



# South Coast Air Quality Management District

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

## LEGISLATIVE COMMITTEE MEETING

### Committee Members

Mayor Michael A. Cacciotti, Chair  
Senator Vanessa Delgado (Ret.)  
Board Member Veronica Padilla-Campos  
Supervisor V. Manuel Perez  
Council Member Nithya Raman  
Supervisor Janice Rutherford

**October 14, 2022 ♦ 9:00 a.m.**

**Pursuant to Assembly Bill 361, the South Coast Air Quality Management District Legislative Committee meeting will only be conducted via videoconferencing and by telephone. Please follow the instructions below to join the meeting remotely.**

## **INSTRUCTIONS FOR ELECTRONIC PARTICIPATION AT BOTTOM OF AGENDA**

*Join Zoom Webinar Meeting - from PC or Laptop*  
<https://scaqmd.zoom.us/j/99574050701>

**Zoom Webinar ID: 995 7405 0701** (applies to all)

**Teleconference Dial In**  
+1 669 900 6833

**One tap mobile**  
+16699006833, 99574050701#

**Audience will be able to provide public comment through telephone or Zoom connection during public comment periods.**

## **PUBLIC COMMENT WILL STILL BE TAKEN**

### **AGENDA**

*Members of the public may address this body concerning any agenda item before or during consideration of that item (Gov't Code Section 54954.3(a)). If you wish to speak, raise your hand on Zoom or press Star 9 if participating by telephone. All agendas for regular meetings are posted at South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the regular meeting. Speakers may be limited to three (3) minutes total for all items on the agenda.*

**CALL TO ORDER**

- **Roll Call**

**DISCUSSION/ACTION ITEMS (Item 1 through 2):**

1. Initial Overview of Potential Concepts for 2023 South Coast AQMD-Sponsored State Legislative Proposals  
*Staff will present concepts for potential 2023 South Coast AQMD-sponsored state legislation for consideration by the Committee. After Committee input, staff will bring a finalized list of bill proposals next month.*
  1. *AB 2766 DMV Fee Increase;*
  2. *Allow Public Agencies Providing Vital Resources/Critical Response to Use Carpool/Toll Lanes;*
  3. *AB 617 Policy Changes;*
  4. *Independent Special District Status for Air Districts;*
  5. *Goods Movement-Related Port Cargo Fee; and*
  6. *Increased Civil Penalties for Air Quality Violations.*

**[Attachment 1]**
2. Update on State Proposition 30  
*Staff will present information regarding Proposition 30, which creates a tax to fund zero-emission vehicle infrastructure, clean vehicle subsidies, and CalFire wildfire programs.*

*Derrick Alatorre  
Deputy Executive Officer,  
Legislative, Public Affairs &  
Media*

*Denise Peralta Gailey  
Public Affairs Manager,  
Legislative, Public Affairs &  
Media*

**DISCUSSION ITEMS (Items 3 through 5):**

3. Follow-up End-of-Year Summary Report on State Legislature's and Governor's Actions during 2022 Legislative Session  
**(No Motion Required)**  
*Staff will provide an updated end-of-legislative-year summary report on the actions of the State Legislature and Governor, including items relating to the budget and South Coast AQMD sponsored bills and bills of interest.*
4. Update and Discussion on Federal Legislative Issues  
**(No Motion Required)**  
*Consultants will provide a brief oral report of Federal legislative activities in Washington D.C.*  
**[Attachment 2a-2c - Written Reports]**

*Philip Crabbe III  
Senior Public Affairs Manager,  
Legislative, Public Affairs &  
Media*

*Amelia Jenkins  
Cassidy & Associates*

*Mark Kadesh  
Kadesh & Associates*

*Gary Hoitsma  
Carmen Group*

5. Update and Discussion on State Legislative Issues  
**(No Motion Required)**  
*Consultants will provide a brief oral report on State legislative activities in Sacramento.*  
**[Attachment 3a-3c - Written Reports]**

*Ross Buckley  
California Advisors, LLC*

*Paul Gonsalves  
Joe A. Gonsalves & Son*

*David Quintana  
Resolute*

## **OTHER MATTERS:**

6. Other Business  
*Any member of this body, or its staff, on his or her own initiative or in response to questions posed by the public, may ask a question for clarification, may make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter, or may take action to direct staff to place a matter of business on a future agenda. (Govt. Code Section 54954.2)*
7. Public Comment Period  
*At the end of the regular meeting agenda, an opportunity is provided for the public to speak on any subject within the Legislative Committee's authority that is not on the agenda. Speakers may be limited to three (3) minutes each.*
8. **Next Meeting Date** – Thursday, November 10, 2022 at 9:00 am.

## **ADJOURNMENT**

### **Document Availability**

*All documents (i) constituting non-exempt public records, (ii) relating to an item on an agenda for a regular meeting, and (iii) having been distributed to at least a majority of the Committee after the agenda is posted, are available by contacting Aisha Reyes at (909) 396-3074, or send the request to [areyes2@aqmd.gov](mailto:areyes2@aqmd.gov).*

### **Americans with Disabilities Act and Language Accessibility**

*Disability and language-related accommodations can be requested to allow participation in the Legislative Committee meeting. The agenda will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov't Code Section 54954.2(a)). In addition, other documents may be requested in alternative formats and languages. Any disability or language-related accommodation must be requested as soon as practicable. Requests will be accommodated unless providing the accommodation would result in a fundamental alteration or undue burden to South Coast AQMD. Please contact Aisha Reyes at (909) 396-3074 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to [areyes2@aqmd.gov](mailto:areyes2@aqmd.gov).*

## **INSTRUCTIONS FOR ELECTRONIC PARTICIPATION**

### **Instructions for Participating in a Virtual Meeting as an Attendee**

As an attendee, you will have the opportunity to virtually raise your hand and provide public comment.

Before joining the call, please silence your other communication devices such as your cell or desk phone. This will prevent any feedback or interruptions during the meeting.

**Please note:** During the meeting, all participants will be placed on mute by the host. You will not be able to mute or unmute your lines manually.

After each agenda item, the Chairman will announce public comment.

A countdown timer will be displayed on the screen for each public comment.

If interpretation is needed, more time will be allotted.

**Once you raise your hand to provide public comment, your name will be added to the speaker list. Your name will be called when it is your turn to comment. The host will then unmute your line.**

### **Directions for Video ZOOM on a DESKTOP/LAPTOP:**

- If you would like to make a public comment, please click on the “Raise Hand” button on the bottom of the screen.
- This will signal to the host that you would like to provide a public comment and you will be added to the list.

### **Directions for Video Zoom on a SMARTPHONE:**

- If you would like to make a public comment, please click on the “Raise Hand” button on the bottom of your screen.
- This will signal to the host that you would like to provide a public comment and you will be added to the list.

### **Directions for TELEPHONE line only:**

- If you would like to make public comment, please dial \*9 on your keypad to signal that you would like to comment.

