#### BOARD MEETING DATE: April 7, 2023

#### AGENDA NO. 20

REPORT: Legislative Committee

SYNOPSIS:The Legislative Committee held a meeting remotely on Friday,<br/>March 10, 2023. The following is a summary of the meeting.

#### **RECOMMENDED ACTION:**

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

Michael A. Cacciotti, Chair Legislative Committee

LTO:PFC:DPG:ar

#### **Committee Members**

Present: Councilmember Michael A. Cacciotti, Chair Senator Vanessa Delgado (Ret.) Supervisor Curt Hagman Supervisor V. Manuel Perez Councilmember Nithya Raman

Absent: Board Member Veronica Padilla-Campos

#### **Call to Order**

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

For additional details of the Legislative Committee Meeting, please refer to the <u>Webcast</u>.

#### **DISCUSSION/ACTION ITEMS:**

#### 1. Recommend Position on State Bill:

Denise Peralta Gailey, Public Affairs Manager, Legislative, Public Affairs & Media, presented SB 720 (Stern) – Aviation: private and charter flights: passenger capacity deficiency penalty. This bill would prohibit a private or charter flight from departing

from an airport with less than fifty percent passenger capacity unless the flight is verified as carbon neutral. The bill would also require that a violation of that prohibition be subject to a penalty.

Supervisor Hagman inquired about enforcement authority relating to charter flights and expressed concerns about service flights. Councilmember Raman added that enforcement has been a challenge in addressing issues impacting communities near the Van Nuys airport. Supervisor Perez expressed concerns about the bill and requested more data. Wayne Nastri, Executive Officer, commented that staff will look at this bill as the author requested, and would like to gather all committee members questions and comments and have time to respond to those comments and return to the committee for further guidance.

Chair Cacciotti inquired about the number of small airports and associated aircraft within the South Coast region, where smaller aircraft compare to other sources in the basin, and possible clean technology options. Mr. Nastri stated that one of the concerns has been the lead in aviation gas used in smaller aircraft and that the Federal Aviation Administration and U.S. EPA are looking at alternatives. . Sarah Rees, Deputy Executive Officer of Planning, Rule Development and Implementation, explained that lead emissions from smaller aircraft represent about 4 tons per year while road dust represents about 12.5 tons per year and NOx emissions from small aircraft are minimal when compared to the region's five major airports.

No formal motion was made.

For additional information, please refer to the <u>Webcast</u> beginning at 6:25.

### 2. Update on 2023 South Coast AQMD-Sponsored State Legislation

Philip Crabbe III, Senior Public Affairs Manager, Legislative, Public Affairs & Media, presented an update regarding the following 2023 South Coast AQMD-sponsored state legislation:

- AB 1609 (Garcia) AB 2766 DMV Fee Increase;
- AB 849 (Garcia) AB 617 Policy Changes;
- SB 563 (Archuleta) Independent Special District Status for Air Districts; and
- SB 849 (Stern) Goods Movement-Related Port Cargo Fee.

For additional information, please refer to the <u>Webcast</u> beginning at 22:20.

There was no public comment.

#### **DISCUSSION ITEMS:**

#### 3. Update and Discussion on Federal Legislative Issues

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

Gary Hoitsma of Carmen Group reported that the President released his preliminary budget proposing increases for U.S. EPA, Department of Transportation and Department of Energy.

Amelia Morales of Cassidy & Associates added that the President's preliminary budget includes \$1.4 billion for clean air funding and \$367 million for air quality agencies. The budget process will be followed in the House and Senate, to advocate support of air quality programs such as Targeted Airshed Grants, Diesel Emissions Reduction Act, and Section 103/105 funding.

Mark Kadesh of Kadesh & Associates reported on two letters. As a direct result of Mr. Nastri meeting with Representative Robert Garcia, the Congressman authored a letter to the Office of Management and Budget requesting \$100 million for the Targeted Airshed Grants program. The second letter was a result of South Coast AQMD working with Senator Padilla and the EPA Padilla Working Group. The pending letter led by Senators Alex Padilla and Dianne Feinstein and 19 Members of Congress requests a Whole of Government funding approach to address air quality, supply chain and other issues. Additional signatures are being sought and the letter will be sent to the Administration and heads of agencies.

For additional information, please refer to the Webcast beginning at 26:47.

There was no public comment.

#### 4. Update and Discussion on State Legislative Issues

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

David Quintana of Resolute reported that the U.S. Internal Revenue Service and Governor's extension of the 2022 federal and state tax filing deadlines to October 2023 will result in delayed revenues creating uncertainty in the 2023-24 budget process. The state's \$125 billion in state funding reserves could be used to cover the state's operational costs until tax revenues are collected.

Ross Buckley of California Advisors, LLC added that Assembly Budget staff released updated numbers regarding personal and corporate tax revenue collected. It showed tax revenues fell by about \$1.2 billion or about 25 percent below the Governor's January estimate. The revised numbers show there may be an additional \$4.5 billion deficit in the state budget.

Paul Gonsalves of Joe A. Gonsalves & Son reported that from March 16 to March 19 the Governor will be conducting a statewide tour to unveil his policy priorities. He will be joined by state and local elected officials.

Supervisor Perez encouraged participation in the Governor's state of the state tour.

For additional information, please refer to the <u>Webcast</u> beginning at 32:51.

Harvey Eder, Public Solar Power Coalition, provided public comment regarding CARB Board appointments and the Legislative Analyst Office's report regarding the CARB Scoping Plan.

### **OTHER MATTERS:**

**5. Other Business** There was no other business to report.

### 6. Public Comment Period

There was no public comment to report.

### 7. Next Meeting Date

The next regular Legislative Committee meeting is scheduled for Friday, April 14, 2023, at 9:00 a.m.

### Adjournment

The meeting adjourned at 9:42 a.m.

### Attachments

- 1. Attendance Record
- 2. Recommend Position on State Bill
- 3. South Coast AQMD-Sponsored State Legislation
- 4. Update on Federal Legislative Issues Written Reports
- 5. Update on State Legislative Issues Written Reports

# **ATTACHMENT 1**

### SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT LEGISLATIVE COMMITTEE MEETING ATTENDANCE RECORD – March 10, 2023

Councilmember Michael Cacciotti	South Coast AQMD Board Member
Senator Vanessa Delgado (Ret.)	South Coast AQMD Board Member
Supervisor Curt Hagman	South Coast AQMD Board Member
Supervisor V. Manuel Perez	South Coast AQMD Board Member
Councilmember Nithya Raman	South Coast AQMD Board Member

Guillermo Gonzalez	z)
Debra Mendelsohn	Callon)
Mark Taylor Board Consultant (Rodr	riguez)
Amy WongBoard Consultant (Padi	

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

Mark Abramowitz	Public
Vanessa Bautista	Public
Harvey Eder	Public
Thomas Jelenic	
Bill La Marr	Public
Dan McGivney	Public
Peter Whittingham	Public

Derrick Alatorre	South Coast AQMD Staff
Debra Ashby	South Coast AQMD Staff
Jason Aspell	
Barbara Baird	
Cindy Bustillos	South Coast AQMD Staff
Philip Crabbe	
Sindy Enriquez	
Scott Gallegos	
Bayron Gilchrist	South Coast AQMD Staff
Sheri Hanizavareh	
Anissa Cessa Heard-Johnson	South Coast AQMD Staff
Mark Henninger	South Coast AQMD Staff
Kathryn Higgins	
Sujata Jain	South Coast AQMD Staff
Kathryn Higgins	South Coast AQMD Staff
Aaron Katzenstein	South Coast AQMD Staff
Brisa Lopez	

Cristina Lopez	South Coast AQMD Staff
Jason Low	
Ian MacMillan	
Ron Moskowitz	
Susan Nakamura.	
Wayne Nastri	-
Denise Peralta Gailey	
Sarah Rees	
Mary Reichert	South Coast AQMD Staff
Aisha Reyes	
Ricardo Rivera	
Lisa Tanaka O'Malley	
Anthony Tang	
Elizabeth Vega	
Uyen-Uyen Vo	-
Emily Yen	
Victor Yip	•

# **ATTACHMENT 2A**

South Coast Air Quality Management District Legislative Analysis Summary – SB 720 (Stern) Version: As Introduced 2/16/23 Analyst: DPG

#### SB 720 (Stern)

Aviation: private and charter flights: passenger capacity deficiency penalty.

