

BOARD MEETING DATE: November 7, 2025

AGENDA NO. 23

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a hybrid meeting on Friday, October 10, 2025. The following is a summary of the meeting.

| Agenda Item                                           | Recommendation/Action |
|-------------------------------------------------------|-----------------------|
| 2026 State and Federal Legislative Guiding Principles | Approve               |

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

Michael A. Cacciotti, Committee Chair  
Legislative Committee

LTO:CG:PFC:DPG:EV:MC

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### **Call to Order**

Committee Chair Michael Cacciotti called the meeting to order at 9:01 a.m.

### **Roll Call**

#### **Committee Members**

Present: Vice Chair Michael A. Cacciotti, Committee Chair  
Supervisor Curt Hagman  
Vice Mayor Brenda Olmos

Absent: Councilmember Nithya Raman  
Mayor Patricia Lock Dawson  
Supervisor V. Manuel Perez

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

##### **1. Update on State Legislation Approved or at the Governor's Desk**

Carlos Gonzalez, Assistant Deputy Executive Officer, Legislative Public Affairs and Media provided updates on the timeline for the Governor to consider enrolled bills

and on key South Coast AQMD position bills, including: AB 471 (Hart), SB 415 (Reyes) and SB 34 (Richardson).  
There was no public comment.

For additional information, please refer to the [Webcast](#) beginning at 3:35.

**2. 2026 State Legislative Guiding Principles**

Philip Crabbe, Senior Public Affairs Manager, Legislative Public Affairs and Media, presented the proposed South Coast AQMD 2026 State Legislative Guiding Principles.

Staff recommended APPROVAL of the 2026 State Legislative Guiding Principles.

There was no public comment.

For additional information, please refer to the [Webcast](#) beginning at 6:19.

**3. 2026 Federal Legislative Guiding Principles**

The Committee waived staff presentation of Item 3 and proceeded to vote on Items 2 and 3 simultaneously.

There was no public comment.

Moved by: Supervisor Hagman, Seconded by: Vice Mayor Olmos

Ayes: Cacciotti, Hagman, Olmos

Noes: None

Absent: Lock Dawson, Perez, Raman

For additional information, please refer to the [Webcast](#) beginning at 7:32.

**WRITTEN REPORTS/ DISCUSSION ITEMS:**

**4. Update and Discussion on Federal Legislative Issues**

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

Jed Dearborn, Cassidy and Associates, provided an update on the ongoing Congressional deadlock regarding the Fiscal Year 2026 appropriations bills which has led to a federal government shutdown. For additional information, please refer to the [Webcast](#) beginning at 8:30.

Dal Harper, Carmen Group, reported on how federal agencies including U.S. EPA are affected by the federal government shutdown. For additional information, please refer to the [Webcast](#) beginning at 10:15.

Mark Kadesh, Kadesh & Associates, provided an overview of the remaining 2025 congressional schedule. For additional information, please refer to the [Webcast](#) beginning at 11:26.

There was no public comment.

## **5. Update and Discussion on State Legislative Issues**

South Coast AQMD's state legislative consultants (Resolute, Buckley Government Affairs LLC, and Joe A. Gonsalves & Son) provided written reports on key Sacramento issues.

David Quintana, Resolute, reported that Lauren Sanchez has been sworn in as the new Chair of CARB and that Sarah Swig is the new Senior Advisor on Climate in the Governor's office. For additional information, please refer to the [Webcast](#) beginning at 17:50.

Ross Buckley, Buckley Government Affairs LLC, provided an update regarding state budget revenues. Additionally, Mr. Buckley reported on the number of bills signed and vetoed by the Governor and on those still pending with the Governor. For additional information, please refer to the [Webcast](#) beginning at 18:34.

Paul Gonsalves, Joe A. Gonsalves & Son, provided an update on the 2026 California Gubernatorial race. For additional information, please refer to the [Webcast](#) beginning at 20:33.

Vice Chair Cacciotti inquired about the status of SB 34 (Richardson). Mr. Quintana stated that environmental justice organizations, among others, are continuing to oppose the bill and urging the Governor to veto the bill.

There was no public comment.

## **OTHER MATTERS:**

### **6. Other Business**

There was no other business to report.

### **7. Public Comment Period**

There was no public comment.

### **8. Next Meeting Date**

The next regular Legislative Committee meeting is scheduled for Friday, November 14, 2025, at 9:00 a.m.

**Adjournment**

The meeting was adjourned at 9:35 a.m.

**Attachments**

1. Attendance Record
2. 2026 State and Federal Guiding Principles
3. Update on Federal Legislative Issues – Written Reports
4. Update on State Legislative Issues – Written Reports