## **Initial Overview of Potential Concepts for 2023 South Coast AQMD-Sponsored State Legislative Proposals**

### **1) Proposed Legislation: AB 2766 DMV Fee Increase**

- a. Bill would double \$4 DMV fee for AB 2766 Program
  - i. 40% goes to local govts./30% goes to MSRC/30% goes to air districts
  - ii. Include a CPI increase
  
- b. Require that funds be spent on projects/programs that include quantifiable strategies that reduce motor vehicle emissions, or lead to indirect motor vehicle emission reductions through program and technology implementation.

### **2) Proposed Legislation: Allow public agencies (including air districts) providing vital resources/critical response to use carpool/toll lanes as needed**

- a. Possibly utilize a special carpool/toll lane sticker

### **3) 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. Requires (or authorizes) non-air quality state agencies to assist in the development, implementation, and enforcement of CERPs as needed; and
  
  - ii. Authorizes funding for community steering committees for administrative items, including, but not limited to, translation services, meeting venue costs, meeting coordination, training and stipends.

**4) 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.

**5) 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.

**6) Proposed Legislation: Increased Civil Penalties for Air Quality Violations**

- a. Bill would increase strict liability (and some negligence) civil penalty ceilings for air quality violations by permitted facilities within the South Coast region.
- b. Bill would increase penalties to enhance their deterrent effect to help reduce toxic and otherwise harmful emissions from facilities and thus protect public health, especially within disadvantaged communities.



To: South Coast Air Quality Management District  
From: Cassidy & Associates  
Date: September 29, 2022  
Re: September Report

## *HOUSE/SENATE*

The House and Senate are working on passing a short-term continuing resolution (CR) to fund the government through December 16. Both chambers have been consumed by potential riders to the CR over the past several weeks, particularly whether or not to include an additional \$12 billion in funding for Ukraine and the permitting reform legislation led by Sen. Joe Manchin (D-WV). The permitting measure failed to gain the support of progressives and Republicans needed to be attached to the CR but the Ukraine funding is expected to be included in the bill. The CR will be the final legislative action before the midterms.

In the meantime, both chambers will continue to work on a longer-term funding package (omnibus) with the goal of passing a full FY23 bill by December 16. Earlier this summer the House passed its first six Fiscal Year 23 bills minibus by a vote of 220 to 207 vote, the six-bill package consists of the Transportation, Housing, & Urban Development, Agriculture, Energy & Water, Financial Services & General Government, Interior, and Military Construction & Veterans Affairs bills. The Senate Appropriations committee released its 12 bills in late July; however, the bills are not expected to see committee action as the parties have been unable to reach agreement on funding numbers.

### *EPA*

Earlier in September, the EPA announced the final determinations for whether certain areas have met the 2008 or 2015 National Ambient Air Quality Standards (NAAQS) for ground-level ozone, as required by the Clean Air Act. The EPA is finalizing determinations regarding the air quality progress of six nonattainment areas classified as "Serious" for the 2008 ozone NAAQS, and for 28 nonattainment areas classified as "Marginal" for the 2015 ozone NAAQS. These final

rules establish new timeframes and next steps states must take to improve ozone air quality in remaining nonattainment areas. The EPA's final decisions are based on a scientific evaluation of certified, publicly-available air quality monitoring data for the years 2018 – 2020. More information on the 2008 and 2015 NAAQS and impacted areas can be found [here \(2008\)](#) and [here \(2015\)](#).

On September 20, the EPA joined the Commission for Environmental Cooperation (CEC) of North America to announce that the \$2 million Environmental Justice for Climate (EJ4Climate) grant program is now open for applications. This cycle of EJ4Climate grants will focus on projects in Canada, Mexico, and the United States that integrate community-led environmental education in support of environmental justice and community resilience to climate-related impacts, with up to \$200,000 in grant funding available for recipients. Proposals are due by November 11, 2022, with the implementation for selected projects to begin in March 2023. More information and the application portal can be found [here](#).

Over the weekend, the EPA launched their new national office dedicated to advancing environmental justice and civil rights. The Office of Environmental Justice and External Civil Rights will position EPA to better advance environmental justice, enforce civil rights laws in overburdened communities, and deliver new grants and technical assistance. The new office will dedicate more than 200 EPA staff in EPA headquarters and across 10 regions towards solving environmental challenges in communities that have been historically underserved. The office will be led by a U.S. Senate-confirmed Assistant Administrator, to be announced at a later date.

Cassidy and Associates support in September:

- Secured key meetings with the Biden Administration and Hill for Executive staff.
- Worked with South Coast AQMD staff to strategize on DC outreach.
- Continued to monitor and report on activities in Congress and the Administration that impact South Coast AQMD.

***IMPORTANT LEGISLATIVE DATES***



### *September 30, 2022*

Government funding, authorization of Temporary Assistance for Needy Families, National Flood Insurance Program, FDA User Fee programs to fund reviews of prescriptions and medical products, and Livestock Mandatory Price Reporting Act authorization are scheduled to expire.

### *October 3, 2022*

House and Senate out for midterm elections

## *PANDEMIC RESPONSE PROGRAMS AND AUTHORITIES*

### End Date/Program

#### *Sept. 30, 2025*

Pandemic Response Accountability Committee, Congressional Oversight Commission

## *AGENCY RESOURCES*

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

Helpful Agency Contact Information:

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

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

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

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

## KADESH & ASSOCIATES

### South Coast AQMD Report for the October 2022 Legislative Meeting covering September 2022

After returning from the August recess, the House and Senate have been working towards a continuing resolution (CR) to keep federal agencies funded beyond the September 30 fiscal year deadline. The process was complicated by the potential addition of an energy permitting bill authored by Sen. Joe Manchin. That bill was supported by Majority Leader Schumer and the Biden administration as part of the deal to approve the Inflation Reduction Act (IRA) this summer but opposed by most Republicans and many progressive Democrats. When Sen. Manchin announced that he would withdraw the permitting proposal, the Senate moved quickly to approve a CR that provides level funding through December 16, and provides additional funding for other programs, including \$12.4B to support Ukraine, \$2.5B for this year's wildfire in New Mexico, and \$1B for the Low-Income Home Energy Assistance Program.

That CR was approved 72-25 and will be considered by the House in time to meet the Sept 30 deadline. After the House approves the CR, the chamber will adjourn until November 14. The Senate's next scheduled vote will also be November 14, although they may spend some of October considering nominees and debating the annual defense authorization bill. During the period covered by the CR, the hope is that the House and Senate can make additional progress towards a full-year omnibus appropriations package for fiscal year 2023.

Now that the IRA has been signed into law, the focus has shifted to implementation. The EPA has announced a new Office of Environmental Justice and External Civil Rights that will manage some of its programs, and the Biden Administration separately released a new Memorandum of Understanding between the Environmental Protection Agency and the Departments of Energy, Transportation, and Housing and Urban Development regarding interagency efforts to reduce the transportation sector's greenhouse gas emissions. We are coordinating with members of the Congressional delegation on the opportunities available to address air quality challenges through these efforts and the IRA's funding.

