BOARD MEETING DATE: November 6, 2026 AGENDA NO. 24

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a hybrid meeting on Friday, October 9, 2026. The following is a summary of the meeting.

Agenda Item	**Recommendation/Action**
2027 State and Federal Legislative Guiding Principles	**Approve**

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

V. Manuel Perez, Committee Chair
Legislative Committee

LT:CG:PC:EV:MC:MC

Call to Order
Committee Chair V. Manuel Perez called the meeting to order at 9:00 a.m.

Roll Call

Supervisor Janet Nguyen joined meeting after item 4 was discussed and was absent for the votes on items 2 through 4. Councilmember Adrin Nazarian joined the meeting after item 5 was discussed and was absent for the votes on items 2 through 5.

Committee Members
Present: Committee Chair V. Manuel Perez
Mayor Patricia Lock Dawson
Supervisor Curt Hagman
Councilmember Adrin Nazarian
Supervisor Janet Nguyen
Mayor Brenda Olmos

Absent: None

For additional details of the Legislative Committee Meeting, please refer to the Webcast.

ACTION/DISCUSSION ITEMS:

1. **Update on State Legislation Acted on by the Governor**
   Carlos Gonzalez, Assistant Deputy Executive Officer, Legislative Public Affairs and Media provided updates on South Coast AQMD sponsored and position bills that were acted on by the Governor, including:

   - **AB 2349 (Solache) – Air Quality Incident Response:** A South Coast AQMD sponsored bill that would have established a regional network of air quality incident response centers, subject to legislative funding. The bill aimed to strengthen emergency air monitoring, coordination, and public information during incidents affecting air quality. The Governor vetoed the bill, noting the importance of emergency air monitoring while citing the significant cost of implementation. Further discussions with Assemblymember Solache will take place to explore potential next steps.

   - **AB 1661 (Bryan) – Assistance for Impacted Households:** A bill supported by South Coast AQMD, signed by the Governor. The bill requires that funds in the Equitable Community Repair and Reinvestment account are allocated to provide direct assistance for eligible households near the Inglewood Oil Field who are experiencing respiratory or reproductive health impacts.

   - **SB 1213 (Reyes) – Clean Truck Pricing Transparency:** A bill supported by South Coast AQMD and signed by the Governor. The bill strengthens pricing transparency for medium- and heavy-duty vehicles participating in state incentive programs by requiring manufacturers to provide pricing and itemized purchasing information. It also requires CARB to reevaluate truck voucher limits and explore alternative financing opportunities to support the deployment of zero-emission vehicles.

   For additional details, please refer to the Webcast beginning at 4:00.

   Committee Chair Perez inquired about revisiting sponsored bill AB 2349 as a potential pilot program to address cost concerns. Mr. Gonzalez responded that discussions are underway with Assemblymember Solache's Office to explore options, including a possible bill focused on South Coast AQMD's jurisdiction.

   For additional details, please refer to the Webcast beginning at 6:47.

   There was no public comment.

2. **2027 State Legislative Guiding Principles**
   Philip Crabbe, Senior Public Affairs Manager, Legislative, Public Affairs and Media presented the proposed South Coast AQMD 2027 State Legislative Guiding Principles. For additional details, please refer to the Webcast beginning at 8:38.

   Staff recommended APPROVAL of the 2027 State Legislative Guiding Principles.

   There was no public comment.

   Moved by: Olmos, Seconded by Lock Dawson
   Ayes: Lock Dawson, Hagman, Olmos, Perez
   Noes: None
   Abstain: None
   Absent: Nazarian, Nguyen

   For additional details, please refer to the Webcast beginning at 9:42.

3. **2027 Federal Legislative Guiding Principles**
   Matthew Ceja, Legislative Analyst, Legislative, Public Affairs and Media presented the proposed South Coast AQMD 2027 Federal Legislative Guiding Principles. For additional details, please refer to the Webcast beginning at 10:41.

   Staff recommended APPROVAL of the 2027 Federal Legislative Guiding Principles.

   There was no public comment.

   Moved by: Hagman, Seconded by Olmos
   Ayes: Lock Dawson, Hagman, Olmos, Perez
   Noes: None
   Abstain: None
   Absent: Nguyen, Nazarian

   For additional information, please refer to the Webcast beginning at 11:14.