# **ATTACHMENT 1**

## **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT LEGISLATIVE COMMITTEE MEETING ATTENDANCE RECORD – OCTOBER 10, 2025**

|                                       |                                 |
|---------------------------------------|---------------------------------|
| Councilmember Michael Cacciotti ..... | South Coast AQMD Board Member   |
| Supervisor Curt Hagman .....          | South Coast AQMD Board Member   |
| Vice Mayor Brenda Olmos .....         | South Coast AQMD Board Member   |
| Guillermo Gonzalez .....              | Board Consultant (Perez)        |
| Chuck Hahn .....                      | Board Consultant (Nguyen)       |
| Debra Mendelsohn .....                | Board Consultant (Rodriguez)    |
| Marisela Santana .....                | Board Consultant (Olmos)        |
| Ben Wong .....                        | Board Consultant (Cacciotti)    |
| Ross Buckley .....                    | Buckley Government Affairs, LLC |
| Dal Harper .....                      | Carmen Group, Inc.              |
| Jed Dearborn .....                    | Cassidy & Associates            |
| Paul Gonsalves .....                  | Joe A. Gonsalves & Son          |
| Mark Kadesh .....                     | Kadesh & Associates             |
| Ben Miller .....                      | Kadesh & Associates             |
| David Quintana .....                  | Resolute                        |
| Todd Campbell .....                   | Public Member                   |
| Ramine Cromartie .....                | Public Member                   |
| Fernando Gaytan .....                 | Public Member                   |
| Thomas Jelenic .....                  | Public Member                   |
| Bill LaMarr .....                     | Public Member                   |
| Jacqueline Moore .....                | Public Member                   |
| Eman Nazir .....                      | Public Member                   |
| Bill Quinn .....                      | Public Member                   |
| Petter Whittingham .....              | Public Member                   |
| Jason Aspell .....                    | South Coast AQMD Staff          |
| Barbara Baird .....                   | South Coast AQMD Staff          |
| Cathy Bartels .....                   | South Coast AQMD Staff          |
| Cindy Bustillos .....                 | South Coast AQMD Staff          |
| Lara Brown .....                      | South Coast AQMD Staff          |
| Maria Corralejo .....                 | South Coast AQMD Staff          |
| Philip Crabbe .....                   | South Coast AQMD Staff          |
| Scott Gallegos .....                  | South Coast AQMD Staff          |
| Bayron Gilchrist .....                | South Coast AQMD Staff          |
| Carlos Gonzalez .....                 | South Coast AQMD Staff          |
| De Groeneveld .....                   | South Coast AQMD Staff          |
| Alex Han .....                        | South Coast AQMD Staff          |
| Sheri Hanizavareh .....               | South Coast AQMD Staff          |
| Jack Cheng .....                      | South Coast AQMD Staff          |
| Nydia Ibarra .....                    | South Coast AQMD Staff          |
| Aaron Katzenstein .....               | South Coast AQMD Staff          |
| Angela Kim .....                      | South Coast AQMD Staff          |
| Howard Lee .....                      | South Coast AQMD Staff          |
| Brisa Lopez .....                     | South Coast AQMD Staff          |
| Jason Low .....                       | South Coast AQMD Staff          |

|                        |                        |
|------------------------|------------------------|
| Terrence Mann .....    | South Coast AQMD Staff |
| Ian McMillan .....     | South Coast AQMD Staff |
| Nahal Mogharabi .....  | South Coast AQMD Staff |
| Ron Moskowitz .....    | South Coast AQMD Staff |
| Ghislain Muberwa ..... | South Coast AQMD Staff |
| Robert Paud .....      | South Coast AQMD Staff |
| Payam Pakbin .....     | South Coast AQMD Staff |
| Denise Peralta .....   | South Coast AQMD Staff |
| Sarah Rees .....       | South Coast AQMD Staff |
| Mary Reichert .....    | South Coast AQMD Staff |
| Lisa Tanaka .....      | South Coast AQMD Staff |
| Brian Tomasovic .....  | South Coast AQMD Staff |
| Mei Wang .....         | South Coast AQMD Staff |
| Victor Yip .....       | South Coast AQMD Staff |

# ATTACHMENT 2A



## South Coast Air Quality Management District

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

### South Coast AQMD's State Legislative Guiding Principles for 2026

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

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

Protect and increase existing and identify new funding sources that provide sustainable revenue streams for South Coast AQMD programs and priorities. These funds should support attainment of state and federal ambient air quality standards and reduce toxic air contaminants to protect public health, with a focus on achieving equitable clean air for disproportionately impacted communities. Ensure sufficient administrative and implementation funding to allow the effective execution of clean air programs, projects and overall efforts.

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

Defend and ensure adequate South Coast AQMD authority to raise revenue and impose fees as needed and implement the Board's clean air policies and programs, including those required by state and federal laws, to support Air Quality Management Plans (AQMPs), State Implementation Plans, and Letters of Commitment with U.S. EPA and CARB.

#### ***State Support***

Ensure that the State does not impose unfunded mandates on South Coast AQMD and does its fair share to reduce air pollution within the South Coast region. State actions needed in support of air quality include, but are not limited to, funding, legislation, regulatory actions, and support by the Administration. In particular, South Coast AQMD requires State action to: 1) Facilitate implementation of applicable South Coast AQMD AQMPs to attain federal ozone and particulate matter air quality standards in accordance with deadlines; 2) Ensure there are sufficient resources to fully implement air district responsibilities and initiatives created through the AB 617 Program; and 3) Maximize funding opportunities from the federal government to the State through public laws, such as the Bipartisan Infrastructure Law and Inflation Reduction Act.

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

Support and expand policy and funding that promotes air quality priorities as part of the implementation of state and federal surface transportation, infrastructure and goods movement policies and programs, with an emphasis on the development and deployment of the cleanest technologies for medium- and heavy-duty trucks, locomotives, oceangoing vessels, aircraft, and off-road equipment, and a priority for zero-emission technology where commercially viable at scale.