#### Kadesh & Associates Activity Summary-

- Briefed congressional staff on implementation of new federal funding programs for air quality and environmental justice, and on the status of key regulatory proposals
- Worked with South Coast AQMD and the congressional delegation on efforts to encourage whole-of-government efforts to address air quality.
- Continued work with the delegation and South Coast AQMD staff to focus attention on air quality implications of FY23 appropriations

#### Contacts included:

Staff and 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:** September 29, 2022

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

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**Appropriations Update:** As expected, Congress decided in September to defer final decisions on FY 23 appropriations until after the November elections by approving a continuing resolution (CR) that, for the most part, maintains current spending levels through December 16. In the process, a proposal by Senator Joe Manchin to reform environmental permitting procedures to accelerate energy infrastructure projects was dropped after running into significant opposition on both sides. Congress is now scheduled to return to session on November 14.

**USDOT Meeting:** In a virtual meeting on September 19, arranged by Carmen Group, South Coast AQMD leadership and staff had the opportunity to discuss issues related to reducing mobile source emissions with key officials at the U.S. Department of Transportation, including representatives from the Federal Highway Administration, the Federal Railroad Administration, and the Federal Aviation Administration.

### **Department of Transportation**

**DOT Announces INFRA Grant Awards:** In September, the Department of Transportation awarded \$1.5 billion to 26 highway and multimodal freight projects nationwide under the INFRA grant program. California received one project grant: \$150 million for the Otey Mesa Port of Entry in San Diego County, including a new toll road and new port facilities and equipment with zero-emission chargers for staff vehicles.

**DOT Announces Funds Available for CRISI Rail Infrastructure Grants:** In September, the Department of Transportation's Federal Railroad Administration announced the availability of \$1.4 billion under the Consolidated Rail Infrastructure and Safety Improvement (CRISI) program for projects that modernize freight and passenger rail infrastructure. Applications are due December 1, 2022.

**DOT Announces Funds Available for SMART and ATTAIN Grants:** In September the Department of Transportation announced the availability of \$160 million for two new grant programs established under the Bipartisan Infrastructure Law. The first is the new Strengthening Mobility and Revolutionizing Transportation (SMART) program with \$100 million available to fund projects "that use data and technology to solve real-world challenges facing communities today." The second is the Advanced Transportation Technology and Innovation (ATTAIN) program to fund projects "that promote advanced technologies to improve safety and reduce travel times for drivers and transit riders and that can serve as national examples." Evaluation criteria include how they reduce

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transportation-related air pollution and address disproportionate impacts on disadvantaged communities. Applications are due November 18, 2022.

**DOT Approves All State EV Charging Infrastructure Deployment Plans:** In September, the Federal Highway Administration formally approved Electric Vehicle Infrastructure Deployment Plans for all 50 states under the National Electric Vehicle Infrastructure (NEVI) Formula Program established by the Bipartisan Infrastructure Law. The program will allocate \$5 billion per year over five years to the states to cover approximately 75,000 miles of highways across the country with a network of electric vehicle charging stations.

## Department of Energy

### **Notable Appointments:**

**Gabe Klein**, *Executive Director, Joint Office of Energy and Transportation*  
Dir., DC DOT; Commissioner, Chicago DOT; Co-Founder, CityFi

**Caroline Grey**, *Chief of Staff, Office of Clean Energy Demonstrations*  
DOE White House Liaison; Biden campaign; Obama campaigns; from Berkeley, CA

**DOE Seeks Guidance on Battery Recycling Programs:** The Department of Energy has issued a Request for Information (RFI) to help guide implementation of \$335 million for lithium-ion battery recycling programs made available under the Bipartisan Infrastructure Law. Responses are due October 14, 2022.

**DOE Announces Formula Funding for Clean Energy Programs:** The Department of Energy is accepting applications for \$425 million in new formula funding made available under the Bipartisan Infrastructure Law through the State Energy Program (SEP). This transforms SEP by expanding formula grants to nearly 10 times recent funding levels.

**DOE Announces Efforts to Reduce Industrial Emissions:** In September, the Department of Energy released its “Industrial Decarbonization Roadmap,” a comprehensive report identifying pathways to reduce industrial emissions in American manufacturing. It also announced a \$104 million funding opportunity to advance industrial decarbonization technologies. Concept papers due October 12, 2022. Full applications due December 20, 2022.

**DOE Announces 4-Agency MOU to Reduce Transportation Emissions:** In September, the Departments of Energy, Transportation, Housing & Urban Development and the Environmental Protection Agency announced a Memorandum of Understanding (MOU) to work collectively to reduce greenhouse gas emissions associated with the transportation sector and to “ensure resilient and accessible mobility options for all Americans.” DOE said the agencies will “combine efforts to advance low- and zero-emission technologies to reduce reliance on fossil fuels.”

**DOE Seeks Applications to Create Regional Clean Hydrogen Hubs:** In September, the Department of Energy opened applications for the \$7 billion program under the Bipartisan Infrastructure Law to create regional clean hydrogen hubs (H2Hubs) nationwide. These hubs will be one of the largest investments in DOE’s history. For this initial funding opportunity launch, DOE is aiming to select six to ten hubs for a combined

total of \$7 billion in federal funding. Concept papers due November 7, 2022. Full applications due April 7, 2022.

**DOE Releases Roadmap on Aviation Emissions:** In September, the Departments of Energy, Agriculture, Transportation, the Environmental Protection Agency, and the Federal Aviation Administration announced a collaboration to spur technological innovation to produce sustainable aviation fuels (SAFs). DOE at the same time released the Sustainable Aviation Fuel Grand Challenge Roadmap, a comprehensive plan that outlines a government-wide strategy for scaling up new technologies for producing SAFs across the U.S. airline industry.

### **Environmental Protection Agency**

**EPA Report Highlights DERA Success:** The EPA recently released its most current Report to Congress on the Diesel Emissions Reduction Act (DERA) program, summarizing its accomplishments from fiscal years 2008-2018. During that period, DERA led to cleaner air across the United States, saving 520 million gallons of diesel fuel and preventing many tons of emissions from harmful pollutants. See report here: <https://www.epa.gov/system/files/documents/2022-08/420r22021.pdf>

**EPA Releases Attainment Status for Air Quality Standards for Ozone:** In September, the EPA announced the final determinations for whether certain areas have met the 2008 or 2015 National Ambient Air Quality Standards (NAAQS) for ozone.

More info on 2008 NAAQS Determinations

[https://www.epa.gov/system/files/documents/2022-09/Fact%20Sheet%20NFRM%202008%20Ozone%20Determinations%20final\\_1.pdf](https://www.epa.gov/system/files/documents/2022-09/Fact%20Sheet%20NFRM%202008%20Ozone%20Determinations%20final_1.pdf)

More info on 2015 NAAQS Determinations

[https://www.epa.gov/system/files/documents/2022-09/Fact%20Sheet%20NFRM%202015%20Ozone%20Determinations%20final\\_0.pdf](https://www.epa.gov/system/files/documents/2022-09/Fact%20Sheet%20NFRM%202015%20Ozone%20Determinations%20final_0.pdf)

**EPA Launches National Office to Advance Environmental Justice:** In September, the EPA announced the creation of the new Office of Environmental Justice and Civil Rights which it says will be dedicated “towards solving environmental challenges in communities that have been underserved for far too long.”