**Summary:** This bill would prohibit a private or charter flight from departing an airport with less than 50 percent of its passenger capacity unless the flight is verified to be carbon neutral. A violation of that prohibition would be subject to a passenger capacity deficiency penalty.

**Background:** The Division of Aeronautics' Office of Airports is responsible for airport permitting and inspection, and other matters related to airports and aviation in the State of California. The State Aeronautics Act governs aeronautics in the state for the purpose of furthering and protecting the public interest in aviation and aeronautical progress through identified means. A violation of the act is a crime.

Status: 2/17/23 - From printer. May be acted upon on or after March 19.

### Specific Provisions: Specifically, this bill would:

- 1) Prohibit a private or charter flight from departing an airport with less than 50 percent of its passenger capacity filled unless the flight is verified to be carbon neutral.
- 2) Require a private or charter flight departing with less than 50 percent of its passenger capacity filled to be subject to a passenger capacity deficiency penalty.

**Impacts on South Coast AQMD's Mission, Operations or Initiatives**: This bill is currently author-sponsored, and the author is seeking a stakeholder sponsor. Additionally, the author's office is open to input on the bill and seeks more information on:

- 1) The impacts of aviation emissions on air quality; and
- 2) Appropriate penalty amounts and how the funding collected should be used.

### **Recommended Position: WORK WITH AUTHOR**

### ATTACHMENT 2B

No. 720

#### **Introduced by Senator Stern**

February 16, 2023

An act to add Section 21417 to the Public Utilities Code, relating to aviation.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 720, as introduced, Stern. Aviation: private and charter flights: passenger capacity deficiency penalty.

The State Aeronautics Act governs aeronautics in the state for the purpose of furthering and protecting the public interest in aviation and aeronautical progress through identified means. A violation of the act is a crime.

This bill would prohibit a private or charter flight from departing an airport with less than 50% of its passenger capacity filled unless the flight is verified to be carbon neutral. The bill would require a private or charter flight that violates that prohibition to be subject to a passenger capacity deficiency penalty.

Because a violation of these provisions would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

- SECTION 1. Section 21417 is added to the Public Utilities
   Code, to read:
- 3 21417. (a) A private or charter flight shall not depart an airport
- 4 with less than 50 percent of its passenger capacity filled unless the
- 5 flight is verified to be carbon neutral.
- 6 (b) A private or charter flight departing with less than 50 percent
- 7 of its passenger capacity filled shall be subject to a passenger 8 capacity deficiency penalty.
- 9 SEC. 2. No reimbursement is required by this act pursuant to
- 10 Section 6 of Article XIIIB of the California Constitution because
- 11 the only costs that may be incurred by a local agency or school
- 12 district will be incurred because this act creates a new crime or
- 13 infraction, eliminates a crime or infraction, or changes the penalty
- 14 for a crime or infraction, within the meaning of Section 17556 of
- 15 the Government Code, or changes the definition of a crime within
- 16 the meaning of Section 6 of Article XIII B of the California
- 17 Constitution.

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### ATTACHMENT 3A

CALIFORNIA LEGISLATURE-2023-24 REGULAR SESSION

#### **ASSEMBLY BILL**

No. 849

#### **Introduced by Assembly Member Garcia**

February 14, 2023

An act to amend Section 44391.2 of the Health and Safety Code, relating to air pollution.

#### LEGISLATIVE COUNSEL'S DIGEST

AB 849, as introduced, Garcia. Community emissions reduction programs.

Existing law requires the State Air Resources Board to prepare, and to update at least once every 5 years, a statewide strategy to reduce emissions of toxic air contaminants and criteria air pollutants in communities affected by a high cumulative exposure burden. Existing law requires the state board to include in the statewide strategy, among other components, an assessment and identification of communities with high cumulative exposure burdens for toxic air contaminants and criteria air pollutants, prioritizing disadvantaged communities and sensitive receptor locations based on specified factors. Existing law requires the state board, based on the assessment and identification of communities with high cumulative exposure burdens, to select locations around the state for preparation of community emissions reduction programs. Existing law requires an air district encompassing any location selected by the state board to adopt, in consultation with the state board, within one year of the state board's selection, a community emissions reduction program to achieve emissions reductions for the location selected using cost-effective measures, as specified. Existing law also requires an air district to submit the community emissions reduction program to the state board for review and approval as prescribed.

Existing law requires the air district and the state board to implement and enforce the measures in the community emissions reduction program consistent with their respective authority.

This bill would additionally require the air district, in adopting a community emissions reduction program, to consult with other relevant state agencies. By imposing additional duties on air districts, this bill would impose a state-mandated local program. The bill would require other relevant state agencies to implement and enforce measures assigned to them as a part of the community emissions reduction program unless the relevant state agency finds that those measures are infeasible at a public meeting of its governing body.

Existing law requires the state board to provide grants to community-based organizations for technical assistance and to support community participation in the implementation of the community emissions reduction program. In the implementation of the requirement for community participation, various air districts have established AB 617 community steering committees for each location selected by the state board for the preparation of a community emissions reduction program.

This bill would specify that grants provided include allocations of funds to serve as a budget for the AB 617 community steering committees for administrative items.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

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

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

- 1 SECTION 1. Section 44391.2 of the Health and Safety Code,
- 2 as amended by Section 1 of Chapter 340 of the Statutes of 2022,
- 3 is amended to read:

1 44391.2. (a) For purposes of this section, the following 2 provisions shall apply:

3 (1) "AB 617 Community Steering Committee" means a 4 committee established by an air district for each location selected 5 by the state board pursuant to subdivision (c) to support the 6 community participation requirement pursuant to subdivision (d). 7 (1)

8 (2) "Disadvantaged community" means a community identified 9 as disadvantaged pursuant to Section 39711.

10 (2)

(3) "Sensitive receptors" includes the same locations as specifiedin paragraph (5) of subdivision (a) of Section 42705.5.

13 (b) On or before October 1, 2018, the state board shall prepare, 14 in consultation with the Scientific Review Panel on Toxic Air 15 Contaminants, the districts, the Office of Environmental Health 16 Hazard Assessment, environmental justice organizations, affected 17 industry, and other interested stakeholders, a statewide strategy to 18 reduce emissions of toxic air contaminants and criteria air 19 pollutants in communities affected by a high cumulative exposure 20 burden. The state board shall update the statewide strategy at least 21 once every five years. In preparing the statewide strategy, the state 22 board shall conduct at least one public workshop in each of the 23 northern, central, and southern parts of the state. The statewide 24 strategy shall include criteria for the development of community 25 emissions reduction programs. The criteria presented in the 26 statewide strategy shall include, but are not limited to, all of the 27 following: 28 (1) An assessment and identification of communities with high 29 cumulative exposure burdens for toxic air contaminants and criteria 30 air pollutants. The assessment shall prioritize disadvantaged

communities and sensitive receptor locations based on one or moreof the following: best available modeling information, existing air

quality monitoring information, existing public health data based

34 on consultation with the Office of Environmental Health Hazard

35 Assessment, and the monitoring results obtained pursuant to

36 Section 42705.5.

37 (2) A methodology for assessing and identifying the contributing

38 sources or categories of sources, including, but not limited to, 30 stationary and mobile sources, and an estimate of their relative

39 stationary and mobile sources, and an estimate of their relative

1 contribution to elevated exposure to air pollution in impacted2 communities identified pursuant to paragraph (1).