### ***Development and Deployment of Clean Technology***

Support and advocate for legislative and administrative policies, programs, and funding, that promote the development and deployment of the cleanest commercially available technologies with prioritization for zero-emission infrastructure, equipment, and vehicles to: 1) protect public health; 2) facilitate attainment of clean air standards; and/or 3) support a healthy economy and promote job retention/creation within the South Coast region.

### ***Impacted Communities***

Support and advocate for legislative and administrative policies and funding that: 1) promote and sustain environmental justice initiatives which reduce localized health risks resulting from criteria pollutant and toxic air contaminant emissions; 2) prioritize equitable access to zero-emission or cleanest available technologies for over-burdened communities; 3) enhance community participation in decision-making; and 4) provide the resources necessary to fully implement local air districts' responsibilities and initiatives created through the AB 617 Community Air Protection Program, including implementing CARB's blueprint to expand the program to address communities that have been consistently nominated.

### ***Climate Change***

Support efforts directing that the Greenhouse Gas Reduction Fund provide funding to maximize criteria pollutant and toxic emission reduction co-benefits that facilitate attainment of clean air standards and reduce public health impacts in the South Coast region, including through the development and deployment of zero-emission or cleanest commercially available vehicles, equipment, and fueling/charging infrastructure, especially as it relates to mobile sources such as medium- and heavy-duty trucks, locomotives, oceangoing vessels, aircraft, and off-road equipment.

### ***Clean Energy***

Support legislative and administrative efforts to promote energy efficiency, demand reduction, and reliable, cost effective and clean energy in the South Coast region, especially in disproportionately impacted environmental justice communities. Also, support production and development of renewable and alternative energy, energy storage, and microgrids to reduce emissions from transportation and other sources, such as back-up generators.

### ***Business, Job Creation, Workforce Training & Economy***

Support legislative policies and administrative actions that promote job retention and creation, workforce training for zero-emission technologies, as well as economic growth, while working toward attainment of clean air standards; and that support and assist the regulated community in complying with rules and regulations in the most efficient and cost-effective manner. Work to ensure job and economic benefits are equitably accessible to environmental justice communities.

### ***Addressing Impacts of Natural and Manmade Events***

Support and advocate for legislative and administrative policies, programs, and funding that reduce and/or mitigate air quality-related public health impacts within the South Coast region caused by wildfires, dust/sandstorms, odors, or other events.

### ***Administrative Operations***

Support and seek legislative and administrative policies, programs, funding and/or actions that ensure that South Coast AQMD can meet its administrative and operational needs, including, but not limited to, those related to human resources and pensions.



# ATTACHMENT 3A



## South Coast Air Quality Management District

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

### South Coast AQMD's Federal Legislative Guiding Principles for 2026

*The following guiding principles are identified to enable South Coast AQMD to seek rules, legislative policies, and funding from the federal government that will help facilitate attainment of National Ambient Air Quality Standards (NAAQS) and the protection of public health in the South Coast region, through practical and innovative strategies. As part of these efforts, it is critical that South Coast AQMD work with and serve as a resource to the Administration and agencies, Congress, business, environmental, health, and community groups, and other stakeholders.*

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

Protect and increase existing and seek new funding sources that support South Coast AQMD programs and priorities to reach attainment of state and federal ambient air quality standards and reduce hazardous air pollutants to protect public health. Examples of programs are, but not limited to, Targeted Airshed Grants, Diesel Emissions Reduction Act, Clean Ports, Port Infrastructure Development Program, National Electric Vehicle Infrastructure, Charging and Fueling Infrastructure Grants for Corridors and Communities, Clean Heavy-Duty Trucks, Reduction of Emissions at Port, Section 103/105, Climate Pollution Reduction Grant, and annual Appropriations.

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

Defend and ensure adequate South Coast AQMD authority for implementation of the Board's clean air policies and programs, including those required by the Clean Air Act and other federal and state laws to support Air Quality Management Plans (AQMP), State Implementation Plans, and Letters of Commitment with EPA and CARB

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

Work to ensure the federal government (Administration, Agencies and Congress) do their fair share to reduce air pollution with a focus on mobile sources, within the South Coast region through funding, regulations, and administration actions. In particular, South Coast AQMD requires federal action to: 1) Maximize funding opportunities under the upcoming 2026 Surface Transportation Reauthorization and other public laws 2) Provide incentive funding, policies, and require regulatory actions sufficient to, in combination with state and local actions, attain NAAQS for ozone by 2031 and 2037 in the South Coast Air Basin, and if standards are not attained due to lack of federal actions, ensure that the Basin is not punished by further sanctions, fees or other penalty for failure to timely attain; 3) Provide support for and protect state and local regulatory authority for nonattainment areas to meet NAAQS for upcoming federal deadlines, and the South Coast AQMD to implement Air Quality Management Plans (AQMPs) and attain federal ozone and particulate matter standards; and, 4) Protect science-driven and health-based determinations of NAAQS, and efforts to streamline and provide flexible implementation of SIP requirements, as needed, to ensure feasibility of attainment.