### **The White House**

#### **Notable Appointments:**

**John Podesta**, *Sr Adv. to the President for Clean Energy Innovation and Implementation*  
Ctr for Amer. Progress Ch.; Obama Advisor; H. Clinton Camp. Mgr.; Pres. Clinton COS

**Ali Zaidi**, *Asst. to the President & National Climate Advisor* (Replaces Gina McCarthy)  
WH Dep. Climate Adv.; Obama Admin.; NY Sec. for Energy/Env., Climate Policy Chair

**Richard Revesz**, *Administrator, OMB Office of Information and Regulatory Affairs*  
NYU Law School Professor and Dean Emeritus; Expert in Env. Law and Reg. Policy

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**Outreach:** Contacts included Charles Small, Deputy Assistant Secretary of Transportation, on transportation air quality policy and regulatory issues.

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# CALIFORNIA ADVISORS, LLC

South Coast AQMD Report  
California Advisors, LLC  
October 14, 2022, Legislative Committee Hearing

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## Legislative Update

At midnight on Wednesday, August 31, lawmakers in the state Assembly and Senate reached the deadline to pass bills. As a result, the week leading up to the last day of session consisted of lengthy floor sessions that often lasted into the late evening hours. Upon final adjournment, the Legislature went into their interim recess until it reconvenes on Monday, December 5 to swear-in the new Legislature.

Now that the Legislature's work for the 2021–22 Legislative Session has ended, the action shifts to the Governor's office as he and his staff weigh the merits of each bill before they are signed into law or vetoed. Concurrently, interested groups and individuals are pressing the Governor and his staff for each interest's desired outcome on a particular piece of legislation.

Governor Newsom has until Friday, September 30, to sign or veto bills passed by the Legislature after August 20<sup>th</sup>. The week before the deadline, the Governor still had hundreds of bills on his desk that needed to be acted upon.

Part of the reason why there was still so much work for him was that the Governor took two trips to New York and Texas towards the end of September. While the Governor is out of the state he cannot formally sign or veto legislation since he is technically not the acting Governor. Usually, the Lieutenant Governor takes on that role when the Governor is away. In New York, the Governor delivered remarks at the Clinton Global Initiative 2022 meeting. That meeting focused on accelerating climate action and the Governor spoke before 1,000 leaders from around the world.

## Budget Update

The California Department of Finance ("DOF") released its September finance bulletin. The DOF's figures show that preliminary General Fund agency cash receipts for August were \$816 million, or 6 percent, below the 2022-23 Budget Act forecast of \$13.606 billion. Cash receipts for the first two months of the 2022-23 fiscal year were \$2.007 billion, or 8.4 percent, below the forecast of \$24.04 billion. Preliminary General Fund agency cash receipts for the 2021-22 fiscal year were \$2.186 billion below the forecast of \$233.987 billion, mostly due to a large shortfall in personal income tax receipts in June. Therefore, for the prior fiscal year and the current fiscal year-to-date combined, preliminary General Fund agency cash receipts were \$4.193 billion below forecast. Shortfalls in August continued to be largely driven by lower proceeds from personal income tax, however, the month also saw lower proceeds from sales and corporation taxes.

This is a troubling trend for the state budget and if this continues through the next couple of months the Legislature could be faced with making painful budgetary cuts in 2023. In several veto messages the Governor has referenced the state's declining revenues as part of his rationale. The Legislature sent him over \$20 billion in one-time costs and \$10 billion in ongoing costs created by their legislation.

### Political Update

Now that the Legislature's work has drawn to a close, lawmakers shift their attention to the November 8, 2022, General Election. This General Election is especially significant in that it occurs in the context of the newly drawn district lines that are a consequence of the recent census. In this election, every seat in the state Assembly is up, and in the state Senate half of the seats are up for election (all even-numbered seats). Additionally, there are statewide elections for Governor, Lieutenant Governor, Secretary of State, Controller, Treasurer, Attorney General, Insurance Commissioner, and the Superintendent of Public Instruction. All BOE seats are up for election and there is an election for the U.S. Senate.





## Joe A. Gonsalves & Son

Anthony D. Gonsalves

Jason A. Gonsalves

Paul A. Gonsalves

PROFESSIONAL LEGISLATIVE REPRESENTATION

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

916 441-0597 · FAX 916 441-5061

Email: [gonsalves@gonsalvi.com](mailto:gonsalves@gonsalvi.com)

**TO:** South Coast Air Quality Management District  
**FROM:** Anthony, Jason & Paul Gonsalves  
**SUBJECT:** Legislative Update – September, 2022  
**DATE:** Thursday, September 29, 2022

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The Legislature adjourned the 2021-22 legislative session on August 31, 2022 and will return on December 5, 2022 for the ceremonial organizational session. The Legislature will then return in early January 2023 for the official kickoff to the 2023-24 legislative session.

In 2022, the Legislature introduced 2,353 bills, 1566 in the Assembly and 787 in the Senate. Prior to adjourning on August 31, 2022, the legislature sent 1,133 bills to Governor Newsom for his consideration. Governor Newsom has until September 30, 2022 to take action on all bills presented to him.

To date Governor has acted on just over 1,000 bills, which leaves 100+ pending between now and Sept 30, 2022 for his action. In California, if the Governor does not take action on a bill before the September 30, 2022 deadline, the bill automatically becomes law under the pocket signature provisions.

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

### **REMOTE TELECONFERENCE MEETINGS**

Although President Biden stated earlier this month that the Pandemic is over, California has not rolled back any of the state of emergencies related to the Pandemic/remote meetings. Remote meetings for local agencies are still provided for under AB 361 during a declared state of emergency, which still exists. The Governor's office does not have an anticipated date for an end to the state of emergency. They also noted that they have heard from disability advocates that the remote participation enables people to participate in proceedings that they previously were unable to participate in. Please note, absent legislative action, AB 361 does sunset on January 1, 2024.

### **ELECTIONS**

The 2022 November elections are the first under the newly drawn district boundaries due to reapportionment. The Governor, all Constitutional Officers, all 80 Assemblymembers and 20 of 40 Senators are up for election. In 2023, we will begin with roughly 30+/- new legislators, the

largest number of new members we've seen since the passage of Proposition 28 in 2012, which allowed for 12-year terms.

### **GOVERNOR'S APPOINTMENTS**

On September 13, 2022, Governor Newsom appointed Jennifer Phillips as Assistant Secretary of Climate Change at the California Natural Resources Agency. Phillips has been Senior Policy Advisor at the U.S. Climate Alliance since 2020. She was Senior Scientist at the California Governor's Office of Planning and Research from 2018 to 2020, Climate Policy Advisor at the California Ocean Protection Council from 2015 to 2018 and Special Assistant to the Administrator at the National Oceanic and Atmospheric Administration from 2014 to 2015, where she was Sea Grant Knauss Marine Policy Fellow from 2013 to 2014. Phillips was a Graduate Research and Teaching Assistant at the University of Wisconsin-Madison from 2010 to 2012. She earned a Master of Science degree in environmental Science from the University of Wisconsin-Madison.

