

BOARD MEETING DATE: March 4, 2022

AGENDA NO. 23

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a meeting remotely on Friday, February 11, 2022. The following is a summary of the meeting.

Agenda Item	Recommendation/Action
HR 6662 (Barragán) – EVs for All Act of 2022	Support
Overview of Proposed Comprehensive Air Quality Campaign Relating to State Legislative Activities	Approve
Proposed South Coast AQMD Sponsored Legislation In Concept: AB 617 Policy Changes	Approve
Proposed South Coast AQMD Sponsored Legislation in Concept: Independent Special District Status for Air Districts	Approve
Proposed South Coast AQMD Sponsored Legislation in Concept: Renewable Portfolio Standard (RPS) Style Standard for Air Quality	Approve
Proposed South Coast AQMD Sponsored Legislation in Concept: Goods Movement-Related Port Cargo Fee	Approve

RECOMMENDED ACTION:

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

Michael A. Cacciotti, Chair
Legislative Committee

Committee Members

Present: Mayor Pro Tem Michael A. Cacciotti, Chair
Board Member Veronica Padilla-Campos
Senator Vanessa Delgado (Ret.)
Supervisor V. Manuel Perez
Supervisor Janice Rutherford

Absent: None

Call to Order

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

ACTION/DISCUSSION ITEMS:

1. Recommend Position on Federal Bills:

H.R. 6662 (Barragán) EVs for All Act of 2022

Lisa Tanaka O'Malley, Assistant Deputy Executive Officer/Legislative, Public Affairs & Media, presented H.R. 6662 (Barragán). The bill would direct the Secretary of Energy to establish a \$50 million per year grant program to facilitate electric vehicle sharing services operated at public housing projects, and for other purposes. Board Member Padilla-Campos recused herself from this item due to a potential financial interest.

Staff recommended a "SUPPORT" position on this bill.

Moved by Delgado; seconded by Perez
Ayes: Cacciotti, Delgado, Perez, Rutherford
Noes: None
Abstain: Padilla-Campos

Harvey Eder, Public Solar Power Coalition, provided public comment on the need for equitable distribution of grant funding.

2. Update on South Coast AQMD Board membership legislation

Derrick Alatorre, Deputy Executive Officer/Legislative, Public Affairs & Media, provided an update on SB 342 (Gonzalez). The bill would have expanded the South Coast AQMD Governing Board from 13 to 15 members by adding two environmental justice appointees. The bill failed to pass out of the Senate and a similar bill could possibly be introduced in 2022. Staff will update the Committee on any future developments.

There was no public comment.

3. Overview of Proposed Comprehensive Air Quality Campaign Relating to State Legislative Activities

Philip Crabbe III, Senior Public Affairs Manager/Legislative, Public Affairs & Media presented on a comprehensive air quality campaign proposal for state legislative activities. The proposed multi-year plan would include:

- A formal audit of CARB in conjunction with the Joint Legislative Audit Committee to seek information and assess programs and actions to prioritize and achieve near-term emission reductions to meet attainment of federal air quality standards;
- A public awareness and education campaign; and
- Four bill concepts for South Coast AQMD sponsor bills.

Supervisor Rutherford inquired about the CARB audit. Wayne Nastri, Executive Officer, responded that the audit is to evaluate the state's efforts to achieve emission reductions to meet federal standards and to hold it accountable for any shortfalls.

Supervisor Rutherford commented that public relations efforts should focus on educating state and federal stakeholders on their responsibilities to reduce air pollution and the timeframes to replace heavy-duty truck fleets. Mr. Nastri concurred with Supervisor Rutherford.

Supervisor Rutherford inquired about the goods movement port cargo fee proposal. Mr. Nastri stated that staff recently discussed the air quality impacts of ports, ocean-going vessels and goods movement with Bay Area Air Quality Management District, San Joaquin Valley Air Pollution Control District and U.S. EPA. Individual ports have expressed that mitigation fees, which are not uniformly applied, could impact their competitiveness. By working with the three air agencies responsible for the major ports, a statewide cargo fee could mitigate concerns about competitiveness within California. A port cargo fee could generate resources to address goods movement-related air quality impacts.

Senator Delgado requested clarification on the proposed state legislative campaign and if the framework can be amended to address other issues such as public nuisance enforcement. Mr. Nastri clarified that the proposal is separate from the public nuisance enforcement discussion and it will take time to investigate opportunities and to develop.

Supervisor Perez expressed support for an audit of CARB actions, especially for funding to meet attainment, public education and outreach campaigns.

Supervisor Rutherford requested clarification on the anti-diesel truck funding. Mr. Crabbe explained that there is a statewide coalition working to fund incentives for near-zero emission heavy-duty trucks and potentially zero-emission technologies.

Chair Caciotti expressed that the public relations campaign should reach the general public, as there is a lack of understanding on air quality issues.

Mr. Eder provided public comment on solar energy.

Staff recommended approval of this proposal for a Comprehensive Air Quality Campaign.

Moved for Approval by Perez; seconded by Delgado; unanimously approved

Ayes: Cacciotti, Delgado, Padilla-Campos, Perez, Rutherford

Noes: None

Abstain: None

Absent: None

4. Proposed South Coast AQMD Sponsored Legislation In Concept: AB 617 Policy Changes

Mr. Alatorre presented a bill proposal that would amend the AB 617 program. The proposed bill would:

- Extend the time to establish a Community Emissions Reduction Plan (CERP) from 1 to 2 years;
- Require non-air quality agencies to assist in the development, implementation, and enforcement of CERPs as needed; and,
- Authorize funding for Community Steering Committees (CSCs) for administrative items such as translation services, meeting venue costs, training, and stipends for members.

Board Member Padilla-Campos inquired if CSC input was received and how the stipends would be distributed. Mr. Alatorre confirmed receipt of CSC input and indicated that the CSCs would administer the stipends from the proposed funds. Supervisor Perez concurred that direct funding for CSCs is aligned with community requests.

Senator Delgado asked if elected officials involved with the creation of AB 617 are involved or have been consulted regarding this bill proposal. Mr. Alatorre advised that there have been communications with Assembly Member Cristina Garcia, but she is currently not involved in this effort.

Chair Cacciotti asked if the bill provisions are in line with CSC requests for programmatic changes. Mr. Alatorre confirmed the provisions aligned with CSC requests.

Board Member Padilla-Campos and Supervisor Perez requested to be kept informed of which state legislator would be leading the AB 617 efforts.

Supervisor Perez inquired about pesticide monitoring by the Department of Pesticide Regulation (DPR) in the Coachella Valley, related to AB 617. Jason Low, Assistant Deputy Executive Officer/Science & Technology Advancement, responded that DPR and CARB continue to work on these issues.

There was no public comment.

Staff recommended bill proposal in concept, for possible South Coast AQMD sponsorship.

Moved for Approval by Padilla-Campos; seconded by Perez; unanimously approved
Ayes: Cacciotti, Delgado, Padilla-Campos, Perez, Rutherford
Noes: None
Abstain: None
Absent: None

5. Proposed South Coast AQMD Sponsored Legislation in Concept: Independent Special District Status for Air Districts

Denise Peralta Gailey, Public Affairs Manager/Legislative, Public Affairs & Media, presented a proposal that would make a technical change in existing law to allow air districts to be considered “independent special districts” for the purposes of applying and receiving state and federal funding.

Supervisor Rutherford inquired about the impact of this proposal on South Coast AQMD tax authority. Barbara Baird, Chief Deputy Counsel, responded that the proposal would be limited to classification of air districts as independent for the purpose of receiving funding and would not grant taxation authority.

There was no public comment.

Staff recommended bill proposal in concept, for possible South Coast AQMD sponsorship.

Moved for Approval by Perez; seconded by Padilla-Campos; unanimously approved
Ayes: Cacciotti, Delgado, Padilla-Campos, Perez, Rutherford
Noes: None
Abstain: None
Absent: None

6. Proposed South Coast AQMD Sponsored Legislation in Concept: Renewable Portfolio Standard (RPS) Style Standard for Air Quality

Mr. Crabbe presented a bill proposal that would create a RPS-style standard for air quality. The bill would require CARB to reduce a specified amount of emissions per year until meeting specific air quality goals in sync with attainment requirements.

Additionally, it would require CARB to provide an annual progress report to the Legislature.

Chair Cacciotti requested and received confirmation by staff that this proposal would be similar to the electric utility efforts to increase their use of renewable energy.

There was no public comment.

Staff recommended bill proposal in concept, for possible South Coast AQMD sponsorship.

Moved for Approval by Perez; seconded by Delgado; unanimously approved
Ayes: Cacciotti, Delgado, Padilla-Campos, Perez, Rutherford
Noes: None
Abstain: None
Absent: None

7. Proposed South Coast AQMD Sponsored Legislation in Concept: Goods Movement-Related Port Cargo Fee

Mr. Crabbe III presented a bill proposal that would create a goods movement-related port cargo fee to generate funding for emission reduction projects, to attain federal air quality standards. The amount of this fee and which ports statewide would be included in the bill are open for further discussion.