4. **Issue RFP for Specialized Legislative Representation in Washington, DC**
   Lisa Tanaka, Deputy Executive Officer, Legislative, Public Affairs and Media presented on the proposed issuance of an RFP for specialized strategic policy and legislative representation on the Clean Air Act for South Coast AQMD in Washington, DC for Fiscal Year 2026-27. For additional information, please refer to the Webcast beginning at 12:04.

Staff recommended APPROVAL of the Issuance of an RFP for Specialized Legislative Representation in Washington, DC.

There was no public comment.

Mayor Lock Dawson inquired whether the specialized Clean Air Act expertise sought through the RFP extends beyond the services provided by South Coast AQMD's current federal consultants. Ms. Tanaka explained that given the complexity of the Clean Air Act, specialized knowledge of the subject is needed and would complement our existing federal consultants.

Moved by: Lock Dawson, Seconded by Hagman
Ayes: Lock Dawson, Hagman, Olmos, Perez
Noes: None
Abstain: None
Absent: Nazarian, Nguyen

For additional information, please refer to the Webcast beginning at 17:55.

5. **Amend Contracts for Legislative Representation in Washington, DC**
   Ms. Tanaka presented the proposal to approve the second one-year extension of the existing contracts with Kadesh & Associates, LLC and Cassidy & Associates to continue serving as South Coast AQMD's representatives in Washington, DC for Calendar Year 2027. For additional information, please refer to the Webcast beginning at 18:18.

   Staff recommended APPROVAL of Amending Contracts for Legislative Representation in Washington, DC.

   There was no public comment.

   Moved by: Olmos, Seconded by Hagman
   Ayes: Lock Dawson, Hagman, Nguyen, Olmos, Perez
   Noes: None
   Abstain: None
   Absent: Nazarian

   For additional information, please refer to the Webcast beginning at 19:40.

DISCUSSION ITEMS:

6. **Update and Discussion on Federal Legislative Issues**
   South Coast AQMD's federal legislative consultants (Holland & Hart, Kadesh & Associates, and Cassidy & Associates) provided written reports on Washington, DC issues.

Amelia Jenkins Morales, Holland & Hart, reported on U.S. EPA's announcement of a Notice of Funding Opportunity for the Diesel Emissions Reduction Act (DERA) program. For additional information, please refer to the Webcast beginning at 21:15.

Ben Miller, Kadesh & Associates, provided an update on the Congressional Review Act resolutions to revoke several California Waivers for CARB rules and regulations. For additional information, please refer to the Webcast beginning at 22:40.

Kelly Riddle, Cassidy & Associates, spoke on the recently introduced Bipartisan Senate Permitting Reform bill. For additional information, please refer to the Webcast beginning at 24:30.

There was no public comment.

7. Update and Discussion on State Legislative Issues

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

Ross Buckley, Buckley Government Affairs, provided an update on the Governor's final actions on bills sent to him by the Legislature before his term ends. For additional information, please refer to the Webcast beginning at 31:22.

Paul Gonsalves, Joe A. Gonsalves & Son, provided an update regarding the August 2026 Cap-and-Invest auction results. For additional information, please refer to the Webcast beginning at 32:38.

David Quintana, Resolute, provided information regarding upcoming legislative deadlines and bill limits. For additional information, please refer to the Webcast beginning at 34:13.

Mayor Lock Dawson inquired whether the Manufacturing Decarbonization Incentive (MDI) or the proposed inclusion of Washington and Canada in the market influenced the August Cap-and-Invest auction results. Mr. Gonsalves responded that both factors likely had some impact; however, he noted that the Legislature's demonstrated commitment to the program was the primary factor.

There was no public comment.

OTHER MATTERS:

8. Other Business

There was no other business to report.

9. Public Comment Period

There was no public comment.

10. Next Meeting Date

The next regular Legislative Committee meeting is scheduled for Friday, November 13, 2026, at 9:00 a.m.

Adjournment

The meeting was adjourned at 9:38 a.m.