3 (3) An assessment of whether a district should update and 4 implement the risk reduction audit and emissions reduction plan 5 developed pursuant to Section 44391 for any facility to achieve 6 emissions reductions commensurate with its relative contribution, 7 if the facility's emissions either cause or significantly contribute

8 to a material impact on a sensitive receptor location or 9 disadvantaged community, based on any data available for 10 assessment pursuant to paragraph (1) or other relevant data.

(4) An assessment of the existing and available measures for
reducing emissions from the contributing sources or categories of
sources identified pursuant to paragraph (2), including, but not
limited to, best available control technology, as defined in Section
40405, best available retrofit control technology, as defined in
Section 40406, and best available control technology for toxic air

17 contaminants, as defined in Section 39666.

(c) (1) Based on the assessment and identification pursuant to
paragraph (1) of subdivision (b), the state board shall select,
concurrent with the statewide strategy, locations around the state
for preparation of community emissions reduction programs. The

state board shall select additional locations annually thereafter, as

23 appropriate.

(2) (A) Within one year of the state board's selection, the 24 25 district encompassing any location selected pursuant to this 26 subdivision shall adopt, in consultation with the state board, other 27 relevant state agencies, individuals, community-based 28 organizations, affected sources, and local governmental bodies in 29 the affected community, a community emissions reduction program 30 to achieve emissions reductions for the location selected using 31 cost-effective measures identified pursuant to paragraph (4) of 32 subdivision (b).

(B) A district, with the agreement of the state board and a
majority of the persons who are designated by the district to
participate in the development and adoption of the community
emissions reduction program, may take up to one additional year
to adopt a community emissions reduction program pursuant to
subparagraph (A).

39 (3) The community emissions reduction programs shall be 40 consistent with the statewide strategy and include emissions

reduction targets, specific reduction measures, a schedule for the
 implementation of measures, and an enforcement plan.

3 (4) The community emissions reduction programs shall be 4 submitted to the state board for review and approval within 60 5 days of the receipt of the program. Programs that are rejected shall 6 be resubmitted within 30 days. To the extent that a program, in 7 whole or in part, is not approvable, the state board shall initiate a 8 public process to discuss options for achieving an approvable 9 program. Concurrent with the public process to achieve an 10 approvable program, the state board shall develop and implement 11 the applicable mobile source elements in the draft program to 12 commence achievement of emissions reductions.

(5) The community emissions reduction programs shall resultin emissions reductions in the community, based on monitoringor other data.

16 (6) In implementing a community emissions reduction program, 17 the district and district, the state board board, and other relevant 18 state agencies shall be responsible for measures consistent with 19 their respective authorities. A relevant state agency shall implement 20 the measures assigned to it as a part of the community emissions 21 reduction program unless that agency finds that those measures

22 are infeasible at a public meeting of its governing body.

(7) A district encompassing a location selected pursuant to this
 subdivision shall prepare an annual report summarizing both of
 the following:

26 (A) The results and actions taken to further reduce emissions27 pursuant to the community emissions reduction program.

(B) Updates to the community emissions reduction programmade to ensure consistency with updates to the statewide strategy

30 prepared pursuant to subdivision (b).

31 (8) Compliance with a community emissions reduction program 32 prepared pursuant to this section, including its implementation, 33 shall be enforceable by the district and district, state board, and 34 other relevant state agencies, as applicable. A relevant state agency 35 shall enforce the measures assigned to it as a part of the community 36 emissions reduction program unless that agency finds that those 37 measures are infeasible at a public meeting of its governing body. 38 (d) The state board shall provide grants to community-based 39 organizations for technical assistance and to support community

40 participation in the implementation of this section and Section

1 42705.5. 42705.5, including providing the AB 617 Community

2 Steering Committee established by an air district for each location

3 selected pursuant to this subdivision an allocation of funds to serve

4 as a budget for administrative items, including, but not limited to,

5 translation services, meeting venue costs, meeting coordination,

6 training, and stipends, as authorized by the air district, for

7 members of the committee.

8 SEC. 2. No reimbursement is required by this act pursuant to

9 Section 6 of Article XIIIB of the California Constitution because

10 a local agency or school district has the authority to levy service

11 charges, fees, or assessments sufficient to pay for the program or

12 level of service mandated by this act, within the meaning of Section

13 17556 of the Government Code.

14 However, if the Commission on State Mandates determines that

15 this act contains other costs mandated by the state, reimbursement

16 to local agencies and school districts for those costs shall be made

17 pursuant to Part 7 (commencing with Section 17500) of Division

18 4 of Title 2 of the Government Code.

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### ATTACHMENT 3B

No. 563

#### **Introduced by Senator Archuleta**

February 15, 2023

An act to amend Section 40701.5 of the Health and Safety Code, relating to air pollution.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 563, as introduced, Archuleta. Air pollution control districts and air quality management districts: independent special districts: funding.

Existing law provides for the establishment of air pollution control districts and air quality management districts. Existing law declares a district a body corporate and politic and a public agency of the state, and prescribes the general powers and duties of a district. Existing law authorizes a district to receive funding from specified sources, including, but not limited to, grants, permit fees, and penalties.

This bill would designate a district as an independent special district for purposes of receiving state funds or funds disbursed by the state, including federal funds.

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 40701.5 of the Health and Safety Code 2 is amended to read:

- 3 40701.5. (a) Funding for a district may be provided by, but is
- 4 not limited to, any one or any combination of the following sources:
- 5 (1) Grants.
- 6 (2) Subventions.
- 7 (3) Permit fees.

1 (4) Penalties.

2 (5) A surcharge or fee pursuant to Section 41081 or 44223 on
3 motor vehicles registered in the district.

4 (b) Expenses of a district that are not met by the funding sources 5 identified in subdivision (a) shall be provided by an annual per capita assessment on those cities that have agreed to have a member 6 7 on the district board for purposes of Section 40100.5, 40100.6, 8 40152, 40322.5, 40704.5, or 40980 and on the county or counties 9 included within the district. Any annual per capita assessment 10 imposed by the district on those cities and counties included within the district shall be imposed on an equitable per capita basis. 11

12 (c) Subdivision (b) does not apply to the San Joaquin Valley

13 Unified Air Pollution Control District or, if that unified district

14 ceases to exist, the San Joaquin Valley Air Quality Management15 District, if that district is created.

(d) (1) Notwithstanding subdivision (b), expenses of the San
Diego County Air Pollution Control District that are not met by
the funding sources identified in subdivision (a) shall be provided
by an annual per capita assessment imposed on an equitable per

20 capita basis on each city and county included in the San Diego

21 County Air Pollution Control District by the governing board of22 the San Diego County Air Pollution Control District created

23 pursuant to Section 40100.6.

24 (2) At least 30 days before the assessment is imposed, the

governing board shall hold a public hearing which shall include
data supporting the annual per capita assessment and any schedule
that may apply.

28 (e) This section shall become operative on March 1, 2021.