Jacqueline Moore, Pacific Merchant Shipping Association, provided public comment in opposition to any fee or tax on containers at the Ports of Los Angeles or Long Beach.

Supervisor Perez expressed support for the bill concept and commented that it could serve as a mechanism for further discussions on how to reduce emissions from the ports. Supervisor Rutherford also expressed support for the bill.

Staff recommended bill proposal in concept, for possible South Coast AQMD sponsorship.

Moved for Approval by Perez; seconded by Delgado; unanimously approved
Ayes: Cacciotti, Delgado, Padilla-Campos, Perez, Rutherford
Noes: None
Abstain: None
Absent: None

DISCUSSION ITEMS:

8. Update and Discussion on Federal Legislative Issues

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

Supervisor Rutherford requested more detail on meetings referenced in the federal consultants' reports. Mr. Nastri responded that the meetings took place with the Council on Environmental Quality, Office of Management and Budget, and U.S. EPA, regarding the pending rule to reduce NOx emissions from heavy-duty trucks.

Chair Cacciotti asked if South Coast AQMD is eligible to apply for U.S. EPA grants for enhanced air quality monitoring. Mr. Nastri responded that staff is promoting and assisting communities to apply for grants.

9. Update and Discussion on State Legislative Issues

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

OTHER MATTERS:

10. Other Business

There was no other business to report.

11. Public Comment Period

Mr. Eder commented on a news article on climate modeling.

12. Next Meeting Date

The next regular Legislative Committee meeting is scheduled for Friday, March 11, 2022 at 9:00 a.m.

Adjournment

The meeting adjourned at 10:02 a.m.

Attachments

1. Attendance Record
2. Recommend Position on Federal Bill
3. State Campaign Summary Attachment
4. State Legislative Proposals Attachment
5. Update on Federal Legislative Issues – Written Reports
6. Update on State Legislative Issues – Written Reports

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT LEGISLATIVE COMMITTEE MEETING ATTENDANCE RECORD – February 11, 2022

Mayor Pro Tem Michael A. Cacciotti	South Coast AQMD Board Member
Board Member Veronica Padilla-Campos.....	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

Debra Mendelsohn	Board Consultant (Rutherford)
Mark Taylor.....	Board Consultant (Rutherford)
Amy Wong	Board Consultant (Padilla-Campos)
Ben Wong.....	Board Consultant (Cacciotti)

Alfredo Arredondo	Resolute
Paul Gonsalves	Joe A. Gonsalves & Son
Gary Hoitsma	Carmen Group, Inc.
Mark Kadesh	Kadesh & Associates
Ben Miller	Kadesh & Associates
Amelia Morales	Cassidy & Associates

Mark Abramowitz	Public Member
Amber Aviles	Public Member
Jaime Bartolome.....	Public Member
Alan Caldwell.....	Public Member
Ken Dami	Public Member
Harvey Eder.....	Public Solar Power Coalition
Jason Henderson.....	CCEEB
Natalie Irwin.....	Public Member
Bill LaMarr.....	California Small Business Alliance
Erick Martell	Public Member
Dan McGivney	SoCalGas
Jacqueline Moore	PMSA
David Rothbart	Public Member
Craig Sakamoto	Public Member
Patty Senecal	Public Member
Marsha Waller	Phillips 66
Peter Whittingham.....	Public Member
Christine Wolfe	CCEEB

Derrick Alatorre	South Coast AQMD Staff
Debra Ashby.....	South Coast AQMD Staff
Barbara Baird	South Coast AQMD Staff
Cindy Bustillos.....	South Coast AQMD Staff
Maria Castro.....	South Coast AQMD Staff
Philip Crabbe.....	South Coast AQMD Staff
Sindy Enriquez	South Coast AQMD Staff
Bayron Gilchrist	South Coast AQMD Staff
Anissa (Cessa) Heard-Johnson.....	South Coast AQMD Staff

Mark Henninger	South Coast AQMD Staff
Sandra Hernandez.....	South Coast AQMD Staff
Kathryn Higgins	South Coast AQMD Staff
Sujata Jain	South Coast AQMD Staff
Aaron Katzenstein	South Coast AQMD Staff
Jason Low	South Coast AQMD Staff
Ian MacMillian.....	South Coast AQMD Staff
Matt Miyasato	South Coast AQMD Staff
Ron Moskowitz	South Coast AQMD Staff
Wayne Nastri.....	South Coast AQMD Staff
Denise Peralta Gailey	South Coast AQMD Staff
Sarah Rees	South Coast AQMD Staff
Mary Reichert.....	South Coast AQMD Staff
Aisha Reyes.....	South Coast AQMD Staff
Lisa Tanaka O'Malley	South Coast AQMD Staff
Anthony Tang.....	South Coast AQMD Staff
Jill Whynot	South Coast AQMD Staff
Jillian Wong	South Coast AQMD Staff
Paul Wright	South Coast AQMD Staff

117TH CONGRESS
2^D SESSION

H. R. 6662

To direct the Secretary of Energy to establish a grant program to facilitate electric vehicle sharing services operated at public housing projects, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 9, 2022

Ms. BARRAGÁN (for herself, Mr. SMITH of Washington, Ms. CLARKE of New York, Mr. ESPAILLAT, Ms. MATSUI, Mr. CARSON, Ms. TITUS, Ms. JAYAPAL, Mr. GRIJALVA, Ms. JACKSON LEE, Mr. PAYNE, Mr. GALLEG0, Mr. KILMER, Mr. LOWENTHAL, Mr. LIEU, Ms. STRICKLAND, Mr. GOMEZ, Mr. LEVIN of California, Ms. PINGREE, Mr. COSTA, Mrs. WATSON COLEMAN, Mr. RYAN, and Mr. HUFFMAN) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To direct the Secretary of Energy to establish a grant program to facilitate electric vehicle sharing services operated at public housing projects, and for other purposes.

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

3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the “Electric Vehicles for
5 All Act” or the “EVs for All Act”.

1 SEC. 2. DEPARTMENT OF ENERGY ELECTRIC VEHICLE

2 SHARING SERVICE GRANT PROGRAM.

3 (a) ESTABLISHMENT.—Not later than 1 year after
4 the date of enactment of this section, the Secretary shall
5 carry out, in coordination with the Secretary of Transpor-
6 tation and the Secretary of Housing and Urban Develop-
7 ment, a program to award, on a competitive basis, grants
8 to facilitate electric vehicle sharing services operated at
9 public housing projects.

10 (b) ELIGIBLE ENTITIES.—

11 (1) IN GENERAL.—The Secretary may award a
12 grant under this section to the following entities:

13 (A) A public housing agency.

14 (B) A local government.

15 (C) A non-profit organization that has en-
16 tered into an agreement with a public housing
17 agency or local government under which the
18 agency or government agrees to host an electric
19 vehicle sharing service on the property of such
20 agency or government.

21 (2) APPLICATIONS.—To be eligible to receive a
22 grant under this section, an entity specified in para-
23 graph (1) shall submit to the Secretary an applica-
24 tion in such form, at such time, and containing such
25 information as the Secretary determines appropriate.

1 (c) CRITERIA FOR GRANT AWARDS.—In awarding
2 grants under this section, the Secretary shall consider the
3 following criteria:

4 (1) The capacity of an applicant to operate a
5 proposed electric vehicle sharing service.

6 (2) Whether such proposed service would ad-
7 dress—

8 (A) the infrastructure needs of the public
9 housing project where such service will be oper-
10 ated; and

11 (B) the transportation needs of the com-
12 munity surrounding such public housing
13 project.

14 (3) Whether the applicant has developed a cul-
15 turally competent community engagement and edu-
16 cation plan for outreach regarding such proposed
17 service.

18 (4) The economic and operational sustainability
19 of such proposed service.

20 (5) Whether the applicant proposes to install
21 networked direct current fast charging equipment in
22 connection with such proposed service.

23 (6) Whether the applicant proposes to purchase
24 electric vehicles with respect to which final assembly

1 occurred at a location operating under a collective
2 bargaining agreement.

3 (7) Whether the applicant proposes to purchase
4 electric vehicles that—

5 (A) with respect to final assembly, are as-
6 sembled using component parts that are at least
7 50 percent domestic content; and

8 (B) are powered by battery cells manufac-
9 tured in the United States.

10 (8) Other criteria as determined appropriate by
11 the Secretary.

12 (d) PERMITTED GRANT USES.—

13 (1) IN GENERAL.—A recipient of a grant
14 awarded under this section may only use grant
15 funds for the following to facilitate an electric vehi-
16 cle sharing service operated at a public housing
17 project:

18 (A) The purchase of light-duty electric ve-
19 hicles that are not more than 5 years old.