Attachments

1. Attendance
2. 2027 State Legislative Guiding Principles
3. 2027 Federal Legislative Guiding Principles
4. Update on Federal Legislative Issues – Written Reports
5. Update on State Legislative Issues – Written Reports

ATTACHMENT 1

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
LEGISLATIVE COMMITTEE MEETING
ATTENDANCE RECORD – October 9, 2026

Supervisor Manuel V Perez .....South Coast AQMD Board Member
Supervisor Curt Hagman .....South Coast AQMD Board Member
Mayor Patricia Lock Dawson .....South Coast AQMD Board Member
Mayor Brenda Olmos .....South Coast AQMD Board Member
Councilmember Adrin Nazarian ..... South Coast AQMD Board Member
Supervisor Janet Nguyen .....South Coast AQMD Board Member

Ana Barranco .....Board Consultant (Nazarian)
Ken Chawkins ..... Board Consultant (Cacciotti)
Marisela Santana ..... Board Consultant (Olmos)
Polash Mukerjee .....Board Consultant (Rutland)
Guillermo Gonzalez ..... Board Consultant (Perez)
Tom Gross .....Board Consultant (Dawson)

Ross Buckley .....Buckley Government Affairs, LLC
Kelly Riddle ..... Cassidy & Associates
Amelia Jenkins .....Holland and Heart
Paul Gonsalves .....Joe A. Gonsalves & Son
Ben Miller .....Kadesh & Associates
David Quintana .....Resolute

Michael ..... Public Member
Melodee Black ..... Public Member
Todd R Campbell ..... Public Member
Martin Gardner ..... Public Member
Hadley Hanour ..... Public Member
Bill LaMarr ..... Public Member
Peter Okurowski ..... Public Member
Bill Quinn ..... Public Member
Nicole Rice ..... Public Member
Peter Whittingham ..... Public Member

Debra Ashby .....South Coast AQMD Staff
Jason Aspell .....South Coast AQMD Staff
Cesar Ayala ..... South Coast AQMD Staff
Barbara Baird ..... South Coast AQMD Staff
Lara Brown .....South Coast AQMD Staff
Cindy Bustillos .....South Coast AQMD Staff
Maria Corralejo ..... South Coast AQMD Staff
Matthew Ceja ..... South Coast AQMD Staff
Jack Cheng ..... South Coast AQMD Staff
Philip Crabbe .....South Coast AQMD Staff
Scott Gallegos .....South Coast AQMD Staff

Carlos Gonzalez ..... South Coast AQMD Staff
De Groeneveld .....South Coast AQMD Staff
Alex Han .....South Coast AQMD Staff
Anissa Cessa Heard- Johnson .....South Coast AQMD Staff
Sheri Hanizavareh ..... South Coast AQMD Staff
Nydia Ibarra .....South Coast AQMD Staff
Aaron Katzenstein ..... South Coast AQMD Staff
Angela Kim ..... South Coast AQMD Staff
Grace Leblanc .....South Coast AQMD Staff
Howard Lee ..... South Coast AQMD Staff
Jocelyn Lee .....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
Wayne Nastri .....South Coast AQMD Staff
Sarah Rees ..... South Coast AQMD Staff
Aisha Reyes .....South Coast AQMD Staff
Brian Roberts .....South Coast AQMD Staff
Alberto Silva .....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

South Coast AQMD's State Legislative Guiding Principles for 2027

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 and cost recovery 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 AQMPs, State Implementation Plans, and Letters of Commitment with the 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; 3) Maximize funding opportunities from the federal government to the State and/or local entities; and 4) Preserve local authority by ensuring that state actions and policies do not infringe on or undermine local air district jurisdiction, rules, regulations or programs.

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 initiatives for disadvantaged communities 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) facilitate 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, promote affordability, 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 reliable, cost effective and clean energy in the South Coast region, especially in disproportionately impacted disadvantaged communities community. Also, support production and development of renewable and alternative energy, energy storage, and microgrids to reduce emissions from transportation and other sources, such as clean 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 and affordability, 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 disadvantaged 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, industrial accidents, dust/sandstorms, odors, or other events. Support sufficient and sustainable funding and/or cost recovery to comprehensively support incident response efforts.

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, public meetings, artificial intelligence and pensions.

ATTACHMENT 3A

South Coast
Air Quality Management District
21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

South Coast AQMD's Federal Legislative Guiding Principles for 2027

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 include, but are 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 AQMPs, State Implementation Plans, and Letters of Commitment with U.S. 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 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; and, 3) 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), and transportation technologies.