### **CLIMATE PACKAGE**

On September 16, 2022, Governor Newsom signed a package of bills to cut pollution, protect Californians from big polluters, and accelerate the state's transition to clean energy. The Governor partnered with legislative leaders this session to advance groundbreaking measures to achieve carbon neutrality no later than 2045 and 90% clean energy by 2035, establish new setback measures protecting communities from oil drilling, capture carbon pollution from the air, and advance nature-based solutions.

This is an essential piece of the California Climate Commitment, climate action that exceeds what most countries are spending and advances economic opportunity and environmental justice in communities across the state.

Over the next two decades, a record \$54 billion investment in the California Climate Commitment will:

- Create 4 million new jobs
- Cut air pollution by 60%
- Reduce state oil consumption by 91%
- Save California \$23 billion by avoiding the damages of pollution
- Reduce fossil fuel use in buildings and transportation by 92%
- Cut refinery pollution by 94%

The climate package includes:

### **CARBON NEUTRALITY:**

AB 1279 by Assemblymembers Al Muratsuchi (D-Torrance) and Cristina Garcia (D-Bell Gardens) codifies the statewide carbon neutrality goal to dramatically reduce climate pollution. Establishes a clear, legally binding, and achievable goal for California to achieve statewide carbon neutrality as soon as possible, and no later than 2045, and establishes an 85% emissions reduction target as part of that goal.

### PROTECT COMMUNITIES AGAINST OIL DRILLING:

SB 1137 by Senators Lena Gonzalez (D-Long Beach) and Monique Limón (D-Santa Barbara) protects communities from the harmful impacts of the oil industry. Establishes a setback distance of 3,200 feet between any new oil well and homes, schools, parks or businesses open to the public. Ensures comprehensive pollution controls for existing oil wells within 3,200 feet of these facilities.

### 100% CLEAN ELECTRIC GRID:

SB 1020 by Senator John Laird (D-Santa Cruz) establishes a pathway toward the state's clean energy future. Creates clean electricity targets of 90% by 2035 and 95% by 2040 with the intent of advancing the state's trajectory to the existing 100% clean electricity retail sales by 2045 goal.

### CAPTURING AND REMOVING CARBON POLLUTION:

SB 905 by Senators Anna Caballero (D-Merced) and Nancy Skinner (D-Berkeley) and SB 1314 by Senator Monique Limón (D-Santa Barbara) advance engineered technologies to remove carbon pollution, while banning the use of those technologies for enhanced oil recovery. Establishes a clear regulatory framework for carbon removal and carbon capture, utilization and sequestration. Bans the practice of injecting carbon dioxide for the purpose of enhanced oil recovery.

### NATURE-BASED SOLUTIONS:

AB 1757 by Assemblymembers Cristina Garcia (D-Bell Gardens) and Robert Rivas (D-Salinas) enlists nature in the state's climate agenda. Requires the state to develop an achievable carbon removal target for natural and working lands.

In July, Governor Newsom sent a letter to the Chair of the California Air Resources Board (CARB), calling for the state to ensure that the 2022 Climate Change Scoping Plan provides a path to achieve both the 2030 climate goal and state carbon neutrality no later than 2045, requesting that the final plan incorporate new efforts to advance offshore wind, clean fuels, climate-friendly homes, carbon removal and address methane leaks.

### ELECTRIC VEHICLE CHARGING NETWORK

On September 19, 2022 the California Energy Commission said that California can start using federal infrastructure funding to expand electric vehicle (EV) charging stations along the state's interstates and highways following the recent federal approval of a joint plan by Caltrans and California Energy Commission.

The U.S. Joint Office of Energy and Transportation's signoff on the California Deployment Plan for the National Electric Vehicle Infrastructure (NEVI) Program makes an initial \$56 million in funding available to install charging stations throughout the state. Funded by the federal Infrastructure Investment and Jobs Act of 2021 (IIJA), California expects to receive a total of \$384 million for the program over the next five years. The federal funding will build on California's \$10 billion, multiyear investment to accelerate the transition to zero-emission vehicles by improving affordability and expanding charging infrastructure.

The IJA funds will add to efforts to complete a 6,600-mile statewide charging network and deploy 1.2 million chargers by 2030 to meet the anticipated charging needs of the state's EV fleet.

The state's NEVI plan focuses on construction of fast-charging stations near interstates, U.S. routes and state routes throughout California. These charging stations will increase the availability of charging options, improve the reliability of the charging network and remove barriers to accessing EVs. NEVI funding will also support upgrades to existing infrastructure, charging stations' operation and maintenance costs, community and stakeholder engagement, workforce development, and related mapping and signage.

California surpassed one million zero-emission vehicles (ZEV) sold in 2021 and leads the country in all ZEV market metrics including the highest level of public funding, the largest EV market share percentage, and the most extensive public charging infrastructure.

### **2022 STATE IMPLEMENTATION PLAN STRATEGY**

On September 22, 2022, the California Air Resources Board approved a statewide plan for attaining the federal health-based standard for ozone. The 2022 State Implementation Plan Strategy identifies the state's control strategy for meeting the federal 70 parts per billion, 8-hour ozone standard over the next 15 years.

The 2022 State Implementation Plan (SIP) Strategy includes a variety of new measures to reduce emissions from sources under the state's authority using all mechanisms available to transition away from combustion through regulations along with incentive and voluntary programs. Strategies outlined in the plan build on measures and commitments already made and range from the Advanced Clean Truck Measures and In-Use Locomotive Measure to a proposed zero-emissions space and water heaters measure, measures to reduce emissions from consumer products, and more.

While California has made great progress in cleaning the air, more than half of Californians still live in areas that exceed the health-based 70 ppb ozone standard. A disproportionate number of those most impacted by high ozone levels live in low-income and disadvantaged communities that also typically experience greater exposure to diesel exhaust and other toxic air pollutants compared to surrounding areas.

Nineteen areas in California are designated as nonattainment for the 70 ppb 8-hour ozone standard including the only two extreme areas in the U.S., the South Coast Air Basin and the San Joaquin Valley.

Seven areas need reductions beyond already-adopted state and local regulations including the South Coast Air Basin, San Joaquin Valley, Ventura County, Eastern Kern County, the Sacramento metropolitan area, Western Mojave Desert and Coachella Valley.

CARB projects the 2022 State SIP Strategy will achieve more than 200 tons per day of NO<sub>x</sub> and 40 tons per day of reactive organic gases (ROG) emissions reductions statewide in 2037. A large

portion of these reductions will occur in and around communities near major roadways and ports, airports and warehouses, providing substantial health benefits.

The total net cost of the 2022 State SIP Strategy is estimated as \$96.2 billion, which includes \$33.8 billion in CARB measures and \$62.3 billion in measures that require federal actions between 2023 and 2037 with an annual cost of \$8.8 billion.