20 (B) The purchase, installation, and main-
21 tenance of electric vehicle charging infrastruc-
22 ture.

23 (C) Community education and outreach
24 with respect to such service.

1 (D) Incentives for residents of the public
2 housing project to use such service, including
3 subsidized fares.

4 (E) Maintenance, repairs, and other costs
5 associated with operating such service, includ-
6 ing towing, impound, and driving infraction
7 fines.

8 (F) Monitoring, data collection, and eval-
9 uation with respect to such service.

10 (G) Technical assistance relating to the es-
11 tablishment, operation, and evaluation of such
12 service.

13 (2) MINIMUM STANDARDS FOR PURCHASED
14 ELECTRIC VEHICLES.—The Secretary shall establish
15 minimum standards relating to functionality and
16 range for electric vehicles eligible to be purchased
17 under paragraph (1)(A).

18 (e) GRANT LIMITATIONS.—

19 (1) AVAILABILITY.—Grant funds awarded
20 under this section shall be available to the recipient
21 of such funds for obligation or expenditure during
22 the 5-year period beginning on the date on which
23 such funds are awarded.

24 (2) MAXIMUM AMOUNT.—A grant under this
25 section may not be in an amount that exceeds

1 \$1,000,000 for each public housing project at which
2 the grant recipient will operate an electric vehicle
3 sharing service.

4 (f) R_EPORTS.—As a condition of receiving a grant
5 under this section, a grant recipient shall submit to the
6 Secretary, before the end of each year during which the
7 recipient receives grant amounts, a report that—

8 (1) describes the activities carried out with such
9 amounts; and

10 (2) includes data on—

11 (A) the operating and capital costs for the
12 electric vehicle sharing service facilitated with
13 such amounts;

14 (B) the revenue generated by such service;

15 (C) the daily averages of individual book-
16 ings and hours of electric vehicle use for such
17 service;

18 (D) the number of active users of such
19 service;

20 (E) the distance traveled by the electric ve-
21 hicles of such service;

22 (F) the estimated reduction in greenhouse
23 gas emissions and criteria air pollutants associ-
24 ated with such service; and

1 (G) the results of a survey of customers of
2 such service that provides information on cus-
3 tomer preferences, destinations, and other in-
4 formation the Secretary determines appropriate.

5 (g) LABOR.—

6 (1) CONTRACTS FOR INSTALLATION OF ELEC-
7 TRIC VEHICLE CHARGING INFRASTRUCTURE.—As a
8 condition of receiving a grant under this section, a
9 grant recipient shall ensure, to the greatest extent
10 practicable, that—

11 (A) not less than 40 percent of the employ-
12 ees of any nongovernmental entity that enters
13 into a contract with such recipient, or a sub-
14 contract thereof, for the installation of electric
15 vehicle charging infrastructure are—

16 (i) domiciled—

17 (I) if the installation is carried
18 out at a location in a major urban
19 area, not further than 15 miles from
20 the location of such installation; or

21 (II) if the installation is not car-
22 ried out at a location in a major
23 urban area, not further than 50 miles
24 from the location of such installation;

1 (ii) members of the Armed Forces or
2 veterans;

3 (iii) displaced and unemployed energy
4 workers;

5 (iv) registered apprentices who have
6 completed less than 15 percent of the re-
7 quired hours for the apprenticeship pro-
8 gram in which they are enrolled; or

9 (v) persons who—

10 (I) were formerly—

11 (aa) incarcerated in a juve-
12 nile or adult detention or correc-
13 tional facility; or

14 (bb) placed on probation,
15 community supervision, or in a
16 diversion program;

17 (II) are emancipated from the
18 foster care system;

19 (III) have a disability;

20 (IV) are homeless;

21 (V) receive public assistance; or

22 (VI) lack a general education or
23 high school diploma; and

24 (B) not less than 40 percent of the em-
25 ployees of any such entity hold an Electric Ve-

1 hicle Infrastructure Training Program certifi-
2 cation.

3 (2) W_{AGES}.—

4 (A) I_{N GENERAL}.—As a condition of re-
5 ceiving a grant under this section, a grant re-
6 cipient shall ensure that all laborers and me-
7 chanics employed by a nongovernmental entity
8 that enters into a contract for the performance
9 of construction, alteration, or repair work that
10 is facilitated, in whole or in part, by such grant,
11 or a subcontract thereof, are paid wages at
12 rates not less than those prevailing on similar
13 construction, alteration, or repair work in the
14 locality as determined by the Secretary of
15 Labor in accordance with subchapter IV of
16 chapter 31 of title 40, United States Code.

17 (B) L_{ABOR STANDARDS}.—With respect to
18 the labor standards in subparagraph (A), the
19 Secretary of Labor shall have the authority and
20 functions set forth in Reorganization Plan
21 Numbered 14 of 1950 (64 Stat. 1267; 5 U.S.C.
22 App.) and section 3145 of title 40, United
23 States Code.

1 (h) AUTHORIZATION OF APPROPRIATIONS.—There is
2 authorized to be appropriated to carry out this section
3 \$50,000,000 for each of fiscal years 2022 through 2031.

4 (i) DEFINITIONS.—In this section:

5 (1) The term “electric vehicle” means a vehicle
6 that derives all or part of its power from electricity.

7 (2) The term “electric vehicle charging infra-
8 structure”—

9 (A) means any property, other than a
10 building or the structural components thereof,
11 that is—

12 (i) used to charge electric vehicles;

13 (ii) present at the location where such
14 vehicles are charged; and

15 (iii) available for use by members of
16 the general public; and

17 (B) includes any utility service connection,
18 or utility panel upgrade, that is required for the
19 charging of electric vehicles.

20 (3) The term “electric vehicle sharing service”
21 means a service that—

22 (A) allows an individual to apply for a
23 membership that pre-approves the individual to
24 rent electric vehicles from such service; and

1 (B) permits pre-approved individuals to
2 rent such vehicles for short periods of time.

3 (4) The term “final assembly” means the proc-
4 ess by which a manufacturer produces a new electric
5 vehicle at, or through the use of, a plant, factory, or
6 other place from which the vehicle is delivered to a
7 dealer or importer with all component parts nec-
8 essary for the mechanical operation of the vehicle in-
9 cluded with the vehicle, whether or not the compo-
10 nent parts are permanently installed in or on the ve-
11 hicle.

12 (5) The term “major urban area” means a met-
13 ropolitan statistical area within the United States
14 with an estimated population that is greater than or
15 equal to 1,500,000.

16 (6) The term “networked direct current fast
17 charging equipment” means electric vehicle charging
18 equipment that—

19 (A) provides a direct current power source
20 at a minimum of 50 kilowatts; and

21 (B) is enabled to connect to a network to
22 facilitate data collection and access.

23 (7) The term “registered apprentice” means a
24 person participating in a program registered pursu-
25 ant to the Act of August 16, 1937 (commonly

1 known as the “National Apprenticeship Act”; 50
2 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.).

3 (8) The term “Secretary” means the Secretary
4 of Energy.

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South Coast Air Quality Management District
 Legislative Analysis Summary – H.R. 6662
 Version: As introduced on February 9, 2022
 Analyst: LTO

H.R. 6662 (Barragán) Electric Vehicles for All Act of 2022

Summary: To direct the Secretary of Energy to establish a grant program to facilitate electric vehicle sharing services operated at public housing projects, and for other purposes.

Background: Transportation is one of the largest household expenses along with housing, food and healthcare.¹ Although environmental justice communities are disproportionately impacted by air pollution, residents often do not have access to EVs due to cost as well as the lack of charging infrastructure.

Since 2015, the Enhanced Fleet Modernization Program better known as Replace Your Ride (RYP) provides incentive funds to qualified South Coast AQMD residents to upgrade older, more polluting vehicles with hybrid or electric vehicles. RYP is an income-based program which also can provide vouchers for car-sharing or public transit passes.

RYP is a popular program resulting in the replacement of more than 8,000 older passenger vehicles for a cost of over \$64.9 million. In fact, the program was oversubscribed in 2020, resulting in CARB allocating an additional \$1.43 million in Spring 2021. Cleaner vehicles are less polluting, and as they are usually newer models, can provide greater transportation stability for the owners.

The “Electric Vehicles for All Act of 2022” would provide clean air transportation through a low-cost car sharing program offered to residents living in public housing. The concept has been piloted in two communities in the South Coast AQMD jurisdiction by the Los Angeles Cleantech Incubator (LACI) including San Pedro and Pacoima. The program at the Rancho San Pedro public housing complex includes two EVs which may be rented for \$3 per hour. The “EVs for All Act” would help further close the gap for cleaner, more secure transportation in underserved communities throughout the nation.