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/or cleanest technologies available, 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 clean 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
Support efforts to provide funding to maximize criteria pollutant and toxic emission reduction co-benefits that facilitate attainment of clean air standards, promote affordability, 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 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 clean back-up generators. Support policies that promote energy affordability while advancing clean energy goals.

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 and affordability, 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, industrial accidents, dust/sandstorms, odors, or other events. Support sufficient and sustainable funding and/or cost recovery to comprehensively support incident response efforts.

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 artificial intelligence, human resources, health and safety, or other employment related issues.

Holland & Hart

ATTACHMENT 4A

Holland & Hart

Amelia F. Jenkins Morales
Senior Director of Federal Affairs
Phone: (202) 285-3580
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U.S. Senate

The Senate voted 90-6 to pass a short-term continuing resolution (CR) that would fund the government through December 11. By contrast, the House-passed CR would provide a clean extension at current funding levels through December 4, while the Senate version runs one week longer and includes policy provisions addressing federal grantmaking and White House priorities.

Agencies

Office of Management and Budget

The following actions were transmitted to OMB for review:

U.S. Department of Commerce
Proposed Rule: Streamlining the Regulations Governing the Review of Coastal Zone Management Programs

U.S. Environmental Protection Agency
Proposed Rule: Rescinding the 2024 Rule Regarding Tribal Reserved Rights under the Clean Water Act
publication.

U.S. Department of Energy

Cancellation of Three Proposed National Interest Electric Transmission Corridors: Secretary Chris Wright announced DOE will not proceed with designating three proposed National Interest Electric Transmission Corridors (NIETCs) that had been selected in December 2024 for further review.

The affected corridors—the Lake Erie–Canada Corridor, the Southwestern Grid Connector Corridor, and the Tribal Energy Access Corridor—had been promoted by the previous administration as mechanisms to advance decarbonization goals. Wright said DOE's review, incorporating public feedback and stakeholder input, found that the designation process should not continue and that transmission policy should prioritize affordable, reliable, and secure electricity.

Modernization of National Laboratory Operations: DOE announced updates to operating directives across its National Laboratories, plants, and sites as part of a broader effort to streamline the laboratory complex.

DOE said the reforms respond to recommendations from Congress, the Government Accountability Office, the National Academies, and other independent reviews identifying unnecessary complexity in the department's directives framework. The changes are intended to better align laboratory operations with current science, energy, and national security missions.

U.S. Environmental Protection Agency

Local Government Advisory Committee: EPA announced an updated roster for its Local Government Advisory Committee (LGAC), a Federal Advisory Committee Act body made up of state and local officials who provide feedback and recommendations on agency regulatory actions.

The LGAC will begin its new charter by discussing challenges local governments face in siting and developing AI infrastructure and data centers sustainably. EPA plans to address this work at a virtual public meeting in September, with details to be published in the Federal Register.

The 22-member committee includes 13 new appointments and nine reappointments or continuing members. Ohio Clermont County Commissioner David Painter will serve as chair.

Pesticide Program Dialogue Committee Nominations: EPA is seeking nominations for the Pesticide Program Dialogue Committee (PPDC), a federal advisory body that advises the EPA Administrator on pesticide policy, science, and program implementation.

EPA is recruiting nominees from pesticide industry representatives, agricultural users and growers, government entities, academic institutions, animal welfare and public health organizations, environmental groups, farmworker organizations, and the public. Nominations are due September 16, 2026, with vacancies expected to be filled by November 2026.

Holland & Hart Support in August

- Began to develop a post-election policy agenda framework for SCAQMD discussion.
- Brainstormed ideas on countering efforts to repeal California Waiver through the Congressional Review Act.
- Participated in weekly strategy calls with South Coast AQMD staff.
- Tracked EPA activities.

Holland & Hart

ATTACHMENT 4B

Holland & Hart LLP

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U.S.Congress

CONGRESSIONAL PRE-ELECTION AGENDA SUMMARY

The House adjourned earlier than expected this week, while Senate Republicans remain divided over legislative priorities. With President Trump having signed a continuing resolution funding the government through December 11, lawmakers have little must-pass business remaining before Election Day.

The Senate's immediate focus had been a bipartisan cryptocurrency market-structure bill, but that effort collapsed early in the week. Another priority included legislation addressing name, image, and likeness rules for college athletes.