CARB held a robust public process over the past 14 months with early stakeholder engagement, four public workshops and an informational update to the Board in February resulting in new measures being added to the 2022 State SIP Strategy throughout the public process.

Later this year and into early 2023, CARB will be considering regional SIPs for the seven nonattainment areas needing additional emission reductions beyond those defined in the 2022 State SIP Strategy. These regional SIPs will identify local actions that will complement the state, federal, and international measures identified in the 2022 State SIP Strategy.

### **2022 LEGISLATIVE DEADLINES**

September 30: Last day for the Governor to act on Legislation presented to him this year.

# RESOLUTE<sup>\*</sup>

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

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### ❖ Important Upcoming Dates

**September 30** – Last day for Governor to sign or veto bills passed by the Legislature before Sept. 1 and in the Governor's possession on or after Sept. 1

### ❖ 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 submitting the final request for signature to the Governor's office for AB 2836 (E. Garcia)
- Continued communications with South Coast staff as other budget and policy items of interest were dispensed with by the Governor.

### ❖ SCAQMD Sponsored Legislation.

- AB 2836 (Eduardo Garcia): Carl Moyer Extension  
Signed by Governor Newsom and Chaptered (9/16/2022).

### ❖ Governor Newsom Signs Historic Climate Package. On Friday, September 16, the Governor signed a package of climate bills (including AB 2836). Press Release with Information on Package:

#### **Governor Newsom Signs Sweeping Climate Measures, Ushering in New Era of World-Leading Climate Action**

*New California laws will create 4 million jobs, reduce the state's oil use by 91%, cut air pollution by 60%, protect communities from oil drilling, and accelerate the state's transition to clean energy*

*Legislative package complements record \$54 billion climate budget that focuses on equity and economic opportunity*

MARE ISLAND – Today, California enacted some of the nation's most aggressive climate measures in history as Governor Gavin Newsom signed a sweeping package of legislation to cut pollution, protect Californians from big polluters, and accelerate the state's transition to clean energy. The Governor partnered with legislative leaders [this session](#) to advance groundbreaking measures to achieve carbon neutrality no later than 2045 and 90% clean energy by 2035, establish new setback measures protecting communities from oil drilling, capture carbon pollution from the air, advance nature-based solutions, and more.

This is an essential piece of the [California Climate Commitment](#), a record \$54 billion investment in climate action that exceeds what most countries are spending and advances economic opportunity and environmental justice in communities across the state.

Over the next two decades, the California Climate Commitment will:

- Create 4 million new jobs
- Cut air pollution by 60%
- Reduce state oil consumption by 91%
- Save California \$23 billion by avoiding the damages of pollution

- Reduce fossil fuel use in buildings and transportation by 92%
- Cut refinery pollution by 94%

Taken together, these measures represent the most significant action on the climate crisis in California's history and raises the bar for governments around the world.

“This month has been a wake-up call for all of us that later is too late to act on climate change. California isn't waiting any more,” said Governor Newsom. “Together with the Legislature, California is taking the most aggressive action on climate our nation has ever seen. We're cleaning the air we breathe, holding the big polluters accountable, and ushering in a new era for clean energy. That's climate action done the California Way – and we're not only doubling down, we're just getting started.”

With multiple oil refineries in the distance, the Governor signed the legislation alongside legislative leaders at the USDA Forest Service Regional Office on Mare Island, a facility powered by clean energy that also feeds the grid.

“Our state has been facing extreme temperatures, putting our communities, especially our most vulnerable neighbors, at risk. We're also continuing to deal with an historic drought and the ongoing threat of wildfires. The challenges of climate change are here, and this Legislative session, we took bold action to address these severe conditions and mitigate future risk both through our state budget and key legislation,” said Senate President pro Tempore Toni G. Atkins (D-San Diego). “We established ambitious and necessary goals to reduce carbon emission and increase renewable energy. We provided the tools industry needs to capture and store carbon before it hits the atmosphere. And we invested in critical infrastructure programs that will keep us firmly planted on the path to a greener future, while simultaneously creating jobs that will support families across the state. California has, and will continue to, lead the nation on not only addressing the worsening climate crisis, but finding proactive solutions.”

“It's great to see California and the Governor celebrating our collective dedication to climate response. The Assembly has initiated this kind of legislation for years, and put forward some of these bills more than a year ago,” said Assembly Speaker Anthony Rendon (D-Lakewood). “That makes it especially heartening to be able to enact a package like this as a team. I look forward to working on additional climate change legislation with the Governor and the Senate. We are just getting started.”

The climate package signed today includes:

- **CARBON NEUTRALITY:** AB 1279 by Assemblymembers Al Muratsuchi (D-Torrance) and Cristina Garcia (D-Bell Gardens) codifies the statewide carbon neutrality goal to dramatically reduce climate pollution.
  - Establishes a clear, legally binding, and achievable goal for California to achieve statewide carbon neutrality as soon as possible, and no later than 2045, and establishes an 85% emissions reduction target as part of that goal.
- **PROTECT COMMUNITIES AGAINST OIL DRILLING:** SB 1137 by Senators Lena Gonzalez (D-Long Beach) and Monique Limón (D-Santa Barbara) protects communities from the harmful impacts of the oil industry.
  - Establishes a setback distance of 3,200 feet between any new oil well and homes, schools, parks or businesses open to the public.
  - Ensures comprehensive pollution controls for existing oil wells within 3,200 feet of these facilities.
- **100% CLEAN ELECTRIC GRID:** SB 1020 by Senator John Laird (D-Santa Cruz) establishes a pathway toward the state's clean energy future.
  - Creates clean electricity targets of 90% by 2035 and 95% by 2040 with the intent of advancing the state's trajectory to the existing 100% clean electricity retail sales by 2045 goal.
- **CAPTURING AND REMOVING CARBON POLLUTION:** SB 905 by Senators Anna Caballero (D-Merced) and Nancy Skinner (D-Berkeley) and SB 1314 by Senator Monique Limón (D-Santa Barbara)

advance engineered technologies to remove carbon pollution, while banning the use of those technologies for enhanced oil recovery.

- Establishes a clear regulatory framework for carbon removal and carbon capture, utilization and sequestration.
- Bans the practice of injecting carbon dioxide for the purpose of enhanced oil recovery.
- **NATURE-BASED SOLUTIONS:** AB 1757 by Assemblymembers Cristina Garcia (D-Bell Gardens) and Robert Rivas (D-Salinas) enlists nature in the state's climate agenda.
  - Requires the state to develop an achievable carbon removal target for natural and working lands.

Last week, Governor Newsom [signed legislation](#) to help protect Californians from more frequent and severe heat waves driven by climate change. This month's legislative action comes on the heels of California enacting a [world-leading regulation](#) to phase out sales of new gas-powered cars by 2035.

[In a July letter](#) to the Chair of the California Air Resources Board (CARB), Governor Newsom called for the state to ensure that the 2022 Climate Change Scoping Plan provides a path to achieve both the 2030 climate goal and state carbon neutrality no later than 2045, requesting that the final plan incorporate new efforts to advance offshore wind, clean fuels, climate-friendly homes, carbon removal and address methane leaks.

