chamber)	Public Safety 9:00am-Noon (Rm 4203) Govt. Organization Cmte 9:00am-Noon (Senate Chamber)	Education Cmte 9:00am-Noon (Rm 4203) Banking & Finance Cmte 9:00am-Noon (Senate Chamber)	Senate Floor Session 9:00am Gov.& Finance Upon Adjournment of Senate Session (Rm 4203)	No Cmtes Scheduled at this time	No Cmtes Scheduled at this time
PM	Senate Floor Session 2:00pm Labor & PERS Upon adjournment of Senate Session (Rm 4203)	Judiciary 1:30pm- 5:00pm (Senate Chamber) Human Services 1:30pm- 5:00pm (Rm 4203)	Rules 1:30pm (Rm 3191) Health 1:00pm- 5:00pm (Senate Chamber)	Insurance Upon adjournment of Senate Session (Senate Chamber)		
	Monday 4/12/2021	Tuesday 4/13/2021	Wednesday 4/14/2021	Thursday 4/15/2021	Friday 4/16/2021	Saturday 4/17/2021
AM	Elections 9:00am-Noon (Rm 3191) Environmental Quality 9:00am-Noon (Rm 4203)	Nat Resources 9:00am-Noon (Rm 4203) Transportation 9:00am-Noon (Senate Chamber)	Education 9:00am-Noon (Senate Chamber) Military & Vets Affairs Noon (Rm 4203)	Senate Floor Session 9:00am Agriculture Cmte Upon adjournment of Senate Session (Rm 4203)	No Cmtes Scheduled at this time	No Cmtes Scheduled at this time
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	Monday 4/19/2021	Tuesday 4/20/2021	Wednesday 4/21/2021	Thursday 4/22/2021	Friday 4/23/2021	Saturday 4/24/2021
AM	Appropriations 9:00am-12:00pm (Rm 4203) Business & Professions Cmte 9:00am-Noon (Senate Chamber)	Public Safety 9:00am-Noon (Rm 4203) Govt. Organization Cmte 9:00am-Noon (Senate Chamber)	Education 9:00am-Noon (Rm 4203) Banking & Finance 9:00am-Noon (Senate Chamber)	Senate Floor Session 9:00am Gov.& Finance Upon adjournment of Senate Session (Rm 4203)	No Cmtes Scheduled at this time	No Cmtes Scheduled at this time
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	Monday 4/26/2021	Tuesday 4/27/2021	Wednesday 4/28/2021	Thursday 4/29/2021	Friday 4/30/2021	Saturday 4/31/2021
AM	Elections 9:00am-Noon (Rm 3191) Environmental Quality 9:00am-Noon (Rm 4203)	Natural Resources 9:00am-Noon (Rm 4203) Transportation 9:00am-Noon (Senate Chamber)	Education 9:00am-Noon (Senate Chamber) Military & Vets Affairs 9:00am-Noon (Rm 4203)	Senate Floor Session 9:00am Agriculture Upon adjournment of Senate Session (Rm 4203)	No Cmtes Scheduled at this time	No Cmtes Scheduled at this time
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- ❖ CARB Criticized by State Audit for Not Doing Enough to Help California Meet its Climate Goals. On February 23, the State Auditor Elaine Howle [released an assessment of the California Air Resources Board](#), as directed by the Joint Legislative Audit Committee. The Auditor warned that California is not on track to meet its goal to cut greenhouse gases by 40% by 2030.



Source: CARB's GHG emissions reports, California's 2017 Climate Change Scoping Plan, state law, CARB Resolution 14-16, and our projections of future GHG emissions based on the average annual change in GHG emissions over the past 10 years.

The Auditor concluded that “CARB has not done enough to measure the GHG emissions reductions its individual transportation programs achieve . . . CARB has done little to measure the extent to which its incentive programs lead to emissions reductions by causing individuals and businesses to acquire clean vehicles that they otherwise would not . . . CARB has overstated the GHG emissions reductions its incentive programs have achieved.”

The Auditor made the following key recommendations:

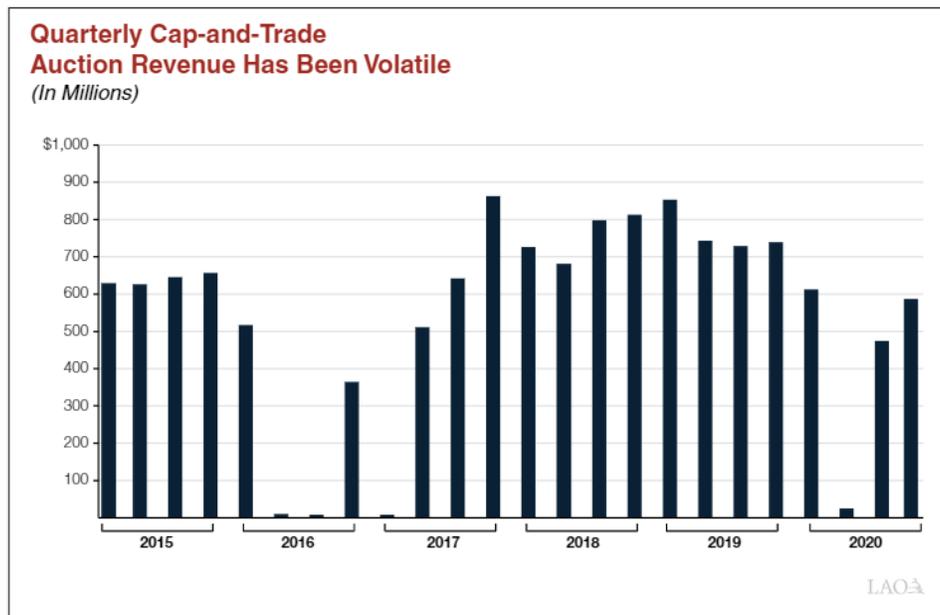
- To improve its ability to isolate each of its incentive programs’ GHG reductions, by February 2022 CARB should establish a process to formally identify its incentive programs’ overlap with other programs that share the same objectives.
- To improve its ability to identify the effectiveness of each of its incentive programs in reducing GHG emissions, by August 2021 CARB should develop a process to define, collect, and evaluate data on the behavioral changes that result from each of its incentive programs.
- To better assist the State in achieving its GHG goals, CARB should use the information we describe above to refine its GHG emissions estimates for its incentive programs in its annual reports to the Legislature, the funding plans approved by its board, and any longer-term planning documents or reports.
- To better demonstrate that its incentive programs are as effective as possible in achieving specific socioeconomic benefits, by February 2022 CARB should develop a process to define, collect, and evaluate data that will translate to metrics showing the socioeconomic benefits that result from each of the incentive programs.

- To provide transparency to the Legislature and other stakeholders, beginning in 2022 and using the metrics and data described above, CARB should make funding and design recommendations in its funding plans and annual reports based on which programs are effective in producing socioeconomic benefits and at what cost.

CARB, [in its response](#), has asserted that it has already implemented several of the Auditor’s recommendations, but that it would likely require additional time, staffing, and resources. The Auditor, reviewing CARB’s response, stuck by its recommendations and indicated that CARB’s statements were not fully responsive to its recommendations and its current and planned programs would not be sufficient to remedy the problems it identified.

Assemblymember Jim Cooper (D-Elk Grove), who has criticized CARB publicly in the past, stated that the audit’s findings “are unfortunately not surprising.” He added that CARB “continuously ignored the calls of Legislators and California taxpayers to look closely at how their incentive programs disproportionately left California’s struggling middle-class footing the bill for wealthy communities so that they could purchase electric vehicles.”

- ❖ **LAO Releases Analysis of the Governor’s Cap-and-Trade Expenditure Plan.** On February 10, the Legislative Analysts Office released [a report](#) analyzing the Governor’s cap-and-trade expenditure plan, which includes “early action” discretionary spending of \$624 million in 2020-21, as well as \$745 million in 2021-22.



The LAO found that Cap-and-Trade revenue has been volatile. The state has approximately \$1.5 billion in existing spending commitments; \$1885 million is spent on administrative costs and mandatory statutory allocations that backfill losses in revenue, like tax and fee exemptions. The remaining \$745 million is used to fund a variety of programs through discretionary spending. That is about half of the funding that was available in previous years.

Proposed Discretionary Spending		\$624	\$745
Forests			
Healthy and resilient forests (SB 901)	CalFire	\$125	\$200
Low Carbon Transportation			
Heavy-duty vehicle and off-road equipment	Air Resources Board	165	150
Transportation equity programs	Air Resources Board	74	76
Community Air Protection Program (AB 617)			
Local air district programs to reduce air pollution	Air Resources Board	\$125	\$140
Local air district administrative costs	Air Resources Board	— ^c	50
Technical assistance to community groups	Air Resources Board	—	10
Agriculture			
Agricultural diesel engine replacement	Air Resources Board	\$90	\$80
Healthy Soils	Food and Agriculture	15	15
Safe Drinking Water			
Safe Drinking Water Program ^d	State Water Board	\$30	\$24

Under the Governor’s proposal, the state will allocate \$190 million to the Air Resources Board support AB 617 programs developed by and administrative costs incurred by local air districts. CARB will also receive an additional \$226 million to support low carbon transportation programs focused on transportation equity and heavy-duty vehicle and off-road equipment. The LAO notes that the Governor’s plan does not include funding for the Clean Vehicle Rebate Project, Transformative Climate Communities, waste diversion, or methane emissions reductions.