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

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

### ***Technology Advancement***

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

- Zero and near-zero emission technologies for the cleanest vehicles (such as heavy- and medium-duty trucks, locomotives, marine vessels, aircraft, and off-road technologies) and the cleanest stationary sources (heaters, boilers, furnaces, engines, etc.), with prioritization of zero-emission technologies.
- Infrastructure to support zero-emission and near-zero emission technologies, prioritizing zero-emission technologies where available.
- Renewable energy and alternative energy, energy storage, microgrids and other programs, especially as related to electric and hydrogen infrastructure for transportation and emissions reductions from sources such as back-up generators.
- Technologies, systems and/or processes which reduce ambient concentrations of air pollutants and/or toxic air emissions.
- Establishing programs or policies that incentivize the federal government to purchase and use advanced clean technologies with prioritization for zero-emissions.
- Incentivizing individuals, businesses, states, and local governments to purchase and use advanced clean, zero and near-zero emission technologies.

### ***Impacted Communities***

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

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

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

### ***Climate Change***

Seek to influence climate change initiatives and facilitate their implementation at local levels, including funding, to promote greenhouse gas and criteria pollutant emission reductions to achieve the NAAQS and to reduce air toxic emissions, consistent with the Board's policy.

### ***Clean Energy***

Support legislative and administrative efforts to promote energy efficiency, demand reduction, and reliable, cost effective and clean energy in the South Coast region, especially in disproportionately impacted communities. Also, support production and development of renewable and alternative energy, energy storage, and microgrids to reduce emissions from transportation and other sources, such as back-up generators.

***Business, Job Creation, Workforce Training & Economy***

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

***Addressing Impacts of Natural and Manmade Events***

Support and advocate for legislative and administrative policies, programs, and funding that reduce and/or mitigate air quality-related public health impacts within the South Coast region caused by wildfires, dust/sandstorms, odors, or other events.

***Administrative Operations***

Support and seek legislative and administrative policies, programs, funding and/or actions that ensure that South Coast AQMD can meet its administrative and operational needs related to human resources, health and safety, or other employment related issues.

## ATTACHMENT 4A



To: South Coast Air Quality Management District  
From: Cassidy & Associates  
Date: September 23, 2025  
Re: September Report

### *HOUSE/SENATE*

#### *Congress*

Lawmakers continue to negotiate Fiscal Year (FY) 2026 appropriations before the end of the fiscal year on September 30. On September 19, the House passed a Continuing Resolution (CR) that would extend government funding at current levels through November 21, 2025. The CR was developed by Republicans without Democratic input, and the vote tally fell largely along partisan lines, with two Republicans joining Democrats to vote against the measure and a lone Democrat voting in favor. The Senate rejected two different CRs – the House-passed GOP version, as well as a competing CR crafted by Senate Democrats. Two Senate Republicans voted against the House-passed CR, Sen. Rand Paul (R-KY) and Lisa Murkowski (R-AK), while Sen. John Fetterman (D-PA) was the only Democrat to vote in favor. The Democratic version of the CR extended Affordable Care Act enhanced premium tax credits that are set to expire at the end of the year and reversed Medicaid cuts enacted through the One Big Beautiful Bill Act. The House and Senate are due to be in recess the week of September 22, but their next steps are uncertain without a clear path to funding the government before October 1.

The House passed the FY26 National Defense Authorization Act on September 10, while the Senate continues negotiations on amendments. Earlier this month, the Senate voted to change its rules to allow for en bloc nomination votes and confirmed a wide-ranging group of nominations including Environmental Protection Agency (EPA) officials. The House Energy and Commerce Committee held a hearing on permitting reform under the Clean Air Act.

## EPA

On September 18, EPA Administrator Lee Zeldin announced the agency's intent to prioritize new chemicals needed for AI data centers or related manufacturing under Toxic Substances Control Act (TSCA) review requirements. EPA was directed to expedite permitting for AI data centers and related infrastructure under TSCA by Executive Order 14318. EPA inherited a backlog of new chemical reviews from the Biden Administration, and the change will speed up the review process for these critical chemicals. The changes apply to new chemicals submitted for review on or after September 29, 2025. Read more [here](#).

On September 17, EPA announced that it will retain the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) hazardous substance designation for perfluorooctanoic acid (PFOA) and perfluorooctanesulfonic acid (PFOS) that became effective on July 8, 2024. EPA also announced its intention to initiate a future rulemaking to establish a framework governing designation of hazardous substances under Section 102(a) of CERCLA. CERCLA designation imposes liability on entities that release the substance into the environment. EPA also recommended a statutory change to ensure passive receivers are not liable for the actions of other entities. Read more [here](#).

On September 16, EPA issued a supplemental notice of proposed rulemaking (SNPR) to revise proposed "Set 2" renewable volume requirements for 2026 and 2027 under the Renewable Fuel Standard (RFS). EPA released proposed RFS volume requirements for 2026 and 2027 in June. The SNPR incorporates the small refinery exemption (SRE) decisions issued by EPA last month that exempted certain volumes of gasoline and diesel for the 2023 and 2024 compliance years. EPA stated that the action demonstrates the Administration's commitment to supporting biofuels. Read more [here](#).

On September 15, EPA issued a Clean Air Act (CAA) permit for the proposed offshore Texas GulfLink deepwater port. The permit authorizes an offshore support vessel to control volatile organic compound emissions at the port in the first use of this kind of vapor capture and control technology with a large crude oil carrier. The port is expected to load crude carriers up to 85,000 barrels per hour. The permit is valid for five years and includes monitoring and reporting requirements. The approval is the first deepwater port permit issued during President Trump's second term. Read more [here](#).