The most consequential legislative activity could come during the lame-duck session when election results will shape the agenda. If Democrats regain the majority, they may have an incentive to defer some matters until 2027; if Republicans retain control, they may press leadership to extend the session,

DATA CENTERS & AI

1. **Ratepayer Protection Act**: The House passed the bipartisan RPPA, which would amend PURPA to require states to consider standards ensuring that data centers help pay for generation, transmission, and distribution upgrades needed to serve them, including financial assurances.

Outlook: Senate Majority Leader John Thune (R-SD) has said the bill could potentially clear the Senate before the election, though the limited floor schedule likely means unanimous consent would be required. Senate Energy and Natural Resources Ranking Member Martin Heinrich (D-NM) already objected to a UC request, citing concerns that the House bill lacks meaningful enforcement and advocating stronger requirements for hyperscalers and other large loads to finance needed grid infrastructure.

PREVIEW OF HOUSE DEMOCRATIC PRIORITIES?
House Democrats' Sustainable Energy and Environment Coalition (SEEC), a 111-member coalition, released a blueprint with more than 800 recommendations across nine policy areas intended to shape Democratic economic, energy, and environmental priorities in the next Congress.

Key proposals include building retrofits and weatherization, expanded energy assistance, two free hours of electricity per day for households, a transmission investment tax credit, and mandatory public disclosure of data-center energy and water consumption. The blueprint also proposes limiting the federal government's ability to cancel grants and funding agreements without cause.

Agencies

U.S. Environmental Protection Agency

Power Plant GHG Regulations: EPA finalized the repeal of most 2024 greenhouse-gas standards for existing coal and new natural-gas power plants and proposed eliminating all remaining federal GHG standards for the power sector. EPA said the 2024 standards exceeded its Clean Air Act authority by relying on technologies it now considers inadequately demonstrated and potentially forcing plants to retire rather than comply. The agency also cited *West Virginia v. EPA* in support of its position that the Clean Air Act cannot be used to drive broader changes in the nation's generation mix.

> **Next Step:** EPA is proposing to rescind all remaining GHG requirements for power plants, arguing that Section 111 of the Clean Air Act does not authorize power-sector regulation based on climate change. The proposal will receive a 45-day comment period, with a public hearing scheduled 15 days after *Federal Register* publication.

Indiana's Coal Combustion Residuals Program: EPA proposed approving the state's permit program, which, if finalized, would allow Indiana rather than the federal government to issue permits governing coal-ash disposal in landfills and surface

Holland & Hart Support in September

- Continuing to develop a post-election policy agenda for SCAQMD discussion.
- Monitored and participated in discussions related to the repeal California Waiver through the Congressional Review Act.
- Participated in weekly strategy calls with South Coast AQMD staff.

- Tracked EPA activities.

ATTACHMENT 4C

KADESH & ASSOCIATES

South Coast AQMD Report for the September 2026
Legislative Meeting covering August 2026
Kadesh & Associates

The House and Senate have been away from Washington for the last several weeks for the August recess, leaving several major issues to be resolved in the limited days remaining before the September 30 fiscal year deadline.

Prior to leaving DC, the Senate approved a continuing resolution (CR) to keep federal agencies funded through December 11, by a bipartisan vote of 91-6. The Senate CR also includes a number of extensions for programs that are otherwise scheduled to expire at the end of the fiscal year. In addition, the Senate approved the nomination of Attorney General Blanche, along with more than 70 other administration nominees.

The House had previously approved a more narrowly focused CR through December 4 by a near-party-line vote of 220-205. These two approaches (differing deadlines, expanded scope) will need to be reconciled when the chambers return. The Senate returns on Monday, September 14; the House is currently scheduled to return on August 31 although rumors persist that that voting week will be canceled.

The short legislative window before September 30 also means there are only a few additional session days before the November elections, as the chambers are currently scheduled to be back on recess, and on the campaign trail, for the month of October. The most likely scenario is a flurry brief of activity in September, as leaders on both sides of the Capitol and both sides of the aisle share the goal of extending deadlines so that final decisions can be made in a post-election / lame duck session. However, a shutdown is impossible to rule out completely, given the narrow margins in the House and Senate, and the ongoing disputes between leadership and rank-and-file members about hot-button including the SAVE Act (voter ID) and FISA reauthorization (surveillance authorities).