- ❖ **Senate and Assembly Lawmakers Announce the Formation of a Bicameral, Bipartisan ‘Problem Solvers Caucus.’** Eight lawmakers [announced](#) on February 16 that they would form a group dedicated to “finding solutions and creating results” that would pursue and reward bipartisan solutions and compromises.



The legislators include Assemblymembers Adam Gray (D-Merced), Tom Lackey (R-Palmdale), Cottie Petrie Norris (D-Irvine), Chad Mayes (I-Rancho Mirage), Jordan Cunningham (R-San Luis Obispo), Suzette Valladares (R-Santa Clarita), as well as Senators Melissa Hurtado (D-Fresno) and Josh Newman (D-Brea). Among their priorities they list the following ideas:

- A non-partisan Attorney General and Secretary of State.
- Consolidation and reorganization of California’s more than 200 state agencies, departments and commissions with clear lines of accountability.

- A two-year budget cycle, where each even-numbered year the Legislature focuses on oversight of the executive branch and its vast array of departments.
 - A streamlined legislative process for bills with bipartisan support.
- ❖ **CARB Hosting a Workshop on its Proposed Advanced Clean Fleet Regulation.** The California Air Resources Board will be hosting two workshops to discuss its proposed Advanced Clean Fleets regulation on [March 2 at 5pm](#) and on [March 4 at 1pm](#). The regulation is part of CARB's strategy to achieve a zero-emission vehicle truck and bus fleet everywhere feasible in the state by 2045, and earlier where possible.

CARB has highlighted that the workshop will have a special focus on the requirements for public fleets, drayage trucks, private and federal fleets, and outsourcing for zero-emission transportation services.



CALIFORNIA ADVISORS, LLC

South Coast AQMD Report
California Advisors, LLC
March 12, 2021 Legislative Committee Hearing

General Update

February 19th marked the deadline for new bills to be introduced for the 2021 legislative session. Over the final days before the deadline, hundreds of new bills were introduced between the two houses. The Assembly has introduced 1,560 bills and the Senate has introduced 813 bills for a total of 2,373. These figures do not include constitutional amendments or resolutions. It should also be noted that policy committees can still introduce bills past the deadline and the Senate has already seen a small increase in bills introduced since the deadline because of new committee-introduced bills. A significant portion of the legislation introduced are “spot bills” which make technical, non-substantive changes to law and serve as placeholders until more details can be added to the bills.

The number of bills introduced for 2021 is consistent with prior years. Generally, the Legislature has introduced over 2000 bills per year and the first year of the 2-year session usually has a higher number of bill introductions. By way of comparison, the following are the bill introduction totals for the first year of the past two legislative sessions:

- Total 2019 bill introductions as of the deadline: 2,576
- Total 2017 bill introductions as of the deadline: 2,495

As we have previously reported there will continue to be caps on how many bills legislators can pass to the other house. Additionally, the number of bills will be further stressed by the capacity of policy committees to hear bills. We would expect that a number of these will have to wait until next year to be heard.

During the last week of February, the Legislature and Governor Gavin Newsom acted swiftly to enact a comprehensive bill package aimed at providing immediate relief to individuals, families, and businesses suffering from economic hardship due to COVID-19. The legislative package included the one-time stimulus payments of \$600 for 5.7 million Californians and grants for small businesses that have been impacted during the pandemic and provided more resources for childcare and support for community college students. Notably, these efforts are being funded by an unexpected budget surplus that California continues to enjoy.

These bills represent most of the \$9.57 billion economic stimulus deal that was announced earlier in the month. However, the Legislature held off on one proposed bill that would have created \$2 billion in tax breaks for businesses that got federal paycheck protection program loans. It is anticipated that that measure will be passed in the coming weeks.

Regulatory

The State Auditor Elaine Howle released a report titled *Improved Program Measurement Would Help California Work More Strategically to Meet Its Climate Change Goals*. The audit focuses on the California Air Resources Board's (CARB) transportation programs, which are intended to reduce greenhouse gas (GHG) emissions. Among the findings, it was concluded that CARB does not adequately measure the GHG emissions reductions its incentive programs achieve. As a result, the report contends that the agency has overstated the achieved GHG emissions reductions and obscured the cost effectiveness of its incentive programs.

The audit report also suggests that California may not meet its upcoming goal of reducing GHG emissions 40 percent by 2030. Specifically, the report states, "Although other sources of GHG emissions have been declining in recent years, emissions from transportation have increased since 2013, and GHG emissions from transportation accounted for 40 percent of all statewide emissions in 2018." Lastly, the report also found that CARB has not demonstrated that its programs achieve the socioeconomic benefits it claims.

CARB has agreed with the Auditor's recommendations in the report and indicated they will implement them.