On September 9, EPA announced new guidance on New Source Review (NSR) preconstruction permitting requirements. The NSR program requires certain stationary sources to obtain Clean

Air Act permits prior to commence construction, but EPA's changes will allow industrial facilities and power plants to begin certain construction activities before obtaining a permit. EPA will propose and finalize a rulemaking in 2026 to revise the definition of "begin actual construction," while providing guidance on a case-by-case basis in the meantime. The changes are expected to expedite construction of essential power generation and industrial facilities. Read more [here](#).

Cassidy and Associates support in September:

- Provided guidance for the FY 26 appropriations process, including report language for non-attainment areas;
- Updated AQMD staff on surface transportation reauthorization;
- Tracked energy and environment amendments for the NDAA process;
- Continued conversations on permitting reform efforts in Congress and the Administration;
- Worked with SCAQMD staff to strategize on future DC outreach and plan for DC visits; and
- Participated in weekly strategy sessions with SCAQMD staff.

## *IMPORTANT LEGISLATIVE DATES*

**September 30, 2025:** Deadline to fund the federal government.

**September 30, 2025:** The Farm Bill, an omnibus package of legislation that supports US agriculture and food industries, expired in 2023. The bill is reauthorized on a five-year cycle.

**December 31, 2025:** National Defense Authorization Act, which authorizes and funds specialized Department of Defense (DoD) programs and sets the DoD's policy agenda each year.

# ATTACHMENT 4B



**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 23, 2025

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

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**Congress:** As September drew to close, partisan passions in Congress remained high and hopes to avoid an Oct. 1 government shutdown seemed dim. Ten days before the Sept. 30 deadline, the Republican House voted 217-212 to pass a continuing resolution (CR) to maintain current funding levels through Nov. 21. This was then immediately rejected in the Senate where Democratic leaders insisted that billions of dollars would have to be added to the two-month stop-gap measure to address their health care and other policy demands in order to secure the 60 votes needed for passage. Meanwhile, the House went into recess till after Oct. 1 in an attempt to jam the Senate, where seven or eight Democrat votes would still be needed to approve the House-passed CR.

**Permitting:** In September, the House Energy & Commerce Subcommittee on Environment held a hearing on *Permitting Reform under the Clean Air Act*, focused on possible reforms contained in five pending bills. Discussion at the hearing fell largely along partisan lines with little indication that that any of the bills would have enough support to be passed in the near term.

## **Environmental Protection Agency**

**EPA Proposes to End GHG Reporting Program:** In September, the EPA announced a proposed [rule](#) to end the Greenhouse Gas Reporting Program (GHGRP) which requires over 8,000 facilities and suppliers in the U.S. to annually calculate and submit their GHG emissions. The agency said the action would save American businesses up to \$2.4 billion in regulatory costs and that unlike other mandatory data collections under the Clean Air Act, the GHGRP is not directly related to a potential regulation and has no material impact on improving human health and the environment. Comments due Nov. 3, 2025.

**EPA's Termination of GGRF Grants Upheld in District Court Ruling:** In September, the US Court of Appeals for the District of Columbia affirmed the EPA's termination of Greenhouse Gas Reduction Fund (GGRF) grants which EPA Administrator Lee Zeldin said had "*well documented concerns about self-dealing and conflicts of interest, unqualified recipients, and intentionally reduced agency oversight.*"

**Zeldin Highlights Cutting Red Tape for AI Infrastructure Projects:** In September, EPA Administrator Lee Zeldin led a roundtable discussion at the White House highlighting EPAs role advancing artificial intelligence (AI) innovation and AI data

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centers. Here is a relevant excerpt from his comments: *“To pave the path for power plant and high-voltage equipment expansion, EPA is clarifying the air permitting process. Our previous air quality permit guidance hadn’t been updated since before modern technology emerged, when AI, semiconductor manufacturing and medical manufacturing were in their infancy. EPA has developed a new Office of State Air Partnerships within the Office of Air and Radiation to improve state implementation plans and resolve air permitting concerns more quickly, and we are refreshing New Source Review rules.”*

**EPA Announces New Guidance on NSR Requirements:** In September, EPA put out [new guidance](#) on New Source Review preconstruction permitting requirements designed to provide more clarity and flexibility for obtaining a Clean Air Act construction permit necessary for the buildout of new essential power generation.

## **Department of Transportation**

**DOT Redirects Wind Project Funding to Ports and Shipbuilding:** In late August, the Department of Transportation withdrew or terminated a total of \$679 million in grant funding for 12 offshore wind projects that are being ended, and announced that, where possible, funding from these projects will be re-competed to address critical port upgrades, shipbuilding and other maritime infrastructure needs. The wind energy projects in question, approved during the previous administration, included 11 with grants from the Port Infrastructure Development Program (PIDP) and one from the Nationally Significant Freight and Highway Projects (INFRA) program.

**DOT Cancels Additional California High Speed Rail-Related Projects:** After terminating \$4 billion in federal grants for the California High Speed Rail Project in July, the Federal Railroad Administration (FRA) announced in August that four related projects totaling approximately \$175 million were also being terminated and the funds being reprioritized for what they called other “better-managed” passenger rail projects.

**FRA Announces Funds Available for Passenger Rail Projects:** In September, the FRA announced the availability of more than \$5 billion for projects to enhance safety on intercity passenger rail networks under the National Rail Partnership Program. The funding includes approximately \$2.4 billion in de-obligated funds from the California High Speed Rail project. Applications due January 7, 2026.