As previewed earlier, EPA has now sent Congress six California waivers (i.e. waivers of the Clean Air Act's federal preemption; this is the mechanism that allows California to set stronger emissions standards) for the purpose of using the Congressional Review Act (CRA) to undo them. CRA resolutions targeting these California waivers may be considered by a filibuster-proof vote in the Senate as soon as September, and the harbor craft and at-berth CARB rules were transmitted to the Senate late enough in the session that they may be targeted again in the new Congress in January 2027.

Kadesh & Associates Activity Summary-

-Worked with South Coast AQMD and the congressional delegation on FY27 appropriations and California waivers.

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

ATTACHMENT 4D

KADESH & ASSOCIATES

South Coast AQMD Report for the October 2026
Legislative Meeting covering September 2026
Kadesh & Associates

The House and Senate returned to Washington for a brief pre-midterm session in September. Typically, Congress would spend September scrambling to avert a shutdown by passing appropriations bills or a Continuing Resolution (CR) before the September 30 fiscal year deadline, but this was avoided on September 1 when the House concurred with the Senate's CR by a bipartisan vote of 370-48. That CR will remain in effect through December 11, meaning that is the new deadline for funding negotiations. At the end of this work period, the two chambers will recess again until November 9.

During September, the House voted on two "resolutions of disapproval" aimed at CARB regulations. As a reminder, a resolution of disapproval is a unique legislative tool created by the Congressional Review Act (CRA) that allows Congress to review, and permanently repeal, federal rules. Under the federal Clean Air Act, EPA may waive federal preemption and grant permission to California to set more protective clean air standards than the federal standard. Those waivers are what the CRA disapproval resolutions took aim at.

Earlier this summer, EPA Administrator Zeldin sent Congress six waivers previously granted to California, asserting that these waivers were now rules subject to the CRA; this is the same process that led to Congress' disapproval of three CARB regulations in 2025. This time, the State of California challenged the EPA, arguing that this initial act of reclassifying the waivers into rules should be reviewable by the courts. A U.S. District Court judge agreed in September, granting a preliminary injunction: "EPA's action in reclassifying prior waiver orders, one of which was issued over fifteen years ago, to now treat those waivers as "rules" is a slippery slope in the use of the CRA.

Congress appears undeterred by this court ruling: during the week of September 14, the House approved two disapproval resolutions by near-party-line votes, with the California Democratic delegation unified in opposition. One resolution was authored by Rep. Fong (R-CA), to undo the Ocean-Going Vessels At-Berth regulation, and the other was authored by Rep. Gallagher (R-CA) to undo the Harbor Craft regulation. In both cases, the final vote was 216-211, which is a much closer margin than the votes to disapprove California waivers last year. Senate action may follow later this month.

Kadesh & Associates Activity Summary-

-Worked with South Coast AQMD and the congressional delegation on FY27 appropriations and California waivers.

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

ATTACHMENT 4E

CASSIDY | ASSOCIATES

To: South Coast Air Quality Management District
From: Cassidy & Associates
Date: August 20, 2026
Re: August Report

HOUSE/SENATE

Congress

Congress is out of session for August recess. The House will return on August 31, while the Senate will remain in recess until September 14. Prior to leaving town, both houses passed Continuing Resolutions (CR) to fund the federal government at current levels through December. The Senate's version of the CR will run through December 11, while the House-passed version will fund the government through December 4. The two chambers will need to come to an agreement between the measures when they return. They will also work to move forward a budget reconciliation package to provide supplemental defense spending and additional Republican priorities.

EPA

On July 27, the Environmental Protection Agency (EPA) issued guidance to ease permitting for data centers. The guidance clarifies that the Clean Air Act (CAA) Acid Rain Program does not apply to power generation facilities that are not connected to the public electricity grid. The Acid Rain Program applies to facilities that sell electricity are or are required to report as a generating unit to the Department of Energy, which the EPA has determined does not include islanded power generation facilities. The EPA states this will offer developers greater flexibility to build new facilities and reduce burdens on communities' electric grids. Read more here.