29 (e) Notwithstanding any other law, a district shall be deemed

30 an independent special district for purposes of receiving state

31 *funds or funds disbursed by the state, including federal funds. For* 

32 purposes of this subdivision, "funds" includes, but is not limited

to, moneys, loans, grants, financial incentives, and other economicbenefits.

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# ATTACHMENT 4A



То:	South Coast AQMD Legislative Committee
From:	Carmen Group
Date:	February 23, 2023
Re:	Federal Update Executive Branch

#### **Department of Transportation**

**DOT Ramps Up EV Charging Infrastructure Push:** In February, the Department of Transportation (and the Department of Energy) announced new steps to advance the Administration's plan to deploy EV charging equipment (500,000 charging stations by 2030) across the country, first through the five-year \$7.5 billion National Electric Vehicle Infrastructure formula program and then in the near future through the first round of the five-year \$2.5 billion EV Charging Competitive Grant Program, both funded under the Bipartisan Infrastructure Law. The announcement included the publication of minimum national standards for federally funded EV infrastructure to ensure consistent methods of operation, plug-in types and charging speeds, common payment systems, and accessible locations.

**MARAD Announces Funding Availability for Port Infrastructure:** In February, the DOT's Maritime Administration (MARAD) announced that \$660 million in FY23 funding is being made available for grants under the Port Infrastructure Development Program (PIDP). These are competitive grants to support critical port and infrastructure related projects that improve goods movement in and around ports. Port authorities, states, and state and local government entities like SCAQMD are eligible. Selection criteria also include how the projects address climate and sustainability. Applications due April 28, 2023.

**DOT Announces First Mega Grant Awards:** The DOT has announced the first list of grant awards under the new National Infrastructure Project Assistance (Mega) discretionary grant program. The program was designed to help fund particularly large and complex transportation-related projects. In this, the program's first year, only nine projects received grants from among hundreds of applications. Of these, one was in California: The Watsonville-Cruz Multimodal Corridor Program in Santa Cruz County, sponsored by Caltrans. It received a grant of \$30 million. Among its many components, the project includes the purchase of four new zero-emission buses.

**<u>FTA Announces Funding Availability for Key Clean Bus Programs</u>:** The Federal Transit Administration (FTA) has announced that \$1.7 billion is being made available to help states and local governments modernize aging bus fleets with low and no emission buses, bus facilities, and bus-related workforce development. The funding will cover two

existing programs: The Low and No Emission (Low-No) Program and the Bus and Bus Facilities Program. Applications due April 13, 2023.

#### **Department of Energy**

**DOE Announces Funding for Clean Truck Freight Corridors:** In February, the Department of Energy awarded \$7.4 million to seven projects to develop medium- and heavy-duty electric vehicle charging and hydrogen infrastructure plans that it says will benefit millions of drivers across 23 states. One of these projects is located in California: "The Los Angeles Cleantech Incubator -- First to Last Mile: Creating an Integrated Goods Movement Charging Network around the I-710 Corridor." This project will explore how private sector fleets and industrial facilities can plan for innovative zero-emission solutions along critical freight arteries feeding into the I-710 freeway.

**DOE to Address Charging Infrastructure in Underserved Communities:** The DOE/DOT Joint Office has announced a funding Notice of Intent to address challenges for EV drivers and expanding charging infrastructure into underserved communities. This effort is associated with the broader simultaneous announcement of national EV charging infrastructure standards and will support the forthcoming \$2.5 billion in competitive grants to build alternative fueling infrastructure in communities across the nation over the next five years.

**DOE Announces Funds Available to Develop Hydrogen Technologies:** The Department of Energy has announced up to \$47 million in funding to accelerate research, development and demonstration (RD&D) of affordable clean hydrogen technologies. This will be for projects that work to reduce costs, enhance hydrogen infrastructure and improve the performance of hydrogen fuel cells, and help advance the Department's Hydrogen Shot goal of reducing the cost of clean hydrogen to \$1 per kilogram within a decade. Final applications are due April 28, 2023.

#### **Environmental Protection Agency**

**EPA Seeks Input on Environmental and Climate Justice Program:** In February, the EPA issued a Request for Information (RFI) seeking input on how best to implement the \$3 billion Environmental and Climate Justice grant program authorized under the Inflation Reduction Act. The EPA wants to hear from communities that could be beneficiaries of this program. Input due March 17, 2023.

#### Regan Announces Pledge by Electric Utilities to Support Clean School Buses: In

February, EPA Administrator Michael Regan announced that Edison Electric Institute and the Beneficial Electrification League have pledged to promote seamless collaboration between school districts and their electricity providers, to support school bus electrification nationwide.

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**Outreach:** Contacts included Maritime Administration staff and Federal Railroad Administration staff who met in DC with SCAQMD staff on emissions reduction issues, and Joint DOE/DOT Office staff who are working with us on similar issues.

### **ATTACHMENT 4B**



To: South Coast Air Quality Management District

From: Cassidy & Associates

Date: February 22, 2023

Re: February Report

# HOUSE/SENATE

#### Congress

The House and Senate are out on recess this week and they will return next week. Offices are slowly setting their deadlines for appropriations requests; many more will follow the release of the President's Budget Request which should be released on or around March 9th.

Both the House and the Senate will soon release their energy permitting reform packages. This will consume much of the legislative energy in both chambers for several months. House Republicans are working on two packages, one originating from the House Natural Resources Committee and the other from the Energy and Commerce Committee. The Natural Resources Committee package will be on the floor by the end of March and leadership is determining whether to combine it with the Energy and Commerce package. Senate Republicans are working on their own package as well that will be introduced on a similar timeline. Despite the partisan nature of these initial reform proposals, we expect bipartisan negotiations to begin shortly after introduction with the goal of enacting a final product later this year.

#### EPA

The EPA issued a Request for Information (RFI) seeking input on its Environmental and Climate Justice (ECJ) program funded by President Biden's Inflation Reduction Act. This program provides EPA with approximately \$3 billion for ECJ program grants and technical assistance for environmental and climate justice efforts that benefit overburdened communities.

This RFI seeks public input on new and innovative strategies and approaches for competition design, community engagement, equitable distribution of financial resources, grantee eligibility

for funding, capacity-building and outreach, and technical assistance. EPA's Office of Environmental Justice and External Civil Rights is seeking public input on multiple aspects of the EJ Program including, but not limited to:

- ECJ Program Design
- Types of Projects to Fund
- Reducing Application Barriers
- Reporting and Oversight
- Technical Assistance

The deadline to provide input is March 17, 2023. The RFI and further information can be found here.

The EPA also announced the initial program design of its Greenhouse Gas Reduction Fund. The Inflation Reduction Act program puts public and private capital to work in communities combatting climate change. The initial program design guidance follows a robust stakeholder engagement effort with input collected from state, local, and Tribal governments, community financing institutions, environmental justice organizations, industry groups, and labor and environmental finance experts.

The EPA will hold two competitions to distribute grant funding under the Greenhouse Gas Reduction Fund: a \$20 billion General and Low-Income Assistance Competition and a \$7 billion Zero-Emissions Technology Fund Competition. More details can be found <u>here</u> and <u>here</u>. They will implement these programs in alignment with President Biden's Justice40 Initiative, which directs that 40% of the overall benefits of certain Federal investments flow to disadvantaged communities, including those facing disproportionately high and adverse health and environmental impacts. The EPA expects to open competitions for funding under the Greenhouse Gas Reduction Fund by Summer 2023.

Today, EPA also announced a national Community Roundtable series to continue a robust and inclusive engagement effort, focused on introducing the Greenhouse Gas Reduction Fund to communities across the country and learning about community-level solutions that the Fund can support.