### **Notable DOT Appointment:**

**Sean McMaster**, *FHWA Administrator* – Confirmed by Senate.

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**Outreach:** In September, Carmen Group was in touch with congressional staff and business group representatives on appropriations and a possible government shutdown, permitting reform, and transportation reauthorization issues.

###



**KADESH & ASSOCIATES**

South Coast AQMD Report for the October 2025  
Legislative Meeting covering September 2025  
Kadesh & Associates

As predicted last month, the FY26 appropriations process appears to be going down to the wire. No substantive discussions have taken place between the parties, and as of the time of this report, the only scheduled meeting between House/Senate Democratic leadership and the White House has just been canceled.

The week of September 15, House Republican leadership introduced a relatively “clean” Continuing Resolution (CR), extending federal funding through the week before Thanksgiving, and adding additional funds for Member security in the wake of the Charlie Kirk shooting. (Democrats had been calling for an extension of health insurance subsidies but this was not included.) The House approved its CR by a near-party-line vote of 217-212, and then headed to the airport for a week-long scheduled recess. Prior to leaving for the week, House leadership announced the cancellation of previously-scheduled session days on September 29-30. This was seen by all as an effort to “jam” the Senate with the House CR: any changes made by the Senate would not even be considered by the other chamber.

Senate leadership then quickly called up both the House-passed bill and a Democratic alternative in order to test (or more accurately, demonstrate) their levels of support. Both votes were subject to 60 vote thresholds and neither came close to passage. The Senate then recessed and, as of now, is not set to return until September 29.

Democratic leaders Schumer and Jeffries called for a meeting with President Trump to resolve the end-of-year funding stalemate. While this meeting could not resolve all outstanding issues, scheduling such a meeting would recognize the fundamental dilemma: an all-Republican federal government can set the agenda, but a 60-vote threshold in the Senate requires at least some Democratic buy-in for a final deal.

Republican leaders Johnson and Thune, however, convinced President Trump to cancel the meeting with Schumer and Jeffries. As of September 23, both chambers are in recess. Clearly, schedules can change and there is still a week until the deadline of midnight on September 30, but the dynamic is getting worse, not better: all sides are digging in.

**Kadesh & Associates Activity Summary-**

-Worked with South Coast AQMD and the congressional delegation on funding implications of FY26 appropriations and other legislative developments.

Contacts: Contacts included staff and Members throughout the CA delegation, Senate offices, and members of key committees.

## South Coast Air Quality Management District

### Legislative and Regulatory Update – September 2025

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#### ❖ Important Upcoming Dates

October 13, 2025 – Last day for Governor to Sign or Veto Legislation at his desk

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

- Provided ongoing updates as the policy committees have been hearing bills.
- Followed up on bills for the 2025 legislative session, including for South Coast AQMD sponsored legislation.
- Arranged meetings with key legislators and Governor's Staff on behalf of South Coast AQMD.

#### ❖ AB 907 (Chen). Assemblymember Philip Chen introduced AB 907, sponsored legislation for South Coast AQMD, dealing with the inequity of pay for air district board members appointed to serve on the CA Air Resources Board.

AB 907 was heard on the Assembly Floor on June 3<sup>rd</sup>, and Passed.

Ayes: 49

Noes: 6

Abstained: 24

The bill has been referred to Senate Environmental Quality Committee. The bill has been made into a 2-year bill.

#### ❖ Energy and Affordability Package. The Legislature passed a package of bills including Cap-and-Trade Reauthorization, Oil Development Streamlining, Grid Regionalization, and other related bills on Saturday September 13<sup>th</sup>.

The Governor signed the following bills in the package on September 19<sup>th</sup>:

- AB 825 by Assemblymember Cottie Petrie-Norris (D-Irvine): Independent System Operator: independent regional organization
- AB 1207 by Assemblymember Jacqui Irwin (D-Thousand Oaks): Climate change: market-based compliance mechanism: extension
- SB 237 by Senator Tim Grayson (D-Concord): Oil spill prevention: gasoline specifications: suspension: California Environmental Quality Act: exemptions: County of Kern: transportation fuels assessment: coastal resources
- SB 254 by Senator Josh Becker (D-Menlo Park): Energy
- SB 352 by Senator Eloise Gómez Reyes (D-Colton): Environmental justice: Department of Justice: Bureau of Environmental Justice: community air monitoring
- SB 840 by Senator Monique Limón (D-Santa Barbara): Greenhouse gases: Greenhouse Gas Reduction Fund: studies

# ATTACHMENT 5B

South Coast AQMD, Legislative Committee Report

Buckley Government Affairs LLC

October 10, 2025

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## **Legislative Session Update**

The California Legislature adjourned the 2025 session in the late afternoon of Saturday, September 13, following an unanticipated extension beyond the planned Friday evening adjournment. Both houses worked until the early morning hours on Saturday and reconvened Saturday morning to complete their remaining business. The schedule extension reflected the need to finalize several late-breaking agreements that fell outside the 72-hour in-print rule.

The most significant agreement was on an affordability and climate-resilience package centered around the extension of California's Cap-and-Invest program through 2045. The package also delivers the largest electricity bill refunds in a decade—up to \$60 billion—via a record boost to the California Climate Credit, stabilizes the gasoline market to avert price spikes, accelerates clean-energy project delivery, and strengthens grid reliability. For South Coast AQMD, the final deal included \$250 million annually for the AB 617 program.