On July 23, President Trump announced an expansion of the Ratepayer Protection Pledge to cover governors, state legislators, developers, and power providers. The initiative is now expected to cover 80% of electricity delivered to homes and businesses across the country. The pledge requires companies supporting data centers to provide or purchase the power they need, cover associated generation and grid infrastructure costs, and ensure those costs do not cause utility price increases. The expansion is aimed to support rapid AI and data center growth while protecting ratepayers and strengthening grid reliability. Read more here.

On July 22, EPA determined two California waiver rules are considered rules under the Congressional Review Act (CRA) and transmitted them to Congress. The two rules, Ocean-Going Vessels at Berth and Commercial Harbor Craft Amendments, enact California-specific emission standards for marine vessels and ports. This action will allow Congress to consider both rules under the CRA. Congress previously disapproved of three other California emission waivers through this process. Read more here.

On July 9, EPA announced a proposal to eliminate Diesel Exhaust Fluid (DEF) deratements, originally part of a Biden-era 2023 rule. The proposal will also scale back emissions warranty requirements, while keeping in place the underlying emissions standards, including nearly 90% of the nitrogen oxide reductions. Additionally, manufacturers will have additional lead time before the longer regulatory useful life requirements from the 2023 rule take effect. EPA states the proposal will save truckers about $12 billion, up to $6,000 per vehicle on new truck purchases. Read more here.

Cassidy and Associates support in August:

- Provided guidance on the FY 27 appropriations process;
- Identified legislative and regulatory risks and opportunities for the remainder of the 119th;
- Updated AQMD staff on surface transportation reauthorization;
- Continued conversations on permitting reform efforts in Congress and the Administration; and
- Participated in weekly strategy sessions with SCAQMD staff.

IMPORTANT LEGISLATIVE DATES

February 13, 2026 (expired): Deadline to fund the Department of Homeland Security CBP/ICE.

September 30, 2025 (expired): 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.

September 30, 2026: Deadline to fund the federal government for Fiscal Year 2027.

December 31, 2026: National Defense Authorization Act, which authorizes and funds Department of Defense (DoD) programs and sets the DoD's policy agenda each year.

ATTACHMENT 4F

CASSIDY | ASSOCIATES

To: South Coast Air Quality Management District
From: Cassidy & Associates
Date: September 17, 2026
Re: September Report

HOUSE/SENATE

Congress

Congress is back in session this week with only 50 days until Election Day. The House is in session only this week, while the Senate is scheduled for three more weeks but may go into an early recess. House lawmakers are focused on the Lindsey O. Graham Sanctioning Russia and Iran Act of 2026 and the Ratepayer Protection Act, which aims to prevent data centers from raising utility rates. Meanwhile, the Senate will hold a procedural vote on the revised Digital Asset Market Clarity Act, the crypto market structure bill, which includes new ethics provisions designed to secure Democratic support. Lawmakers are also discussing ongoing uncertainty around the Foreign Intelligence Surveillance Act (FISA) Section 702 reauthorization. Key hearings this week include oversight appearances by Treasury Secretary Scott Bessent and Federal Bureau of Investigation (FBI) Director Kash Patel, as well as confirmation hearings for several health and tax nominees. In Committee activity, the Senate Environment and Public Works Committee held a markup of the Wildfire Emissions Prevention Act and the Cold Weather Diesel Reliability Act.

EPA

On September 14, the Environmental Protection Agency (EPA) issued a supplemental notice of proposed rulemaking determining that Clean Air Act Section 111 does not authorize the EPA to regulate emissions from power plants due to climate change and a final rule repealing the carbon pollution standards for fossil fuel-fired electric generating units. These two actions will

prevent coal plant retirement and any future power plant carbon regulations. The supplemental notice of proposed rulemaking reverses EPA's authority to regulate fossil fuel-fired power plants, while the final rule repeals the existing standards based on a reconsideration of the best system of emission reduction (BSER). The final rule repeals most provisions of the Biden-era 2024 Carbon Pollution Standards for greenhouse gas emissions from fossil fuel-fired electric generating units, including the emission guidelines for existing fossil fuel-fired steam generating units, the carbon capture and sequestration/storage (CCS)-based standards for coal-fired steam generating units undertaking a large modification, and the CCS-based standards for new base load stationary combustion turbines. Read more here.