Status: Pending Introduction

Specific Provisions: The “EVs For All Act” would require the U.S. Departments of Energy (DoE) and Housing and Urban Development (HUD), to develop a competitive grant program to facilitate EV sharing services at public housing projects. The program would provide grants up to \$1 million to acquire EVs (not more than five-years old), install the required charging infrastructure, conduct outreach, subsidize fares, and expenses related to maintenance and repairs, as well as data collection. Eligible grant applicants are public housing agencies, local government, or non-profits to support EV car sharing services at public housing projects. The bill would authorize up to \$50M in annual appropriations from 2022-2031.

¹ U.S. Department of Transportation, Bureau of Transportation Statistics, <https://data.bts.gov/stories/s/ida7-k95k#:~:text=Data%20and%20discussion%20on%20total%20national%20household%20spending%20on%20transportation%20also%20available.&text=Households%20spent%20an%20average%20of,as%20healthcare%20benefits%2C%20is%20excluded.>

Additionally, the bill promotes job creation by requiring contractors to hire local workers, especially veterans and others who may face employment challenges.

Impacts on South Coast AQMD’s Mission, Operations or Initiatives: The “EV for All Act” aligns with South Coast AQMD’s environmental justice and AB 617 programs to provide access to clean air vehicles and infrastructure in underserved communities.

Recommended Position: SUPPORT

Overview of Proposed Comprehensive Air Quality Campaign Relating to State Legislative Activities - Brief Summary

Proposed campaign includes a framework for a potentially multi-year plan of action that involves:

1) State Audit Request

Use of formal audit process in conjunction with Joint Legislative Audit Committee (JLAC) in Sacramento to seek information and assess CARB's efforts, programs and actions taken in terms of achieving and prioritizing near-term emission reductions and attainment of ambient air quality standards as required by federal law. Audit can highlight successes and identify gaps and deficiencies in terms of current attainment efforts. Audit inquiries can be specifically tailored.

2) Public Relations Effort – Focus on educating public and stakeholders on items including:

- a. Negative health and economic impacts of air pollution;
- b. Challenge South Coast region faces in reducing air pollution and toxics, especially in disadvantaged communities; and
- c. Clean technology options available to reduce pollution, including diesel toxic emissions from mobile sources (e.g. heavy-duty trucks)

3) Legislative and Budgetary Efforts Seeking Air Quality-related Incentive Funding – including:

- a. AB 8 Reauthorization – extending Carl Moyer funding sources;
- b. AB 617 Incentive Funding Budget Request;

- c. Anti-Diesel Truck Funding Budget Request;
- d. Proposed Legislation: Independent Special District Status for Air Districts – can increase eligibility for state and federal funding;
- e. Proposed Legislation: Renewable Portfolio Standard (RPS) Style Standard for Air Quality – creates standards that could help motivate air quality funding in budget process; and
- f. Proposed Legislation: Goods Movement-Related Port Cargo Fee

4) Legislative and Budgetary Efforts that Support and Highlight Local Programs and Regulatory Activity in South Coast Region

- a. AB 617 Implementation Funding Budget Request;
- b. AB 617 Community Steering Committee Members' Administrative Costs Legislation and Budget Request;
- c. Proposed Legislation: AB 617 Policy Changes; and
- d. Education/outreach efforts regarding South Coast AQMD regulatory actions

**Brief Summary of Four Potential South Coast AQMD-Sponsored State
Legislative Proposals**

1) Proposed Legislation: AB 617 Policy Changes

- a. Bill would make policy and budget-related changes to AB 617 program in response to community needs and concerns:
 - i. Extends time to establish a CERP from 1 to 2 years after AB 617 community is selected;
 - ii. Requires non-air quality agencies to assist in the development, implementation, and enforcement of CERPs as needed; and
 - iii. Authorizes funding for community steering committees for administrative items, including, but not limited to, translation services, meeting venue costs, meeting coordination, training and stipends.

2) Proposed Legislation: Independent Special District Status for Air Districts

- a. Bill would clarify state law to allow local air districts to be considered “independent special districts.”
- b. Can increase air districts’ eligibility for state and federal funding opportunities.

3) Proposed Legislation: Renewable Portfolio Standard (RPS) Style Standard for Air Quality

- a. Bill would create an RPS style standard for air quality. RPS is concept that set escalating renewable energy procurement requirements for California utilities.
- b. Bill would require that CARB act to reduce a specified percentage/amount of air pollutants per year until meeting specific air quality goals by a certain date, in sync with attainment requirements.
- c. Bill would create state requirements that could help motivate air quality funding in budget process by highlighting when there are failures to achieve sufficient annual incremental progress toward attainment of federal standards.
- d. Would require annual reporting by CARB, regarding efforts/progress towards attainment.

4) Proposed Legislation: Goods Movement-Related Port Cargo Fee

- a. Bill would create a goods movement-related port cargo fee that would generate a potentially significant amount of air quality-related incentive funding that would assist with our efforts to attain federal standards.
- b. Amount of fee and which ports statewide are included in legislation are open for discussion.

KADESH & ASSOCIATES

South Coast AQMD Report for the February 2022 Legislative Meeting covering January 2022 Kadesh & Associates

The second session of the 117th Congress began slowly this month. The Continuing Resolution that was approved in December was supposed to buy enough time for full-year appropriations to be negotiated, but there was very little progress on negotiations for several weeks, while the House was in recess and the Senate pursued an unsuccessful attempt on voting rights and elections. As of late January, however, senior Appropriations Committee members from the House and Senate have now begun to negotiate directly, which gives some hope that they will reach agreement by the time the current Continuing Resolution expires on February 18 – or at least not too long after that deadline. Senate Appropriations Chairman Leahy has suggested that an omnibus appropriations bill might take shape by the first week of February.

There have also been initial discussions about attaching other funding if an appropriations deal is reached, potentially including additional pandemic funding or disaster aid for areas hit by tornadoes in December. Meanwhile, the executive branch has reported that relying on stopgap funding is hampering the rollout of the Bipartisan Infrastructure Law (BIL), because federal agencies are limited in their ability to start new programs and hire new employees under a Continuing Resolution. Along with earmarks, which also still must be resolved between the House and Senate, this difficulty in implementing the BIL is an additional incentive for Congress to reach bipartisan agreement on a full-year appropriations bill.

After the holiday season and early-January lull, the Congressional calendar for the next few months is starting to look busy. In addition to the appropriations deadline of February 18, we expect action in the House on its legislation to increase domestic R&D to better compete with China (the Senate has already passed legislation along these lines), there continues to be significant interest among leadership and rank-and-file members in reviving the Build Back Better Act, and the Senate will soon turn to the process of considering a new Supreme Court Justice. The President's State of the Union address is scheduled for March 1, so Democratic leaders in the House and Senate have a target date to deliver on at least some of these priority items.

One of the BIL initiatives that we have been tracking is the new funding for clean fueling and charging infrastructure, based on the Clean Corridors legislation that South Coast AQMD has supported. The Federal Highway Administration (FHWA) has put out a request for information to help guide the design of those programs, and we are sharing South Coast AQMD's perspective and information about ways to maximize air quality improvements with the congressional delegation. We are also working with South Coast AQMD and the congressional delegation on the continued effort to expedite a heavy-duty truck rule and strengthen rules on other mobile sources.

KADESH & ASSOCIATES

Kadesh & Associates Activity Summary-

- Monitored new legislation and worked with South Coast AQMD to brief congressional delegation on air quality issues.
- Worked with South Coast AQMD staff on strategy to address nonattainment deadlines, including working in coordination with Bay Area AQMD to draw congressional attention to the need for updated federal mobile source regulations.

Contacts:

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

###



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

To: South Coast AQMD Legislative Committee

From: Carmen Group

Date: January 27, 2022

Re: Federal Update -- Executive Branch

FY22 Appropriations: With Congress facing a self-imposed Feb. 18th deadline to complete the current-year appropriations process, there remains considerable uncertainty as to how -- and even whether -- the FY 22 spending stalemate will be resolved. At stake, among many things, is critical funding for an array of energy, environment and infrastructure programs and initiatives, including highly anticipated spending increases for DERA, Targeted Airshed Grants, Clean Air Act and Infrastructure Law funding of special importance to South Coast AQMD. If agreements cannot be reached to clear an Omnibus bill, spending levels for the rest of FY 22 could be left largely based on priorities set during the previous administration. Complicating this year's process is the deep partisan divide in Congress exacerbated by the fast-approaching Midterm elections. Sharp deal-breaking disputes over policy riders and defense spending have remained largely intractable for many months with, so far, no apparent progress toward resolution.