The full set of bills the Governor signed that work toward achieving the state's climate goals include:

- AB 1279 by Assemblymember Al Muratsuchi (D-Torrance) – The California Climate Crisis Act.
- AB 1384 by Assemblymember Jesse Gabriel (D-Encino) – Resiliency Through Adaptation, Economic Vitality, and Equity Act of 2022.
- AB 1389 by Assemblymember Eloise Gómez Reyes (D-Colton) – Clean Transportation Program: project funding preferences.
- AB 1749 by Assemblymember Cristina Garcia (D-Bell Gardens) – Community emissions reduction programs: toxic air contaminants and criteria air pollutants.
- AB 1757 by Assemblymember Cristina Garcia (D-Bell Gardens) – California Global Warming Solutions Act of 2006: climate goal: natural and working lands.
- AB 1857 by Assemblymember Cristina Garcia (D-Bell Gardens) – Solid waste.
- AB 1909 by Assemblymember Laura Friedman (D-Glendale) – Vehicles: bicycle omnibus bill.
- AB 1985 by Assemblymember Robert Rivas (D-Salinas) – Organic waste: recovered organic waste product procurement targets.
- AB 2061 by Assemblymember Philip Ting (D-San Francisco) – Transportation electrification: electric vehicle charging infrastructure.
- AB 2075 by Assemblymember Philip Ting (D-San Francisco) – Energy: electric vehicle charging standards.
- AB 2108 by Assemblymember Robert Rivas (D-Salinas) – Water policy: environmental justice: disadvantaged and tribal communities.
- AB 2204 by Assemblymember Tasha Boerner Horvath (D-Encinitas) – Clean energy: Labor and Workforce Development Agency: Deputy Secretary for Climate.
- AB 2278 by Assemblymember Ash Kalra (D-San Jose) – Natural resources: biodiversity and conservation report.
- AB 2316 by Assemblymember Christopher Ward (D-San Diego) – Public Utilities Commission: customer renewable energy subscription programs and the community renewable energy program.
- AB 2440 by Assemblymember Jacqui Irwin (D-Thousand Oaks) – Responsible Battery Recycling Act of 2022.
- AB 2446 by Assemblymember Chris Holden (D-Pasadena) – Embodied carbon emissions: construction materials.
- AB 2622 by Assemblymember Kevin Mullin (D-South San Francisco) – Sales and use taxes: exemptions: California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project: transit buses.
- AB 2700 by Assemblymember Kevin McCarty (D-Sacramento) – Transportation electrification:



- electrical distribution grid upgrades.
- AB 2836 by Assemblymember Eduardo Garcia (D-Coachella) – Carl Moyer Memorial Air Quality Standards Attainment Program: vehicle registration fees: California tire fee.
  - SB 379 by Senator Scott Wiener (D-San Francisco) – Residential solar energy systems: permitting.
  - SB 529 by Senator Robert Hertzberg (D-Van Nuys) – Electricity: electrical transmission facilities.
  - SB 887 by Senator Josh Becker (D-Menlo Park) – Electricity: transmission facility planning.
  - SB 905 by Senator Anna Caballero (D-Merced) – Carbon sequestration: Carbon Capture, Removal, Utilization, and Storage Program.
  - SB 1010 by Senator Nancy Skinner (D-Berkeley) – Air pollution: state vehicle fleet.
  - SB 1020 by Senator John Laird (D-Santa Cruz) – Clean Energy, Jobs, and Affordability Act of 2022.
  - SB 1063 by Senator Nancy Skinner (D-Berkeley) – Energy: appliance standards and cost-effective measures.
  - SB 1075 by Senator Nancy Skinner (D-Berkeley) – Hydrogen: green hydrogen: emissions of greenhouse gases.
  - SB 1109 by Senator Anna Caballero (D-Merced) – California Renewables Portfolio Standard Program: bioenergy projects.
  - SB 1137 by Senator Lena Gonzalez (D-Long Beach) – Oil and gas: operations: location restrictions: notice of intention: health protection zone: sensitive receptors.
  - SB 1145 by Senator John Laird (D-Santa Cruz) – California Global Warming Solutions Act of 2006: greenhouse gas emissions: dashboard.
  - SB 1158 by Senator Josh Becker (D-Menlo Park) – Retail electricity suppliers: emissions of greenhouse gases.
  - SB 1203 by Senator Josh Becker (D-Menlo Park) – Net-zero emissions of greenhouse gases: state agency operations.
  - SB 1205 by Senator Ben Allen (D-Santa Monica) – Water rights: appropriation.
  - SB 1215 by Senator Josh Newman (D-Fullerton) – Electronic Waste Recycling Act of 2003: covered battery-embedded products.
  - SB 1230 by Senator Monique Limón (D-Santa Barbara) – Zero-emission and near-zero-emission vehicle incentive programs: requirements.
  - SB 1251 by Senator Lena Gonzalez (D-Long Beach) – Governor’s Office of Business and Economic Development: Zero-Emission Vehicle Market Development Office: Zero-Emission Vehicle Equity Advocate.
  - SB 1291 by Senator Bob Archuleta (D-Pico Rivera) – Hydrogen-fueling stations: administrative approval.
  - SB 1314 by Senator Monique Limón (D-Santa Barbara) – Oil and gas: Class II injection wells: enhanced oil recovery.
  - SB 1322 by Senator Ben Allen (D-Santa Monica) – Energy: petroleum pricing.
  - SB 1382 by Senator Lena Gonzalez (D-Long Beach) – Air pollution: Clean Cars 4 All Program: Sales and Use Tax Law: zero emissions vehicle exemption.  
Governor Newsom previously signed:
  - AB 2251 by Assemblymember Lisa Calderon (D-Whittier) – Urban forestry: statewide strategic plan.
  - SB 1174 by Senator Robert Hertzberg (D-Van Nuys) – Electricity: eligible renewable energy or energy storage resources: transmission and interconnection.

For full text of the bills, visit: <http://leginfo.legislature.ca.gov>.

❖ **CalMatters: Big change for big rigs: California unveils mandate to phase out diesel trucks**  
By [NADIA LOPEZ](#)

New big rigs and other trucks will have to be zero-emissions in 2040 — ending their decades-long reliance on high-polluting diesel — under a proposed regulation unveiled by the California Air Resources Board.

Under the [proposal](#), manufacturers couldn't sell new medium-duty and heavy-duty trucks fueled by diesel or gasoline that operate in California, instead turning to electric models. In addition, large trucking companies would have to gradually convert their existing fleets to zero-emission vehicles, buying more over time until all are zero emissions by 2042.

In another worldwide first, California aims to amp up its efforts to end the use of fossil fuels by setting requirements for clean-burning big rigs, garbage trucks, delivery trucks and other large trucks. Transportation is California's largest contributor to climate-warming greenhouse gases as well as smog and other air pollutants.

Chris Shimoda, a senior vice president at the California Trucking Association, which represents truck drivers, said zero-emission truck technology has great possibilities, but truckers worry about "the practical unknowns," such as the high cost of the trucks, a lack of charging stations and the limited range of the vehicles.