Upon signing the bills into law the following week, the Governor emphasized that the package strengthens California's standing as a global climate leader while maintaining affordability and reliability. He cited measurable progress: statewide greenhouse-gas emissions are down 20% from 2000 even as GDP has grown nearly 80%; in 2023, two-thirds of the state's electricity came from clean resources, and California reached 100% clean power for portions of most every day this year.

Governor Newsom now has until Monday, October 13 to sign or veto the measures that reached his desk. Because the Legislature adjourned one day later than anticipated, the 30-day post-adjournment period extends by an additional day. In recent years, the most cited reason for a veto has been state cost pressures, particularly proposals that create new, unfunded, or ongoing General Fund obligations.

## **Budget Update**

In the final week of session, the Legislature approved several budget measures, with SB 105 serving as the primary vehicle for the end-of-session adjustments. The bill appropriates \$100 million to the AB 617 Community Air Protection Program, which was not funded in the June budget, and provides an additional \$25 million for the Clean Cars 4 All program to backfill air districts that have exhausted their allocations due to high demand.

For next year's budget, the August 2025 General Fund revenues exceeded Department of Finance projections by \$1.7 billion. More than half of the gain reflects stronger personal income tax withholding—likely tied to stock-based compensation—while corporation tax refunds and payments were nearly \$300 million above forecast. This is a promising update, however in the coming weeks the budget will be influenced by the income-tax filing deadline for all Los Angeles County taxpayers of October 15 due to January wildfires.

# ATTACHMENT 5C



## **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

916 441-8597 · FAX 916 441-5061

Email: gonsalves@gonsalvi.com

TO: South Coast AQMD

FROM: Anthony, Jason & Paul Gonsalves

SUBJECT: Legislative Update – September 2025

DATE: Tuesday, September 23, 2025

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The California State Legislature has officially adjourned its 2025 legislative session and will return to Sacramento in January 2026 for the second half of this two-year session. With next year being a campaign year for all members of the Assembly and half of the members of the Senate, legislators are sure to be working hard in their districts this interim in anticipation of such.

Originally, the Legislature was scheduled to adjourn on September 12; however, due to late amendments to numerous Cap-and-Trade bills coupled with the 72-hour print rule, legislators waived the rules to make final adjournment on September 13 to hear those bills. The deadline for the end of session is different between the first year and second year. The first year, as mentioned, is a rule of the houses that can be waived. The second year, which will start in January, has a constitutional deadline of August 31.

This year, the Legislature introduced 2,833 bills, 1,777 in the Assembly and 1,056 in the Senate. Of those introduced, 418 have already been signed by the Governor, 1 has been vetoed by the Governor, 805 are before the Governor for his consideration, 1,014 are 2-year bills, and 595 are dead. The Governor, who originally had until October 12th, now has until October 13 to act on the 805 bills before him.

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

### **CAP-AND-TRADE/AB 617**

The Governor, Legislative Leaders, and other stakeholders were able to reach an agreement on extending cap-and-trade, now coined the “Cap and Invest” program. Most importantly, the Cap-and-Trade program has been extended 15 years from its initial sunset date in 2030, now to 2045. Additionally, we are pleased to report that the package of Cap-and-Trade bills and budget trailer bills adopted at the end of session included \$100 million for AB 617 this year and a continuous appropriation of \$250 million for the next 20 years!

The following will provide you with a summary of the Cap-and-Trade bill package, all of which the Governor has already signed into law:

- SB 105 (Committee on Budget) is a budget trailer bill that makes numerous changes to the budget that was adopted over the summer. Most importantly, SB 105 allocates \$100 million to the AB 617 community emissions reduction program for this year.
- AB 1207 (Irwin) is the primary vehicle for this program, extending and rebranding the program. This bill also makes a significant change to how offsets are managed. It places offsets "under the cap," meaning that for every offset used for compliance, an equivalent number of allowances are retired from the program's overall budget in the following year. This is intended to ensure that the use of offsets does not undermine the overall emissions cap. The bill also maintains the current limits on offset usage at no more than 6% of a covered entity's compliance obligation after 2030. AB 1207 also provides various mechanisms for consumer protection and overall transparency.
- SB 840 (Limón) outlines how the revenue from the program will be spent. The bill continuously appropriates \$250 million annually to the AB 617 community emissions reduction program starting next year through 2045. The bill also guarantees \$1 billion per year for the state's high-speed rail project and another \$1 billion annually for lawmakers to direct toward other priorities like clean transportation, wildfire prevention, and clean energy.
- AB 825 (Petrie-Norris/Becker) intends to enable California's participation in a voluntary, multi-state regional electricity market, among other provisions. This is a key part of the "Pathways Initiative," which seeks to improve grid reliability and lower electricity costs by sharing clean energy resources across the Western United States.
- SB 254 (Petrie-Norris/Becker) seeks to lower costs for ratepayers and improve utility oversight, particularly concerning wildfire mitigation and grid investments.
- SB 237 (Grayson/Wilson) takes a number of steps to stabilize the fuel market and increase in-state oil production. It is a direct response to concerns about high gasoline prices and the potential for supply shortages as refineries close.
- SB 352 (Reyes) establishes the Bureau of Environmental Justice within the Department of Justice and sets requirements for community air monitoring systems (CAMS) managed by CARB, including a minimum five-year operation period (subject to funding), updates to monitoring plans every five years beginning in 2026, and continued data collection from air districts when funding is available. It further requires CARB, in consultation with districts, to submit annual reports to the Legislature detailing implementation status, best practices, lessons learned, enforcement activities, outcome data, and expenditures. Finally, the bill requires CARB leadership and district executives to appear before legislative committees upon request to present progress on these efforts.