Reconciliation: Closed-door negotiations among Senate Democrats are continuing in an effort to salvage some remnant of the Build Back Better (BBB) reconciliation bill which fell apart in December when it became clear the bill did not have the needed 51 votes. The fate of the energy and climate-related provisions of the BBB bill remains uncertain. In late January, President Biden hosted a White House meeting with several corporate CEOs (including those of Ford, GM and Cummins) who expressed support for the bill and especially for the subsidies to incentivize the purchase of electric vehicles, hydrogen fuel and clean trucks. Meanwhile over 250 companies, saying they are committed to building "America's clean energy future," signed a Jan. 24th letter to Democratic Congressional leaders urging passage of the BBB bill.

Infrastructure Law Implementation: Below are several significant developments over the past month surrounding the implementation of the Bipartisan Infrastructure Law that could be of special interest to SCAQMD:

- **Appropriations Snag:** In January, a coalition of over 60 highway and transit groups wrote to Congressional leaders in both parties urging quick action to complete the FY 22 appropriations bills, saying that the full benefits of the Infrastructure Law -- including a 20 percent increase in highway funding, a 30 percent increase in transit funding, and the launch of new programs such as those for Carbon Reduction and PROTECT grants -- could not be realized without the necessary new appropriations.

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- **Disputes Erupt Over Administration’s Highway “Policy Guidance”:** In January, State Departments of Transportation and several Republican Governors and Members of Congress took vocal exception to the Biden Administration’s aggressive attempts to place its strongly partisan “Build a Better America” policy stamp on the way federal highway dollars would be distributed and permitted (or “encouraged”) to be used under the new Bipartisan Infrastructure Law. At issue is how much flexibility and discretion states will have to spend federal highway funds as they see fit. To the extent there may be less flexibility allowed than there has been previously and traditionally, there is bound to be push-back and a robust discussion about what the new law actually requires. In a Jan. 19th letter to the Federal Highway Administration (FHWA), the American Association of State Highway and Transportation Officials (AASHTO) raised concerns about the FHWA’s Dec. 16th policy guidance memo which seemed to be discouraging new highway capacity improvements in favor of confined repairs to existing roads and smaller bike-and-pedestrian-type improvements, coupled with special deference to “climate” and “equity” policy prescriptions. At the same time, 16 Republican Governors wrote to White House Infrastructure Czar Mitch Landrieu about similar concerns they had with Landrieu’s Jan. 4th memo to Governors and Members of Congress. Meanwhile, the ranking member of the House Transportation & Infrastructure Committee, Rep. Sam Graves (R-MO), urged Landrieu to voluntarily testify before the Committee and answer questions on these issues in a timely manner.
- **Infrastructure Czar Offers Tips for Cities Seeking Grants:** Speaking at the January Winter Meeting of the U.S. Conference of Mayors in Washington, DC, White House Infrastructure Coordinator Mitch Landrieu said there are immediate steps cities can take that could help them compete for grants that federal agencies will award under the infrastructure law. “You don’t have to wait,” he said. 1) Make sure your proposed road and bridge projects are part of the regional planning organization’s transportation improvement plan; 2) Predetermine where you’d like to install electric vehicle chargers; 3) Map and inventory lead pipes that need to be replaced; 4) Work with states to identify broadband gaps; 5) For grant applications, make sure to loop in congressional representatives as allies—even those lawmakers who voted against the infrastructure legislation. “Even those who voted no, still want the dough,” he quipped; 6) For major funding streams that go to states, not directly to cities, “you’ve got to do your work on that level to make that happen and to make your case,” before the money can “trickle down to your community.”
- **U.S. Army Corps of Engineers Announces Project Investments:** In January, the U.S. Army Corps of Engineers announced that it will invest more than \$14 billion of Infrastructure Law funding for port and waterway infrastructure in FY 22 for over 500 projects across 52 states and territories, [including \\$8 million to help expand capacity at what it called “one of the nation’s fastest growing ports, the Port of Long Beach.”](#)

- **FHWA FAQs on Electric Vehicle (EV) Charging:** https://www.fhwa.dot.gov/real_estate/right-of-way/corridor_management/ev_charging_faq.cfm
- **DOE Launches “Clean Energy Corps” Hiring Campaign:** The Department of Energy announced in January that it is ready to recruit an additional 1,000 employees (the largest staff expansion at DOE since its establishment in 1977) “using special hiring authority included in the Bipartisan Infrastructure Law to help implement the Law’s historic infusion of \$62 billion in funding and accelerate the nation’s drive to a clean energy future.” DOE is apparently referring to a provision in the law allowing for the hiring of staff to carry out the work of the newly created Office of Clean Energy Demonstrations. The law makes no mention of a “Clean Energy Corps” or of the number “1000 employees.”
- **DOE Announces “Building a Better Grid” Initiative:** In January, the Department of Energy announced the launch of this initiative to catalyze the development of new and upgraded high-capacity electric transmission lines as enabled under the Infrastructure Law that are deemed critical to reaching President Biden’s goal of 100% clean electricity by 2035 and a zero-emission economy by 2050.
- **Key Meetings Reinforce Commitments to Administration Priorities:** On January 20, President Biden met with his Infrastructure Implementation Task Force, chaired by Mitch Landrieu. On January 22, Landrieu and other top White House staff met with leaders of 17 civil rights groups. Both meetings reinforced commitments to implement the Infrastructure Law with special attention to the President’s broader priorities including “to ensure investments advance equity and racial justice and bolster the nation’s resilience to climate change.”

Environmental Protection Agency

EPA Announces Bold Actions in Pursuit of Environmental Justice: In January, EPA Administrator Michael Regan announced the first in a series of actions responding directly to concerns he detected in his recent “Journey to Justice” Tour of communities historically and disproportionately impacted by pollution, “communities that are marginalized, underserved, and overburdened by pollution.” These actions include 1) Aggressive use of unannounced inspections of suspected non-compliant facilities; 2) Expanded air monitoring capacity, using planes, vehicles, and inspectors to enhance enforcement; 3) Investments in community air monitoring; 4) Pressing state and local officials to better protect overburdened communities; 5) Holding companies more accountable for pollution in overburdened communities; and 6) Applying the best science to agency policymaking to safeguard public health.

EPA Extends Deadline for Air Quality Monitoring Grants: In response to requests, the EPA announced a 30-day extension of the grant application deadline for eligible entities seeking funding for ambient air monitoring projects in communities with

environmental and health disparities stemming from pollution and the COVID-19 pandemic. The new deadline is March 25, 2022.

Department of Transportation

Port Envoy Holding Weekly Meetings with Port Officials Across the Country:

According to a White House statement on the Strong Partnership Between Federal and Local Government: *“The Administration is working closely with mayors and local governments across the country to mitigate supply chain blockages and ensure shelves are stocked. The Administration’s port envoy has held weekly meetings with city-owned ports, including the Ports of Los Angeles and Long Beach, to identify ways to reduce congestion and move toward 24/7 operations, which reduces emissions and traffic in communities.”*

Bose Confirmed as FRA Administrator: On January 12, Amit Bose was confirmed by the U.S. Senate to be Administrator of the Federal Railroad Administration. He had been serving as Deputy Administrator. DOT notes he is the first person of South-Asian descent to lead FRA.

Federal Emergency Management Agency

Notable Appointment:

Alice Hill, *Deputy Administrator for Resilience*

CFR; Obama WH, DHS; EDF Board; Judge, LA Superior Court; LA US Attorney’s Office

Outreach: Contacts included the Department of Transportation Office of Intergovernmental Affairs on port air quality issues and members of our business coalition group on the EPA’s Ultra-Low NOx rulemaking process.

###



To: South Coast Air Quality Management District
From: Cassidy & Associates
Date: January 27, 2021
Re: January Report

HOUSE/SENATE

Both the House and the Senate are not in session this week. They will return to normal session on January 31.

When Congress returns in February it will face a new set of challenges. House Democrats will unveil their version of USICA (the U.S. Innovation and Competition Act, which passed the Senate in June 2021), rebranded as the America COMPETES Act, this week, and the bill could hit the House floor as soon as next week. The legislation is aimed at jumpstarting high-tech research and manufacturing – especially semiconductor chips and AI – in the United States to counter China’s growing prowess in these areas. If this bill passes the House the two chambers will need to conference to resolve any differences between their respective bills.

The two immediate dates on the calendar to watch are February 18 and March 1. The Continuing Resolution (CR) to fund the government expires on February 18. The bipartisan leaders of the House and Senate appropriations committee began negotiations last week to try and finalize a full year omnibus appropriations bill. Republicans do not want the Defense Department to operate under a CR. A full year appropriation would provide additional funding and flexibility for the Pentagon. Democrats, on the other hand, would have to deal with Trump-negotiated lower omnibus levels for domestic spending if they extend the CR. Instead of this scenario they want higher domestic spending levels for the social program priorities.