Cassidy and Associates support in February:

- Secured key meetings with the Biden Administration for Executive staff.
- Organized and carried out meetings and briefing for SCAQMD fly in.
- Worked with SCAQMD staff to strategize on DC outreach.
- Continued to monitor and report on activities in Congress and the Administration that impact the District.

# IMPORTANT LEGISLATIVE DATES

Summer 2023: The nation is expected to hit its debt limit.

June 30, 2023: Pause on student loan payments and interest schedule to expire.

**September 30, 2023:** FY 2023 appropriations expire.

September 30, 2023:

The Farm Bill, an omnibus package of legislation that supports. US agriculture and food industries; the bill is reauthorized on a five-year cycle.

September 30, 2023: Deadline for the Federal Aviation Administration reauthorization.

September 30, 2023: National Flood Insurance Program reauthorization deadline.

# 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 <u>here</u>. Each Federal Agency has also established a dedicated coronavirus website, where you can find important information and guidance. They include: Health and Human Services (<u>HHS</u>), Centers of Medicare and Medicaid (<u>CMS</u>), Food and Drug Administration (<u>FDA</u>), Department of Education (<u>DoED</u>), Department of Agriculture (<u>USDA</u>), Small Business Administration (<u>SBA</u>), Department of Labor (<u>DOL</u>), Department of Homeland Security (<u>DHS</u>), Department of State (<u>DOS</u>), Department of Veterans Affairs (<u>VA</u>), Environmental Protection Agency (<u>EPA</u>), Department of Justice (<u>DOJ</u>), Department of Housing and Urban Development (<u>HUD</u>), Department of the Treasury (<u>USDT</u>), Office of the Director of National Intelligence (<u>ODNI</u>), and U.S. Election Assistance Commission (<u>EAC</u>).

Helpful Agency Contact Information:

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

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

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

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

# **ATTACHMENT 4C**

### **KADESH & ASSOCIATES**

#### South Coast AQMD Report for the March 2023 Legislative Meeting covering February 2023 Kadesh & Associates

Congress continues to gear up for the year, with the House primarily considering partisan legislation on the floor and the Senate occupying floor time with nominations until the release of the President's FY24 budget request. The budget is expected on March 9, although it appears likely that this will be a "skinny" budget with more detail to follow. The President's annual State of the Union address spoke to the FY24 budget request and larger discussion surrounding the debt ceiling, however, the actual budget request will provide the Biden Administration's blueprint on both of these issues moving forward.

Behind the scenes, Congressional committees are finally taking shape, and several have started the first steps towards passing authorization legislation, including: energy permitting, the FAA reauthorization, the Maritime Administration reauthorization, and the annual defense policy bill. Both the House and Senate appropriations committees have conducted their organizational meetings and both have started to talk about FY24 earmarks, although no official guidance has been released. Individual members, however, have started soliciting earmark requests – many with early deadlines – but, without official guidance, they are simply collecting information at this point.

The Congressional Budget Office released its annual baseline adjustments which indicate the debt ceiling will be reached sometime between July and September. This comports with earlier reports from the Treasury Department; however, nothing will be official until Treasury indicates the exact date. Deliberations on raising the debt ceiling will continue to dominate the budget outlook for the balance of the year, and it is increasingly likely that the annual August district work period / recess will be the practical deadline for a final budget / debt-ceiling deal.

Lastly, this week Senator Dianne Feinstein announced her retirement. She will still be serving until the end of 2024 and the race to succeed her is well underway, with several members of the House delegation officially announcing their candidacies already.

#### Kadesh & Associates Activity Summary-

-Worked with South Coast AQMD and the congressional delegation on efforts to encourage whole-of-government efforts to address air quality through BIL and IRA funding programs.

Contacts:

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

###

# ATTACHMENT 5A



### South Coast Air Quality Management District Legislative and Regulatory Update – February 2023

#### Important Upcoming Dates

March 30 - Spring Recess Begins

- RESOLUTE Actions on Behalf of South Coast AQMD. RESOLUTE partners David Quintana and Alfredo Arredondo continued their representation of SCAQMD before the State's Legislative and Executive branches. Selected highlights of our recent advocacy include:
  - Provided key updates regarding the availability of funding for key priorities of South Coast in the Governor's proposed budget.
  - Set and attended meetings with legislative offices to begin discussions on potential legislative proposals for the new legislative session and secured the introduction of South Coast sponsored legislation.
- LAO Recommendations to Legislature on Governor's Proposal. On February 22<sup>nd</sup>, the LAO released their analysis of the Governor's January Budget Proposal with recommendations to the Legislature on possible actions to take. Summary to follow: <u>https://lao.ca.gov/Publications/Report/4692</u>

#### **Executive Summary**

In response to the multibillion dollar budget problem the state is facing, the Governor's budget proposal identifies significant solutions from recent augmentations made to climate, resources, and environmental programs. This report describes the Governor's proposals and provides the Legislature with a framework and suggestions for how it might modify those proposals to better reflect its priorities and prepare to address a potentially larger budget problem. The report begins with a discussion of the Governor's overall approach, then walks through each of the Governor's proposed solutions within nine thematic areas, including describing and commenting on many of the specific proposals.

Recent Budgets Included Significant General Fund Augmentations for Climate, Natural Resources, and Environmental Programs. Combined, the 2021-22 and 2022-23 budget packages included \$27 billion—primarily from the General Fund—for a wide variety of activities related to mitigating and responding to climate change, as well as for protecting and restoring natural resources and the environment. These recent budgets also included agreements to provide additional General Fund support in the out years to continue these activities—including \$8.7 billion in 2023-24—for a five year total of \$40.2 billion.

Governor Proposes \$5.8 Billion in General Fund Solutions Across Five Years From These Programs. The Governor's budget proposal would generate \$5.5 billion in General Fund savings from climate, resources, and environmental programs in 2023-24—\$3.8 billion from spending reductions, \$875 million from reducing General Fund and backfilling with a different fund source (primarily the Greenhouse Gas Reduction Fund, or GGRF), and roughly \$800 million from delaying spending to a future year. The proposal includes additional net savings of \$300 million in the out years (\$1.1 billion from further reductions and fund shifts, largely offset by the resumption of the delayed expenditures). The proposed approach differs by thematic area. For example, the Governor proposes reducing close to half of all the recent and planned augmentations for coastal resilience activities, but—largely due to shifting some planned program expenditures from the General Fund to GGRF—would maintain about 90 percent of intended funding for zero emission vehicle programs.

While Important Needs Remain, Identifying Budget Solutions From These Programs Is Appropriate Given Magnitude of Recent Augmentations. As evidenced by the flooding, drought conditions, heat waves, and severe wildfires that Californians have experienced over the past year, a changing climate presents the state with significant challenges. As such, maintaining key activities supported by recent funding augmentations is important to making progress in addressing the causes and impacts of climate change.

However, given the scale of the recent spending increases, even reduced amounts still will represent significant augmentations compared to historical levels for most of these programs, particularly since many of these activities have not typically received General Fund support. Additionally, because making reductions to newly initiated activities and one time expenditures is usually less disruptive than cutting ongoing programs and associated staff, these types of programs represent a reasonable area to focus some of the solutions needed to address the budget problem. Indeed, the Governor and Legislature chose to spend most of the recent General Fund surpluses on one-time expenditures as a form of budget resilience, with the expressed goal of avoiding making ongoing commitments that would be hard to sustain should economic conditions change. As such, making reductions to these programs can allow the Legislature to take advantage of the flexibility that was envisioned when crafting recent budgets. Moreover, given the magnitude of solutions needed to solve the anticipated budget problem, a significant focus on these one time augmentations likely is necessary if the Legislature wants to avoid cutting ongoing programs in this or other policy areas. Through careful prioritization, the state can continue to make significant progress on its climate and environmental goals even at moderately reduced spending levels.