#### **CALIFORNIA AIR RESOURCES BOARD – NEW CHAIR**

On September 15, Governor Newsom announced that California Air Resources Board (CARB) Chair Liane Randolph will retire from state service effective September 30, 2025. The Governor has appointed Lauren Sanchez, Senior Advisor to the Governor for Climate, to serve as the next Chair of CARB.

Under Randolph's leadership, CARB strengthened its focus on communities most burdened by air pollution and advanced landmark environmental and climate policies. Major accomplishments include adoption of the 2022 Scoping Plan charting California's path to carbon neutrality by 2045 and implementation of Governor Newsom's 2020 executive order accelerating the transition to zero-emission vehicles.

Randolph's career in public service spans more than two decades, including roles as Commissioner at the California Public Utilities Commission (2015–2021), Deputy Secretary and General Counsel at the California Natural Resources Agency (2011–2014), and Chair of the California Fair Political Practices Commission (2003–2007). Lauren Sanchez will assume her new role as CARB Chair on October 1, 2025, filling the remainder of Randolph's term, which runs through December 2026. Her appointment is subject to Senate confirmation.

### **SENATE PRESIDENT PRO TEMPORE LIMON**

California State Senator Monique Limón will assume the role of Senate President Pro Tempore earlier than anticipated, following an abrupt announcement by current Pro Tem Mike McGuire. Limón, who was originally set to take over in early 2026, will now step into the leadership position on November 17, 2025, after Senate Democrats, who had already elected her as the next Pro Tem back in June, pressed for Pro Tem McGuire's early departure. The shift comes amid frustrations from some Senators over McGuire's handling of legislation, state spending directed to his district, and contentious policy negotiations. On September 11, 2025, as lawmakers worked through hundreds of bills, Senate President Pro Tem McGuire announced the leadership change on the Senate floor, and Senators voted unanimously to approve the transition.

With a new Senate President Pro Tem comes a lot of changes to the Senate. There will be a new Senate leadership team under Senate President Pro Tem elect Limon, new Senate Committee Chairs, and the makeup of the Senate Committee Members will change. This means 2026 will be another year of educating the Senators, in their new roles, of the priorities of the District.

### **ZERO EMISSION VEHICLES**

On September 23, Governor Newsom announced that sales of zero-emission medium- and heavy-duty vehicles in California reached record levels in 2024. Manufacturers reported 30,026 new zero-emission trucks, buses, and vans sold, representing nearly 23% of all new Class 2b–8 vehicle sales. This figure is more than double the minimum requirement for the 2024 model year and marks the fourth straight year of sales growth. Since 2021, over 57,000 zero-emission vehicles (ZEVs) have been sold in this market.

The Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) continues to drive adoption. Funded primarily through Cap-and-Trade, HVIP provides point-of-sale discounts to fleets and businesses. Demand for incentives hit a new high in 2024, with requests surging 177% over 2023 and nearly \$200 million sought on the first day applications opened. In February alone, \$31 million supported more than 200 new vehicles.

Since its launch in 2009, HVIP has:

- Invested \$820 million to deploy more than 10,500 vehicles across 2,000 fleets.
- Helped vehicles log 340 million clean miles, cutting emissions statewide.
- Supported 167 advanced vehicle models with strong participation from public agencies and small businesses (81% of orders).

- Enabled record demand, with 5,000 vehicles currently in production.

Additional funding opportunities are forthcoming, including \$30 million for the Innovative Small e-Fleet Pilot Project and added incentives for drayage truck purchasers at the Ports of Los Angeles and Long Beach.

### **EV CHARGING NETWORK**

On September 24, Governor Newsom announced that California now has 201,180 fully public and shared electric vehicle (EV) charging ports, surpassing the number of gasoline nozzles statewide by 68%, according to the California Energy Commission. Public chargers are increasingly located at grocery stores, parking lots, and gas stations, while shared chargers serve apartments, workplaces, and other facilities. This is in addition to an estimated 800,000 home-installed chargers across the state.

The announcement follows new data showing record growth in clean truck sales, with nearly 1 in 4 new trucks sold in 2024 being zero-emission. California also reported 20,093 charging and hydrogen fueling points for medium- and heavy-duty vehicles, a 23% increase since February.

State agencies continue to accelerate EV adoption and infrastructure through grants, fast-charging investments, and the development of a comprehensive Zero-Emission Vehicle Infrastructure Plan. Efforts include expanding access in low-income and rural communities, establishing charger reliability standards, and preparing the grid for rising demand.

While federal tax credits of up to \$7,500 for new EVs and \$4,000 for used EVs remain available until September 30, California is advancing its own policies to support the transition. Officials note that although trucks account for just 6% of vehicles on state roads, they produce over 35% of transportation-related emissions, making charging infrastructure critical to achieving clean air and climate goals.

### **2025 LEGISLATIVE DEADLINES**

Sept. 2-13: Floor session only. No committees may meet for any purpose, except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees

Sept. 5: Last day to amend on the Floor

Sept. 13: Last day for each house to pass bills. Interim Recess begins upon adjournment

Oct. 13: Last day for Governor to act on bills.