Both sides want to try to get a deal. But difficult issues remain including the Hyde amendment and other policy riders. Beyond that, appropriators made very little progress throughout last year – the Senate did not pass a single funding bill. Democrats also want the expanded childcare tax credit extended and to include an additional COVID relief package. So, the House and Senate still have work to do on the substance of what would be a massive omnibus bill.

March 1 is the date for President Biden's State of the Union speech – an unusually late date for the annual event. Congressional Democrats had hoped to enact the President's economic and social agenda before the State of the Union – and make those accomplishments the center piece of the speech. With the prospects of those legislative accomplishments greatly diminished, the White House must now decide what message to deliver to the American people.

EPA

The EPA has extended its deadline for enhanced air quality monitoring for community grant applications through March 25, 2022. The grant program will provide funding for ambient air monitoring projects in communities with environmental and health outcome disparities stemming from pollution and the COVID-19 pandemic. Through the American Rescue Plan, the total estimated funding for this competitive opportunity is approximately \$20,000,000. Approximately \$2 million will be awarded to Tribal governments, and \$2 million will be awarded to eligible community-based organizations under a community-based organization set-aside. The EPA anticipates awarding a total of approximately 50-70 assistance agreements (cooperative agreements or grants). Further information can be found [here](#).

Cassidy and Associates support in January:

- Tracked Capitol Hill intelligence related to Build Back Better.
- Provided guidance to SCAQMD on implementation of the Infrastructure Investment and Jobs Act.
- Secured EPA and CEQ Meetings for SCAQMD virtual DC visit.
- Participated in weekly strategy sessions.

IMPORTANT LEGISLATIVE DATES

February 18, 2022

Expiration of the current CR

PANDEMIC RESPONSE PROGRAMS AND AUTHORITIES

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, travel, immigration, transportation and 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)



TO: South Coast Air Quality Management District

FROM: Anthony, Jason & Paul Gonsalves

SUBJECT: Legislative Update – January 2022

DATE: Thursday, January 27, 2022

The Legislature returned to start the 2022 legislative session on January 3. Redistricting maps have caused musical chairs in districts throughout the state, which caused various legislators to resign, choose to not seek re-election, or look for other possible positions within the new boundaries.

In addition, the start of the second year of a 2-year session means all 2-year bills must be out of their house of origin by January 31, 2022. All new bills this year must be introduced by February 18, 2022, with policy committee hearings to start in mid-March. Budget subcommittees have already started holding hearings to review the Governor's January Budget proposal, released on January 10, 2022.

All of this, coupled with the wide-spread impacts from the Omicron variant, has led to a busy start for 2022 in Sacramento. The following will provide you with updates of interest to the District:

RESPONSE TO COVID-19 PANDEMIC

As previously mentioned, the Omicron variant has continued to cause interruptions in Sacramento. In an effort to provide flexibility at all levels of government, on January 5, Governor Newsom signed an executive order to extend the sunset of AB 361. The Governor signed AB 361 in September 2021 to extend the flexibilities provided in a prior executive order, enabling public agencies to meet remotely during the Covid-19 emergency. Under the Order, state bodies are permitted to continue holding public meetings via teleconference through March 31, 2022.

On January 8, Governor Newsom's Administration unveiled a proposed \$2.7 billion COVID-19 Emergency Response Package – including a \$1.4 billion emergency appropriation request – to bolster testing capacity, accelerate vaccination and booster efforts, support frontline workers, strengthen the health care system and battle misinformation.

Governor Newsom's overall package includes:

\$1.2 BILLION: BOLSTER TESTING

Expand hours and capacity at testing sites throughout the state to help slow the spread. Distribute millions of COVID-19 antigen tests to local health departments, community clinics and county offices of education and schools. This is critical to the state's operational readiness and continued efforts to combat COVID-19, and it includes a \$1.4 billion emergency appropriation request to the Legislature for California's immediate needs.

Support the state's testing facilities, including specimen collection and expanding capacity in order to meet demand.

Support state departments in testing their staff and congregate populations

\$583 MILLION: GET MORE CALIFORNIANS VACCINATED & BOOSTED, COMBAT MISINFORMATION

Continue the "Vaccinate all 58" public education campaign to provide reliable information and build vaccine confidence while combating misinformation, all of which is in partnership with 250 ethnic media outlets.

Continue a robust community outreach and direct appointment assistance campaign by conducting door-to-door canvassing, phone banking and texting with over 700 CBOs and community partners in partnership with philanthropy.

In-home vaccination and testing programs to meet Californians where they're at. Provide free transportation to vaccination appointments throughout the state to help get more Californians vaccinated and boosted.

\$614 MILLION: SUPPORT OUR FRONTLINE WORKERS AND HEALTH CARE SYSTEMS

Support and distribution of critical personnel resources for health care systems to help protect frontline workers, patient care and hospital surge capacity as well as additional staffing for vaccination sites.

\$200 MILLION: SUPPORT STATE RESPONSE OPERATIONS

Resources to enhance the state's emergency response and public health capacities, including staffing and information technology at California Department of Public Health, Office of Emergency Services and Emergency Medical Services Authority.

\$110 MILLION: SUPPORT VULNERABLE POPULATIONS AND BOLSTER CONTACT TRACING EFFORTS

Increased public health and humanitarian efforts at the California-Mexico border to keep migrants safe, including vaccinations, testing and isolation and quarantine services. Expanded statewide contact tracing activities to help keep Californians safe and slow the spread.

The Governor's budget also calls for new legislation to implement supplemental paid sick leave policies given the current situation being driven by the Omicron variant to better protect our frontline workers.

On January 25, Governor Gavin Newsom, Senate President pro Tempore Toni G. Atkins and Assembly Speaker Anthony Rendon announced that they have reached an agreement on a framework to ensure employees continue to have access to COVID-19 supplemental paid sick leave through September 30, 2022.

Early budget actions will also include restoring business tax credits, including research and development credits and net operating losses, that were limited during the COVID-19 recession. The proposal will also include tax relief for recipients of federal relief grants for restaurants and shuttered venues and additional funding for the Small Business Covid-19 Relief Grant Program. The framework includes significant funding to bolster testing capacity, accelerate vaccination and booster efforts, support frontline workers, strengthen the health care system, and battle misinformation.

California Blueprint Investments in State's Infrastructure and Clean Transportation Future

On January 13, Governor Newsom unveiled his California Blueprint's major investments in transportation and infrastructure, highlighting the plan's \$9.1 billion in funding for climate-friendly clean transit projects that will create thousands of jobs. The Blueprint also includes \$2.3 billion to support ports and goods movement throughout the state and an additional \$6.1 billion to accelerate the state's transition to zero-emission vehicles (ZEVs) – creating a total package of \$10 billion that will invest in affordable cars, clean trucks and buses.

The California Blueprint includes a proposed \$9.1 billion package to advance clean transit initiatives that support the state's climate and public health goals, promote equity and bolster the green economy, including \$4.9 billion for transit and rail projects to improve connectivity, climate adaptation, bicycle and pedestrian safety and more locally driven initiatives. In addition, the Blueprint proposes a \$4.2 billion investment in California's High-Speed Rail project, which will eventually share the electrified Caltrain corridor, as well as funding for projects that encourage active modes of transportation and improve equity and safety, including converting underutilized highways into corridors that better serve residents. The Blueprint positions California to take advantage of additional federal infrastructure investments.

The California Blueprint also furthers the Administration's ongoing work to support ports and build supply chain resilience, outlining a \$2.3 billion package that includes \$1.2 billion for port-related infrastructure projects that increase goods movement capacity and additional funding for zero-emission port equipment, drayage trucks and infrastructure. The Governor in October issued an executive order directing state agencies to help identify additional ways to alleviate congestion at California ports and announced a state-federal partnership to help kick-start infrastructure projects designed to improve goods movement. In addition, the Governor has launched a multi-agency Supply Chain Task Force working to find opportunities to lease state and privately-owned land for container storage space, Caltrans has issued temporary truck weight exemptions on State Highways to keep goods moving efficiently and the Department of Motor Vehicles has worked to nearly double its capacity to conduct commercial driving tests.

The Blueprint also builds on the California Comeback Plan's \$3.9 billion ZEV package with an additional \$6.1 billion in proposed investment to accelerate the transition. The additional funding will add thousands of affordable clean cars, zero-emission trucks and transit buses, support school transportation programs and electrify our school bus fleet, expand equitable access to ZEV charging infrastructure and fund equity-focused clean transportation community projects.

\$10 BILLION ZEV PACKAGE

On January 26, Governor Newsom outlined his \$10 billion ZEV package to accelerate the transition to ZEVs and fight climate change. This package is a critical part of the Governor's overall plan to cement California's status as a world leader in forging an oil-free future.

This \$10 billion ZEV package builds on the Governor's action to shift the automotive industry entirely to all electric by 2035, utilizing California's market dominance to accelerate the transition to ZEVs across the world and dramatically reduce the state's reliance on fossil fuels. Electric vehicles have become one of the state's top exports, and California represents half of the U.S. ZEV market.