Governor's Overall Approach Is Reasonable, but Specific Choices Reflect Administration's Priorities. Overall, we find the Governor's proposed approach for crafting budget solutions within climate, resources, and environmental programs to be reasonable—however, it represents just one possible strategy. Because of the quantity and magnitude of recent programmatic expansions in these programs, the Legislature has numerous options for selecting a different and equally sensible package of choices that achieves roughly the same—or, as may be necessary, an even greater amount—of budget solutions as the Governor's, but that includes the activities it believes are most important to sustain.

Recommend Legislature Adopt Package of Budget Solutions Based on Legislative Prioritization Criteria. We recommend the Legislature develop its own package of budget solutions based on its priorities and guiding principles. Some criteria we suggest the Legislature consider include: (1) preserving activities that reflect key legislative priorities and goals, including targeting vulnerable communities that may not have the resources to undertake important activities on their own; (2) preserving funding that is needed urgently to meet pressing needs; (3) avoiding budget solutions that would cause major disruptions, such as reducing funding that has already been committed to specific projects and grantees; and (4) considering whether other resources—such as previous budget appropriations, special funds, or federal funds—might be available to help accomplish intended activities. As the Legislature modifies program funding levels, we recommend that it also consider whether it might want to refine or refocus some program features to ensure that remaining funding targets the most important populations, activities, and desired outcomes.

Other overarching recommendations to the Legislature as it crafts its solutions package include: Be selective when opting to delay—rather than maintain or reduce—funding. Reject the Governor's General Fund trigger restoration approach to maintain legislative flexibility.

Reject the Governor's proposed GGRF trigger approach to maintain legislative flexibility. Use the spring budget process to identify additional potential budget solutions for climate, resources, and environmental programs.

Weigh the relative priority of new spending against existing commitments.

Request additional information from the Administration on the availability of federal funding. Conduct robust oversight of spending and outcomes and consider whether additional program evaluations might be worthwhile.

While we do not discuss every individual program proposal or craft a comprehensive alternative package of solutions, throughout the thematic sections of this report we provide examples of alternative solutions the Legislature could consider and identify specific proposals that raise some concerns.

# ATTACHMENT 5B



# CALIFORNIA ADVISORS, LLC

South Coast AQMD Report California Advisors, LLC March 10, 2023, Legislative Committee Hearing

#### Legislative Update

February 17<sup>th</sup> marked one of the most critical deadlines for the legislative year. This was the last day to introduce new bills for the 2023 Legislative Session. On the final day, almost 600 bills and resolutions were introduced between the two houses. A total of 2,633 bills were introduced for the year, of which 1752 were Assembly measures and 881 were Senate measures. These figures do not include special session bills, constitutional amendments, or resolutions.

Further, of the legislation introduced, a significant amount of the measures are considered "spot bills" which make technical, non-substantive changes in the law which act as a placeholder for a later proposal. Additionally, there are also hundreds of "intent bills" which also serve as placeholders and merely make a statement of legislative intent. These bills will need to be amended with substantive language in the coming weeks for them to be heard in the policy committees.

The number of bill introductions for 2023 is the highest in more than a decade. Generally, the Legislature has introduced about 2,250 bills per year and the first year of the 2-year session usually has a higher number of bill introductions. Since bills can be carried over to the following year sometimes legislators stake out policy issues that they would like to work on during the two-year session.

#### **Budget Update**

The Department of Finance published its February 2023 Finance Bulletin, which provides an economic update and cash report. This was the first bulletin they have published this year since the Governor provided an update in January. The DOF bulletin states preliminary General Fund

agency cash receipts for the first seven months of the 2022-23 fiscal year were \$3.322 billion below the 2023-24 Governor's Budget forecast of \$105.011 billion.

According to DOF, this is due to a \$2.002-billion shortfall in January cash receipts, a \$1.327billion shortfall in December cash receipts, and minor revisions to receipts in prior months. Fiscal year-to-date shortfalls were mainly due to lower personal income tax revenues as well as corporate tax receipts that exclude Pass-Through Entity (PTE) Elective Tax payments. The shortfalls in personal income tax withholding and corporate estimated payments, which totaled \$2.18 billion, indicate genuine weakness relative to the forecast. In contrast, the higher-thanexpected personal income tax refunds and shortfall in December personal income estimated payments, which led to a cumulative revenue shortfall of \$1.871 billion, were likely due to timing issues associated with the impact of higher PTE Elective Tax credit usage for tax year 2021, higher PTE Elective Tax payments of \$1.276 billion in December and January, and an early start of the IRS filing season that resulted in accelerated processing of refunds in January.

The state's revenues continue to be watched closely as the Legislature begins to craft their own budget through the sub-committee process. As you may recall, the Governor's budget proposal does not use any of the state's rainy-day reserves because they do not predict the state falling into a recession. Interestingly, the DOF also noted that inflation has slowed for the seventh consecutive month to 6.4 percent and the rate fell 0.1 percentage point from December 2022.

# **ATTACHMENT 5C**



Joe A. Gonsalves & Son

Anthony D. Gonsalves Jason A. Gonsalves Paul A. Gonsalves PROFESSIONAL LEGISLATIVE REPRESENTATION 9251 LST. SUITE 250 SACRAMENTO, CA 95814-3766 916 441-0597 · FAX 916 441-5061 Email: gonsalves@gonsalvi.com

TO:	South Coast Air Quality Management District
FROM:	Anthony, Jason & Paul Gonsalves
SUBJECT:	Legislative Update – February 2023
DATE:	Thursday, February 23, 2023

On January 4, 2023, the Legislature reconvened for the 2023-24 legislative session. Shortly after, on January 10, 2023, Governor Newsom released his January budget proposal identifying a \$22.5 billion budget deficit. The Legislature spent the past month preparing their bill packages for this legislative year. All new bills had to be introduced by Friday, February 17, 2023. This year, the Legislature introduced 2,745 bills, constitutional amendments and resolutions. The Assembly introduced 1,803 and the Senate introduced 942. A vast majority of the bills introduced are in spot bill form, meaning there is no substance to the bill. The Legislature will work over the next few weeks to amend spot bills and policy Committee's will start to hear bills in mid-March.

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

#### **CAP-AND-TRADE**

The 34th cap-and-trade auction of greenhouse gas (GHG) emission units was held on February 15, 2023. All 56,395,720 current vintage allowances offered for sale were purchased, resulting in the tenth consecutive sold out auction. This is about 1.6 million fewer allowances than were offered in the November 2022 auction. The current auction settled at \$27.85, \$5.64 above the \$22.21 floor price and \$1.05 above the November settlement price of \$26.80. This is the first auction with this new, higher minimum sale price.

All of the 7,577,000 future vintage allowances offered for sale were purchased; these allowances can be used for compliance beginning in 2026. This is about 360,000 allowances fewer than were offered at the previous auction. Future vintage allowances settled at \$27.01, \$4.80 above the \$22.21 floor price and \$1.01 above the November settlement price of \$26.00.

This auction generated about \$980 million for California Climate Investments. This comes at a critical time for the state as California faces a potential budget deficit and cuts to essential

programs to reduce air pollution and environmental burdens in local communities. The next capand-trade auction will take place on Wednesday May 17, 2023.