"We're flying blind into some pretty major questions about the practicality of actually implementing this rule," Shimoda said.

The air board did not include cost estimates for trucking companies and truck drivers in its proposal, only saying that their upfront costs would be high but they'd save money over time.

About 1.8 million heavy-duty trucks on California's roads would be affected by the regulation, according to the report.

The proposed rule could put about 510,000 carbon-free medium and heavy-duty vehicles on California's roads in 2035, increasing to 1.2 million in 2045 and nearly 1.6 million in 2050, according to the air board. Currently there are only [1,943 zero emission medium and heavy duty vehicles](#) on the state's roads, and nearly all of them are buses.

The new truck mandate is "really a critical piece of the state's climate and clean air objectives," said Patricio Portillo, a clean transportation advocate at the Natural Resources Defense Council. "A common sight on California's highways are trucks clogging lanes, blowing thick smoke into the sky while overheated trucks rest at the side. It's so normal that we stop thinking about it, but that exhaust permeating the air harms our lungs and bodies."

The air board will hold a public hearing on the proposal on Oct. 27, after a 45-day public comment period. It comes just a few weeks after the air board [passed another far-reaching mandate](#) that bans sales of gas-powered cars by 2035.

California has been ratcheting down emissions from diesel-powered trucks and buses for decades in an effort to combat the state's severe air pollution. The new proposal builds on a [clean trucks regulation](#) passed in 2020, which gradually increases the number of [zero-emission trucks](#) that manufacturers must sell, starting in 2024.

The provisions requiring turnover of existing fleets would apply only to federal agencies and so-called "high-priority fleets," which are owned or operated by companies with 50 or more trucks or \$50 million or more in annual revenue. Included are trucks weighing 10,001 pounds or more and package delivery vehicles of 8,500 lbs or more, including U.S. Postal Service, FedEx, UPS and Amazon fleets.

These large companies and federal agencies would have a choice on how to comply: They could purchase only zero-emission vehicles beginning in 2024 while retiring diesel trucks at the end of their useful life. Or they could phase-in zero-emission trucks as a percentage of their total fleet, starting with 10% of delivery trucks and other types that are the easiest to electrify in 2025, then ramping up to 100% between 2035 and 2042.

The requirements for converting fleets would not apply to smaller companies, unless they were using a larger company's trucks. They could keep their trucks as long as they want under the proposal, although their new purchases would have to be zero-emission by 2040, according to Tony Brasil, chief of the air board's transportation and technology branch.

"We also believe that some of the market dynamics will probably encourage fleets to replace their trucks earlier," Brasil said. "As new zero emission trucks become available, the cost of operation is considerably lower."

Working toward the 2040 ban on new diesel and gas trucks, the proposal has other deadlines for phasing in new sales, varying based on the type of truck.

Drayage trucks — used largely to transport cargo from ports and railways — would have the strictest timeline. New models would be zero-emission in 2024, while diesel and gas drayage trucks must retire after 18 years to guarantee that they meet a zero-emission requirement by 2035.

In addition, half of all new trucks purchased by state and local governments would be zero-emission in 2024, increasing to 100% by 2027. Some exemptions are allowed, if there is a lack of available models. Counties with small populations, including Inyo, Butte, Mendocino and Tuolumne, would be exempt until 2027.

The new rule banning sale of diesel vehicles would not apply to emergency vehicles, such as ambulances. Some manufacturers have already announced plans to ramp up sales of electric truck fleets. Tesla plans to roll out electric semi trucks with 500 miles of range [later this year](#), while [Volvo Trucks](#) and [Nikola Inc.](#) have launched electric big-rigs and other models with ranges of up to 350 miles. Volvo Trucks this year set a global goal that half of its truck sales would be electric by 2030.

"We are determined to lead the transformation of the transport industry," Roger Alm, president of Volvo Trucks, said in a statement. "The interest among customers is high and it's quickly becoming a competitive advantage for transporters to be able to offer electric, sustainable transports."

But challenges with the transition remain.

Many electric heavy-duty trucks currently on the market still lack the range needed to transport cargo statewide and across state lines. Some vehicles like drayage trucks are better suited for electrification because those vehicles may not need as long of a vehicle range, said Shimoda of the California Trucking Association. But for long-haulers, the mandate could pose serious problems, he said.

Long-haul diesel trucks can operate up to 1,000 miles before needing to refill the tank, which takes 10 to 15 minutes to fill up. But electric models have to be charged often because they have "significantly shorter range" and they take hours to charge.

"The charging infrastructure that is necessary to support these trucks is basically non-existent today. Even the fastest available chargers right now are going to take three to four hours to charge up to a full state," said Shimoda, who represents California truckers.

Todd Spencer, president and CEO of the Owner-Operator Independent Drivers Association, said charging times of more than two hours could "cause total disruption" of the industry.

"Neither the technology nor the interstate infrastructure will be available in the foreseeable future to support a zero-emission requirement for long-haul interstate trucks," he said.

Some new technology, however, has already surfaced that dramatically cuts the charging time. The newest model of the Volvo eVNR tractor-trailer can [recharge to 80% in just 90 minutes](#).

The mandate also would increase demand on the state's already-fragile electric grid.

“These charging stations are going to be a huge, huge power draw,” Shimoda said. “To put into context, the Levi's Stadium in Santa Clara on a game day uses around 300 to 350 kilowatts of power. A charging station needed for a big rig is going to be like 30 times larger.”

Stanley Young, an Air Resources Board spokesperson, said many concerns over the charging infrastructure are already being addressed under the buildout of the grid outlined in the [state's proposed scoping plan](#), its climate change blueprint.

Though new model prices are high, electric trucks would need much lower maintenance costs over time compared to fossil-fueled engines and would save money to recharge with electricity than diesel.

Shane Levy of Proterra, an electric vehicle technology company, said the company has rapidly scaled up its battery technology in recent years. It is currently working with more than a dozen manufacturers to electrify medium- and heavy-duty trucks and has delivered battery systems for more than a thousand commercial vehicles.

He said the new rule could accelerate the market.

“Commercial vehicles are ripe for electrification – benefiting not only how we move people around cities and towns, but also how we provide goods and services to the communities we live in,” he added.

Some [state and federal subsidy programs](#) could also help provide relief to companies and truck drivers.

Although the board provided no cost data, staff said the long-term economic net benefits are expected to save companies about \$22 billion over the life of the regulation and will save more than 5,000 California lives between 2024 and 2050, according to air board staff's estimates.

Environmental groups say the deadlines should be accelerated by four years, from 2040 to 2036 for all sales of new zero-emission trucks.

Portillo, of the Natural Resources Defense Council, said speeding up the transition would have health benefits for low-income, disadvantaged communities that live near highways, railyards and ports, where trucks spew toxic diesel exhaust and smog-forming pollutants.

Diesel exhaust is one of the [most harmful pollutants](#) that threaten Californians' health, containing more than 40 carcinogens as well as particles that contribute to cardiovascular and respiratory disease.