Building upon last year's \$3.9 billion investment in ZEVs, the Governor is proposing another \$6.1 billion to accelerate this transition – a total \$10 billion ZEV package that will help make these vehicles more affordable and convenient for all Californians, while building out the infrastructure and charging stations needed to facilitate this transition. Significant investments include:

Low-income zero-emission vehicles and infrastructure:

\$256 million for low-income consumer purchases, and \$900 million to expand affordable and convenient ZEV infrastructure access in low-income neighborhoods. These investments will focus on planning and deploying a range of charging options to support communities, including grid-friendly high-power fast chargers and at-home charging.

Heavy-duty zero-emission vehicles and supporting infrastructure:

\$935 million to add 1,000 zero-emission short-haul (drayage) trucks and 1,700 zero-emission transit buses; \$1.5 billion in Proposition 98 funds to support school transportation programs, including advancing electric school buses in a coordinated effort between educational, air pollution, and energy agencies; \$1.1 billion for zero-emission trucks, buses and off-road equipment and fueling infrastructure; and \$400 million to enable port electrification.

Zero-emission mobility:

\$419 million to support sustainable community-based transportation equity projects that increase access to zero-emission mobility in low-income communities. This includes supporting clean mobility options, sustainable transportation and equity projects, and plans that have already been developed by communities that address mobility. These locally-driven projects continue to be a direct response to critical mobility needs identified by community-based organizations and residents working on the front lines to lift up priority populations.

Emerging opportunities:

\$200 million to invest in demonstration and pilot projects in high carbon-emitting sectors, such as maritime, aviation, rail and other off-road applications, as well as support for vehicle grid integration at scale. These investments will help maintain California's role as the hub of ZEV market creation and innovation, creating economic development opportunities while accelerating zero-emission solutions in the hardest-to-reach segments of the transportation system.

CAP-AND-TRADE EXPENDITURE PLAN

The Governor's January proposed budget assumes cap-and-trade auction revenue of \$3.6 billion in 2021-22. Based on this revenue estimate, there would be roughly \$600 million in carryover funding available to be allocated in 2022-23, plus an estimated \$2.3 billion in revenue collected in 2022-23. About \$1.5 billion would go to continuously appropriated programs in 2022-23, \$239 million would go to other existing spending commitments, and \$979 million would go to proposed discretionary spending. Also, based on these revenue assumptions, there would be a roughly \$200 million reserve balance at the end of 2022-23.

Almost all of the proposed discretionary spending would support existing programs that have received GGRF allocations in past years. Specifically, \$676 million would support ZEV programs at the California Air Resources Board (CARB) and \$240 million would go to continued implementation of AB 617, (C. Garcia, 2017). The proposed expenditure plan also provides \$33 million in discretionary funding for safe and affordable drinking water.

The only new major spending proposed in the discretionary spending package is \$30 million one time for expanded community-level air monitoring. Mobile monitors would be

used to provide a one-time snapshot of air pollution at the local level. According to the Administration, the data would be integrated into CARB tools that help visualize local pollution, and potentially inform future AB 617 activities to reduce community pollution in disadvantaged communities. The budget also includes several proposals to continue or increase staff and resources to administer GGRF programs. Some of these proposals are related to implementing recently enacted legislation. Funding would support staff at CARB, the Office of Planning and Research, the Coastal Commission, and the Office of Environmental Health Hazard and Assessment.

2022 LEGISLATIVE DEADLINES

January 1: Statutes take effect

January 3: Legislature reconvenes

January 10: Budget must be submitted by Governor

January 14: Last day for policy committees to hear and report to fiscal committees' fiscal bills introduced in their house in the odd-numbered year.

January 21: Last day for any committee to hear and report to the floor bills introduced in that house in the odd-numbered year. Last day to submit bill requests to the Office of Legislative Counsel.

January 31: Last day for each house to pass bills introduced in that house in the odd-numbered year.

February 18: Last day for bills to be introduced

RESOLUTE[★]

South Coast Air Quality Management District Legislative and Regulatory Update – January 2022

❖ Important Dates

- Jan. 10 – Budget must be submitted by Governor.
- Jan. 14 – Last day for policy committees to hear and report to fiscal committees the fiscal bills introduced in their house in the previous Session.
- Jan. 21 – Last day for any committee to hear and report to the floor bills introduced in that house in the previous Session.
- Jan. 21 – Last day to submit bill requests to the Office of Legislative Counsel.
- Jan. 31 – Last day for each house to pass bills introduced in that house in the previous Session.
- Feb. 18 – Last day for bills to be introduced.
- Feb. 20 – Last day for the state and legislative maps drawn by the California Redistricting Commission to be challenged in court.
- Apr. 7 – Spring Recess begins upon adjournment of session.

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

- Assisted South Coast staff in orchestrating and conducting a briefing of Transportation Committee Chair Senator Lena Gonzalez on South Coast's budget needs and policy priorities for 2022.
- Contacted the Los Angeles, Latino, Black, and Women's Legislative Caucuses to schedule briefings by South Coast staff.
- Represented South Coast's position on AB 365 (O'Donnell) to members of the Assembly Revenue & Taxation Committee and the Assembly Appropriations Committee.

❖ Senate Transportation Committee to Hold an Informational Hearing on Medium and Heavy-Duty Vehicle Emissions. On February 15, the Senate Transportation Committee is scheduled to hold an informational hearing on 'Sustainable Transportation: Reducing Greenhouse Gas Emissions from Medium-Duty, Heavy-Duty and Non-Road Vehicles.'

Tentatively, consultants setting the agenda for the hearing have indicated that it will focus on two issues: (1) fuel sourcing and (2) the state of zero and near-zero emission technology. The Chair, Senator Lena Gonzalez, has expressed her intention to have a discussion on the state of current emissions reduction programs and what we should do going forward. Senator Gonzalez has also previously expressed to RESOLUTE that she intends to carry information garnered from this hearing into legislation—her [SB 726](#) remains on the inactive file in the Assembly.

Invitees include representatives from the ZEV and near-zero emission vehicle industries, the trucking industry, regulators, and members of the environmental justice community.

❖ Governor Newsom Releases January 2022-23 Budget. Governor Gavin Newsom released his proposed state budget for the 2022-23 fiscal year. The Governor's January budget includes \$286.5 billion in total funds. Notable proposals for South Coast include:

- \$6.1 billion for zero-emission vehicles and infrastructure investment, including support for electrification of drayage trucks, school buses, and other large vehicles.
- \$750 million for active transportation projects to decarbonize the state's active transportation networks.
- \$400 million for climate adaptation projects that support climate resiliency and reduce infrastructure risk.
- \$240 million to support the Community Air Protection Program (AB 617)
- \$210 million for grants to accelerate industrial sector decarbonization.
- \$100 million to advance the use and production of green hydrogen.
- \$85 million to food producers to accelerate the adoption of renewable energy and energy efficient technologies.
- \$30 million for local and real-time air pollution and emissions monitoring in disadvantaged communities across the state.
- \$7.6 million to continue the Heavy-Duty Vehicle Inspection and Maintenance Program.
- \$1.8 million to establish the new Office of Racial Equity at the Air Resources Board.

Zero-Emission Vehicle Investments

(Dollars in Millions)

Investment Category	Program	2021 ZEV Package Multi-Year Investment	2022 ZEV Package Multi-Year Investment	ZEV Package Totals
Passenger Vehicles	Clean Vehicle Rebate Project	\$525	\$0	\$525
	Clean Cars 4 All & Other Equity Projects	\$400	\$256	\$656
	ZEV Fueling Infrastructure Grants	\$300	\$600	\$900
	Equitable At-home Charging	\$0	\$300	\$300
Big ZEVs	Drayage Trucks & Infrastructure	\$470	\$475	\$945
	Drayage Trucks & Infrastructure Pilot Project	\$65	\$0	\$65
	Transit Buses & Infrastructure	\$290	\$460	\$750
	School Buses & Infrastructure	\$450	\$1,500	\$1,950
	Clean Trucks, Buses and Off-Road Equipment	\$700	\$1,100	\$1,800
	Ports	\$0	\$400	\$400
	Near-Zero Heavy Duty Trucks	\$45	\$0	\$45
Other	ZEV Consumer Awareness	\$5	\$0	\$5
	ZEV Manufacturing Grants	\$250	\$0	\$250
	Community-Based Plans, Projects and Support / Sustainable Community Strategies	\$0	\$419	\$419
	Emerging Opportunities	\$0	\$200	\$200
	Transportation Package ZEV	\$407	\$383	\$790
Totals		\$3,907	\$6,093	\$10,000

Energy Package

(Dollars in Millions)

Department	Program	Fiscal Year 2022-23	Fiscal Year 2023-24	Two-Year Total
California Energy Commission	Incentives for Long Duration Storage Projects	\$140	\$240	\$380
	Green Hydrogen Grants for Green Electrolytic Hydrogen	\$100		\$100
	Industrial Decarbonization	\$110	\$100	\$210
	Food Production Investment Program	\$85		\$85
	Equitable Building Decarbonization	\$322.6	\$599.8	\$922.4
	Offshore Wind Infrastructure	\$45		\$45
	Energy Modeling to Support California's Energy Transition	\$7		\$7
Air Resources Board	Equitable Building Decarbonization - Accelerating Adoption of Ultra-Low Global Warming Potential Refrigerants	\$20	\$20	\$40
Department of Water Resources	Oroville Pump Storage	\$100	\$140	\$240
Various	Resources to Support Offshore Wind Generation and Energy Reliability	\$8.2	\$1.5	\$9.7
Total		\$937.8	\$1,101.3	\$2,039.1

The Governor's budget will be revised in May to account for any differences between the revenue the Governor projects will be available, and the actual revenue generated from Californians filing their taxes in April.