#### **\$2.5 BILLION FOR PUBLIC TRANSPORTATION PROJECTS**

The California State Transportation Agency (CalSTA) announced an award of more than \$2.5 billion to 16 ongoing public transportation projects in the first wave of state funding to expand transit and passenger rail service throughout the state, helping to cut planet-warming pollution.

The funding is part of a larger, multiyear, multibillion-dollar investment to upgrade the state's transit system to enhance mobility options, improve service and reduce overdependence on driving. The grants are administered by CalSTA as part of the Transit and Intercity Rail Capital Program (TIRCP).

Projects receiving funding include:

- \$600 million for LA Metro's East San Fernando Valley Transit Corridor project to complete the 6.7-mile initial segment between Van Nuys/Orange Line and Van Nuys/San Fernando stations, scheduled by 2030. The project previously received \$205 million in TIRCP funding.
- \$407 million for the Inglewood Transit Connector, putting it at full funding. Scheduled to be completed in time for service to support the 2028 Los Angeles Olympics, the project previously received \$95 million in TIRCP funding.
- \$375 million for the Santa Clara Valley Transportation Authority's BART Silicon Valley Phase II Extension project, which will bring BART service to downtown San Jose and Santa Clara. Scheduled to be completed in 2033, the project previously received \$750 million in TIRCP funding.
- \$367 million for the Peninsula Corridor Electrification project, which is electrifying Caltrain rail service and acquiring new electric multiple unit trains for improved and more frequent service. Scheduled to be completed in 2024, the project previously received \$20 million in TIRCP funding.
- \$142 million for the Valley Rail project, ensuring completion of nine project components stretching throughout the Altamont Corridor Express and San Joaquin service areas. The project, scheduled to open in phases beginning in 2025, previously received \$900 million in TIRCP funding.
- \$19 million for the San Bernardino County Transportation Authority's West Valley Connector Bus Rapid Transit and Zero-Emission Bus Initiative, which will introduce a new 19-mile bus rapid transit system connecting Rancho Cucamonga, Ontario Airport, Ontario, Montclair and Pomona. Scheduled to be completed in 2025, the project previously received \$15 million in TIRCP funding.

In addition to the \$2.5 billion announced today for existing TIRCP projects, CalSTA will award another \$1.14 billion to new transit projects and improvements at high-priority intersections where rail lines and public streets meet by the end of April, with billions more in funding over the next few years.

This is the first round of awards as part of a sixth cycle of TIRCP investment. With a total budget of nearly \$25 billion, the 16 projects awarded funding received grants in previous TIRCP cycles, and the additional state resources will help fill funding gaps to complete construction while protecting and leveraging significant federal and local investments. California transit agencies have already received more than \$2 billion in additional federal funding since the passage of the Infrastructure Investment and Jobs Act a little more than a year ago and are competing for billions more in competitive grant funding.

TIRCP has provided more than \$9.1 billion in funding to nearly 100 projects since 2015, funded primarily from Senate Bill 1, the Road Repair and Accountability Act of 2017, Cap-and-Trade program proceeds, and the General Fund.

#### **EV CHARGING PROJECTS**

On February 13, 2023, the California Energy Commission (CEC) announced they have launched a \$30 million incentive project to bring fast electric vehicle (EV) charging stations to 30 counties in Eastern California, the Central Valley and the Central Coast. Applications are due by March 10, 2023

The Golden State Priority Project, a part of the California Electric Vehicle Infrastructure Project (CALeVIP), is the first of its kind to fully focus on bringing fast-charging stations to disadvantaged, low-income and tribal communities. Projects that are shovel-ready will be prioritized for funding to accelerate build-out of the state's infrastructure network.

Eligible entities include businesses, nonprofits, public entities and tribes with project sites in disadvantaged communities, low-income communities and tribal community census tracts in 30 counties across the state.

This program will offer rebates for purchasing and installing eligible direct current (DC) fast chargers capable of at least 150 kilowatt-hours (kW) guaranteed power output at each active connector. For larger projects, applicants must install at least four DC fast chargers per site and can receive funding for up to 20 per site. For projects looking to accelerate installation, chargers must be available for public use within 15 months of application approval.

Applications will be accepted on the CALeVIP website through 5 p.m. March 10, 2023. The project is expected to expand statewide over time as additional funding is made available.

The following will provide you with the ongoing incentives for ZEV infrastructure:

- \$260M: EV Charging for Businesses, Nonprofits, Public Entities and Tribes
- \$276M: Charging and Refueling for Trucks and Buses

The most recent awards include the following funding:

- \$224M: ZEV Manufacturing
- \$113M: Hydrogen Refueling
- \$25M: Apartment and Townhouse Charging
- \$17M: Taxi and Rideshare Charging

• \$10M: Rural Charging

Upcoming grant opportunities include the following:

- \$35M: Taxi and Rideshare Charging
- \$30M: Community Charging Projects
- \$30M: City Fleet Charging
- \$24M: Charging in High-Visibility Areas
- \$20M: Apartment and Townhouse Charging
- \$15M: Vehicle-Grid Integrated School Bus Charging
- \$9M: Vehicle-Grid Integration Products
- \$1M: EV Charging Station Signs and Wayfinding

California also expects to receive \$384 million of federal funding from the National Electric Vehicle Infrastructure Program to install fast-charging stations along freeways and interstates throughout the state.

In addition to the Governor's multiyear budget commitment for ZEVs, the administration is working with the Legislature to reauthorize AB 8, which funds the CEC's Clean Transportation Program and other essential programs that have helped make California a leader in zero-emission transportation. Funding for the program is scheduled to phase out in December.

#### WIND ENERGY

On February 22, 2023, the White House announced California joined a crucial effort to accelerate offshore wind development across the country. California signed onto the 13-state Federal-State Offshore Wind Implementation Partnership, adding the West Coast to the regions represented by the partnership. The Partnership is designed to fast-track efforts to bring cleaner and cheaper energy to Americans, create good paying jobs and build an American supply chain for offshore wind.

California has set ambitious offshore wind capacity planning goals of 2-5 gigawatts (GW) by 2030 and 25 GW by 2045. In December, the federal Bureau of Ocean Energy Management (BOEM) hosted the first-ever auction of offshore wind leases on the Outer Continental Shelf off the central and northern coasts of California, as well as the first U.S. sale in support of commercial offshore wind energy projects.

#### **GOVERNOR'S APPOINTMENTS**

John Eisenhut, 77, of Colfax, has been reappointed to the California Air Resources Board, where he has served since 2013. Eisenhut has been Manager of Grower Relations at Hilltop Ranch Inc. since 1994 and Owner of Eisenhut Farms, almond orchards in Turlock, since 1975. He was Field Representative for the Dole Dried Fruit & Nut Co. in Fresno from 1989 to 1994 and a Technical Staff Member at both Tecolote Research Inc. from 1975 to 1976 and the General Research Corporation from 1972 to 1974. Eisenhut served as an Infantry Platoon Sergeant in the U.S. Army, 1st Division, from 1967 to 1969. He is a member of the Stanislaus County Farm Bureau.

Eisenhut earned a Master of Arts degree in Economics from the University of California, Santa Barbara.

Eric Guerra, 44, of Sacramento, has been appointed to the California Air Resources Board. Guerra has been Vice Mayor for the City of Sacramento since 2023 and a Sacramento City Councilmember since 2015. He was a Consultant for the California State Senate from 2016 to 2022. Guerra earned a Master of Public Policy degree from California State University, Sacramento

V. Manuel Perez, 50, of Coachella, has been appointed to the California Air Resources Board. Perez has been Supervisor for the 4th District of Riverside County since 2017. He was Chief Government and Public Affairs Officer at Borrego Community Health Foundation from 2014 to 2017, a Coachella City Councilmember from 2014 to 2017 and an Assemblymember in the California State Assembly from 2008 to 2013, where he served as Majority Leader from 2012 to 2013. Perez served on the Coachella Valley Unified School District Board of Trustees from 2004 to 2008. Perez earned a Master of Education degree from the Harvard Graduate School of Education.