- ❖ **The California Air Resources Board Responds to Environmental Justice Community's Petition on Biomethane.** On January 26, CARB responded to a petition submitted in October 2021 by Vermont Law School on behalf of the Association of Irrigated Residents (AIR), Leadership Counsel for Justice & Accountability, Food & Water Watch, and Animal Legal Defense Fund. The petition requested that CARB amend the Low Carbon Fuel Standard (LCFS) to "exclude all fuels derived from biomethane from dairy and swine manure from the LCFS, or, in the alternative, to reform the LCFS treatment of those fuels to account for additional greenhouse gas (GHG) emissions."

In its letter, CARB Executive Officer Richard Corey rejects the petition as "premature." He notes that CARB is currently updating its Scoping Plan, thus amending the LCFS should wait until after that "process has informed how the state's portfolio approach to climate mitigation may be best structured to deliver cost-effective, technologically feasible, and direct emissions reductions across various sources."

Notably, Corey writes favorably of biomethane based fuels, “the current LCFS crediting regime for biomethane derived from animal manure is delivering the significant benefits it was designed to achieve. Specifically, the current LCFS crediting incentive for manure methane capture for transportation fuel use appears to be spurring the development of new digester projects. CARB staff estimates that those projects will significantly reduce methane emissions associated with the animal agriculture sector in California and beyond. . . . CARB staff estimate that these new digesters, in addition to providing local odor and other air quality benefits, will reduce methane emissions by approximately 75 percent during the lifetimes of these projects. The current LCFS regulatory scheme in effect has supported replacement of diesel heavy duty vehicles with natural gas vehicles, which reduces GHG emissions and decreases criteria air pollutant emissions from transportation.”

The petition and CARB’s response is notable in part because it reveals renewed interest by the environmental justice community to prioritize a fight against biofuels and natural gas vehicles. We expect to see a push by environmental advocates to have members of the Legislature, as well as California’s regulators, to take on measures that would limit or exclude biomethane based fuels in the upcoming years.

- ❖ **General Motors Recognizes California's Authority to Set Vehicle Emission Standards under the Clean Air Act.** Automaker General Motors officials sent a letter to Governor Gavin Newsom early January stating that the company will recognize California's authority to set vehicle emission standards under the Clean Air Act. As a result, GM's vehicles will now be eligible for government fleet purchases by the state. This is a reversal of GM's position three years ago, when the company supported federal efforts to ban California from making its own emissions rules. As a result, Governor Newsom announced the state would not buy GM vehicles.

Governor Newsom released a statement in response to this shift: “GM is joining California in our fight for clean air and emission reduction as part of the company's pursuit of a zero-emissions future. This agreement will help accelerate California's nation-leading commitment to tackling the climate crisis. We welcome GM in our clean vehicle revolution.”

- ❖ **Mary Nichols Participates in a Panel on ‘Air Quality Inequality.’** On January 27, former CARB chair Mary Nichols is scheduled to [participate in a panel](#), sponsored by Zocalo Public Square, to discuss “What would it take for the more privileged parts of California to reduce air pollution that disproportionately affects low-income and rural communities around the state? What political and economic strategies have succeeded in improving air quality locally and statewide? And can people and organizations fighting for clean air find inspiration from coalition-building and organizing efforts in other arenas?”

Nichols is joined on the panel by Central Valley Air Quality Coalition Executive Director Catherine Garoupa White and USC sociology professor Manuel Pastor.



CALIFORNIA ADVISORS, LLC

South Coast AQMD Report
California Advisors, LLC
February 11, 2022 Legislative Committee Hearing

Legislative Update

As the Legislature closes out the month of January and the deadline to move “two-year” bills out of their house of origin has passed, the Legislature will shift its attention to the state budget and introducing new legislative proposals for the upcoming year. The deadline to introduce bills is February 18.

In the first month legislators were back in Sacramento, they faced many of the same challenges from the previous two years. The January surge of COVID-19 cases also hit state lawmakers. Several legislators tested positive, and this forced others to quarantine. The Senate had active discussions about shutting down for a couple of weeks. Ultimately, it was determined that the Senate would continue their work and any senator that was under a quarantine directive would be able to participate remotely. In committees, all quarantined Senators were able to participate and vote remotely. The Assembly has not announced similar policies.

In terms of staffers, the Senate Rules Committee announced that they would limit the number of staff in the Capitol, the new swing space, and the Legislative Office Building. Specifically, the memo stated, “Effective, Friday, January 7th, Member offices and Committee offices will be limited to one (1) staff person per day to support essential functions. All other staff should work remotely from home.” On the Assembly side, for staff, a Temporary Flexible Work Program was reinstated until February 14.

Additionally, Senate President pro Tempore Atkins announced several changes to Senate Leadership positions. Specifically, Senator Bob Hertzberg (D-Van Nuys) was moved from serving as Majority Leader of the Senate to Majority Leader Emeritus. Senator Mike McGuire (D-Healdsburg), who was serving as Assistant Majority Leader, became Majority Leader. Further, Atkins appointed Senator Susan Talamantes Eggman (D-Stockton) as Assistant Majority Leader for the Senate.

As Majority Leader Emeritus, Hertzberg will lead Senate negotiations on pending ballot measures, working with the respective policy chairs. He played a significant role in the development of SB 1253 (Steinberg), enacted in 2014, which allows proponents of ballot initiatives to withdraw measures even after signature verification, as long as the Secretary of State has not finally certified the ballot. In recent years, this has meant that proponents and opponents of measures have come to the Legislature to seek alternative policy solutions. Senator Hertzberg was one of the chief negotiators when it came to the landmark privacy initiative that was pulled off the ballot in 2018. There are also many high-profile propositions that are moving forward this year, include one tax increase that would help fund clean air activity.

Budget Update

On January 25, Governor Gavin Newsom, Senate President pro Tempore Toni G. Atkins, and Assembly Speaker Anthony Rendon announced that they reached an agreement on COVID-19 supplemental paid sick leave. The framework seeks to ensure employees continue to have access to time off through September 30, 2022.

In a statement they said, “California’s ability to take early budget action will protect workers and provide real relief to businesses reeling from this latest surge. Throughout this pandemic, we have come together to address the immediate impacts COVID-19 continues to have on millions of California families, both at home and at work. By extending sick leave to frontline workers with COVID and providing support for California businesses, we can help protect the health of our workforce, while also ensuring that businesses and our economy are able to thrive. We will continue to work to address additional needs of small businesses through the budget – they are the backbone of our communities and continue to be impacted by COVID-19.”

In addition to this, other early budget actions could include restoring business tax credits, including research and development credits and net operating losses, that were limited during the COVID-19 recession; tax relief for recipients of federal relief grants for restaurants and shuttered venues; and additional funding for the Small Business Covid-19 Relief Grant Program.

Lawmakers Form Vaccine Working Group

A group of lawmakers have announced the formation of a Vaccine Working Group. According to the press release, the group seeks to develop evidence-based policies to strengthen the state’s ability to stop the spread of COVID-19 and other diseases, while battling misinformation. Further, the group will examine data, hear from experts, and engage stakeholders to determine the best approaches to promote vaccines.

Specifically, the group includes Senator Richard Pan (D-Sacramento), a pediatrician and Chair of the Senate Health Committee, as well as Senators Scott Wiener (D-San Francisco), Josh Newman (D-Fullerton), Assemblymembers Akilah Weber (D-San Diego), Buffy Wicks (D-Oakland), Cecilia Aguiar-Curry (D-Winters), and Evan Low (D-Campbell).

The Working Group has already put forward two pieces of legislation on the topic and more is expected. This comes in the aftermath of the Supreme Court blocking President Biden’s vaccine mandate. Observers are watching this group closely to see which direction California will move when it comes to vaccines.