Bill Quirk, 77, of Union City, has been appointed to the California Air Resources Board. Quirk served as an Assemblymember for the 20th District of the California State Assembly from 2012 to 2022. He was a Hayward City Councilmember from 2004 to 2012 and a Physicist at the Lawrence Livermore National Laboratory from 1979 to 2005. Quirk was a Corporate Planner for Amdahl Corporation in 1978, a Management Consultant for McKinsey & Company from 1977 to 1978, a Climate Modeler for the NASA Goddard Institute for Space Studies from 1972 to 1977 and a Postdoctoral Fellow at the California Institute of Technology from 1970 to 1972. Quirk earned a Doctor of Philosophy degree in Astrophysics from Columbia University.

Susan A. Shaheen, 56, of Orinda, has been appointed to the California Air Resources Board. Shaheen has been a Professor In-Residence in the Department of Civil and Environmental Engineering at the University of California, Berkeley since 2019 and Co-Director of the Transportation Sustainability Research Center of the Institute of Transportation Studies since 2008. She held several positions at the University of California, Berkeley from 2000 to 2007, including Adjunct Professor, Program Leader, Research Director, Assistant and Associate Research Engineer and Post-Doctoral Scholar. She was a Graduate Student Researcher at the University of California, Davis from 1993 to 1999. Shaheen was an Associate for Energetics from 1991 to 1993 and for ICF International from 1990 to 1991. She is a member of the Executive Committee of the Transportation Research Board and the Women's Transportation Seminar. Shaheen earned a Master of Science degree in Public Policy Analysis from the University of Rochester and a Doctor of Philosophy degree in Ecology from the University of California, Davis.

Diane Takvorian, 71, of San Diego, has been reappointed to the California Air Resources Board, where she has served since 2016. Takvorian has been Executive Director at the Environmental Health Coalition since 1982. She was Associate Director at the Community Congress of San Diego from 1978 to 1981. Takvorian was a Lecturer at the San Diego State University School of Social Work from 1984 to 2001. Takvorian was appointed by President Obama to the Joint

Public Advisory Committee, Commission on Environmental Cooperation and served from 2010 to 2014. Takvorian served as Co-Chair of the California Environmental Protection Agency Environmental Justice Advisory Committee from 2002 to 2007. She earned a Master of Social Work degree from San Diego State University.

Gideon Kracov, 51, of Los Angeles, has been reappointed to the South Coast Air Quality Management District Board, where he has served since 2020. Kracov has been Owner of the Law Office of Gideon Kracov since 2004. He was a member of the State Mining and Geology Board at the Department on Conservation from 2014 to 2018. Kracov served as a Deputy City Attorney at the Los Angeles City Attorney's Office from 2002 to 2004 and was an Associate at Rose, Klein & Marias LLP from 1997 to 2002 and at Weston Benshoof LLP from 1995 to 1997. He earned a Juris Doctor degree from the University of California, Berkeley School of Law.

Catalina M. Hayes-Bautista, 40, of Sacramento, has been appointed Undersecretary at the California Environmental Protection Agency. Hayes-Bautista has been Chief Deputy Insurance Commissioner at the California Department of Insurance since 2019. She was a Deputy Legislative Affairs Secretary in the Office of Governor Edmund G. Brown Jr. from 2017 to 2018. Hayes-Bautista was Deputy Secretary for Legislative Affairs at the California Environmental Protection Agency from 2016 to 2017. She was a Policy Consultant at the Office of Assembly Speaker Toni Atkins from 2015 to 2016. Hayes-Bautista was Legislative Director at the Office of Senator Ricardo Lara from 2011 to 2015. She was Legislative and Communications Aide in the Office of Assemblymember Fiona Ma from 2007 to 2011 and a California Latino Legislative Caucus Institute for Public Policy Polanco Fellow from 2006 to 2007. She was a Development Assistant and Writing Workshop Facilitator at Pacific News Service from 2004 to 2006.

Sara Aminzadeh, 40, of Kentfield, has been appointed Deputy Secretary of External Affairs at the California Natural Resources Agency. Aminzadeh was Vice President of Partnerships at the US Water Alliance from 2021 to 2022. She was a Water Program Officer at the Pisces Foundation from 2018 to 2020. Aminzadeh held several positions at California Coastkeeper Alliance between 2009 and 2018, including Executive Director, Policy Director and Policy Analyst. She has served as a member of the California Coastal Commission since 2017. Aminzadeh earned a Juris Doctor degree from the University of California, Hastings College of the Law.

Noaki Schwartz, 51, of Long Beach, has been appointed Deputy Secretary for Equity and Environmental Justice at the California Natural Resources Agency. Schwartz has been Deputy Director of Communications, Environmental Justice and Tribal Affairs at the California Coastal Commission since 2022, where she was a Public Information Officer from 2015 to 2022. She was a Staff Writer at the Associated Press from 2006 to 2012. Schwartz was a Staff Writer at the Miami Herald from 2005 to 2006. She was a Staff Writer at the South Florida Sun-Sentinel from 2001 to 2005 and a participant in the Minority Editorial Training Program (Metpro) at the Los Angeles Times from 2000 to 2001. She was an English Teacher through the Japanese Exchange Teaching Program for the Japanese Government from 1994 to 1997. Schwartz earned a Master of Science degree in History of International Relations from the London School of Economics and Political Science. Moises Moreno-Rivera, 32, of Sacramento, has been appointed Deputy Secretary for Environmental Justice, Tribal Affairs and Border Relations at the California Environmental Protection Agency. Moreno-Rivera has served as Assistant Secretary for Equity and Environmental Justice at the California Natural Resources Agency since 2021. He held several roles at the State Water Resources Control Board between 2018 and 2021, including Assistant Tribal Liaison and Environmental Justice Specialist. Moreno-Rivera was Central Coast Program Coordinator at the Environmental Justice Coalition for Water from 2017 to 2018. He was a Graduate Assistant for Multicultural and Diversity Affairs at the University of Florida from 2015 to 2017. Moreno-Rivera is a member of the Water Solutions Network, Cal Bears in the Desert and the Golden Key International Honor Society. He earned a Master of Arts degree in Latin American Studies from the University of Florida.

#### **2023 LEGISLATIVE DEADLINES**

February 17 - Last day for bills to be introduced

March 30 - Spring Recess begins upon adjournment

April 10 - Legislature reconvenes from Spring Recess

April 28 - Last day for policy committees to hear and report to fiscal committees' fiscal bills introduced in their house

May 5 - Last day for policy committees to hear and report to the Floor nonfiscal bills introduced in their house

May 12 - Last day for policy committees to meet prior to June 5

May 19 - 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 5

May 30-June 2 - Floor session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to A.R. 77.2, and Conference Committees

June 2 - Last day for each house to pass bills introduced in that house

June 5 - 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. Summer Recess begins upon adjournment, provided Budget Bill has been passed

August 14 - Legislature reconvenes from Summer Recess

September 1 - Last day for fiscal committees to meet and report bills

September 5-14 - Floor session only. No committees may meet for any purpose, except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees

September 8 - Last day to amend on the Floor

September 14 - Last day for each house to pass bills. Interim Recess begins upon adjournment