On September 8, the Environmental Protection Agency (EPA) began the last stage of cleanup at Vistra's battery storage site in Moss Landing, California, more than a year and a half after a major fire damaged the facility containing 100,000 lithium-ion battery modules in January 2025. Crews will tear down the burned battery building to reach and remove the remaining damaged batteries, which will be treated on-site, tested, and shipped to approved hazardous waste facilities, while material still suitable for recycling will be processed separately. Throughout the work, teams will continue monitoring air quality, water, and battery temperatures to catch any safety issues early, with EPA expecting the entire removal and demolition effort to wrap up by mid-2027. Read more here.

On August 31, the Environmental Protection Agency (EPA) ruled on 34 small refinery exemption requests under the Renewable Fuel Standard program for 2025, granting relief to 29 refineries while denying three and deeming two ineligible, resulting in the exemption of 1.76 billion RIN credits. Because that total exceeds what the agency's standard forecasting method had projected, EPA plans to make up the difference by folding the shortfall into the 2026 and 2027 volume requirements. It is separately finalizing a rule pushing back the 2025 compliance deadline by a month, to October 1, 2026, to give the market time to adjust. Read more here.

On August 20, the Environmental Protection Agency (EPA), working with the Department of Energy (DOE), issued a temporary emergency waiver under the Clean Air Act allowing E10 gasoline at a higher Reid Vapor Pressure to be sold starting September 1, 2026, effectively cutting short the summer-blend gasoline rules early and adding hundreds of thousands of barrels a day to the domestic supply in hopes of easing prices at the pump. The waiver runs through the September 15 end of the summer control season, with an extra 20-day extension specifically for state-level rules in Texas, Arizona, and California. Officials say they'll keep monitoring supply and could extend it further if needed. Read more here.

Cassidy and Associates support in September:

- Provided summary and analysis of EPA repeal of 2024 Carbon Pollution Standards
- Provided insight into September 2 preliminary injunction of EPA's reclassification of CA waiver authorities as "rules."
- Analyzed Congressional paths for potential progression of Republican waiver CRAs.

IMPORTANT LEGISLATIVE DATES

February 13, 2026 (expired): Deadline to fund the Department of Homeland Security CBP/ICE.

September 30, 2025 (expired): 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.

September 30, 2026: Deadline to extend all surface transportation programs that fund roads, bridges, and public transit.

December 11, 2026: Deadline to fund the federal government for Fiscal Year 2027.

December 31, 2026: National Defense Authorization Act, which authorizes and funds Department of Defense (DoD) programs and sets the DoD's policy agenda each year.

ATTACHMENT 5A

South Coast AQMD, Legislative Committee Report
Buckley Government Affairs LLC
September 11, 2026

Legislative Session Update

The Legislature returned from its summer recess on August 3 to begin the final month of the 2026 legislative session, which is scheduled to adjourn on August 31. As lawmakers returned to Sacramento, both Republican caucuses underwent leadership changes. In the Assembly, Republicans voted to replace Assemblymember Heath Flora (R-Ripon) with Assemblymember Alexandra Macedo (R-Tulare) as caucus leader. The Senate Republican Caucus followed with a leadership change of its own, electing Senator Roger Niello (R-Fair Oaks) to replace Senate Republican Leader Brian Jones (R-San Diego).

The primary focus during the early part of August was almost exclusively on the Senate and Assembly Appropriations Committees as they held their final suspense file hearings. The Assembly had 293 measures on its agenda, with 80 bills held by the committee. In the Senate, 561 measures were considered, with 149 held. Both committees advanced approximately 73 percent of the measures before them, consistent with passage rates seen over the past several years.

The final two weeks of the legislative session will be dedicated almost exclusively to Floor sessions as lawmakers work through the remaining bills before the Legislature adjourns. The workload facing lawmakers in the final weeks remained significant. The Assembly had 341 measures pending on the Floor, while the Senate had 682 measures. Combined, the two houses have 1,023 measures remaining to be considered. In addition, several bills are currently on the inactive file and could be revived before the end of the Legislative year.

Budget Update

As is typically the case in August, we expect a final round of budget negotiations before the Legislature adjourns. These discussions often address technical adjustments to the budget agreement reached in June, as well as larger issues that were left unresolved during earlier

conversations. While the Senate has already held a round of budget hearings, discussions remain ongoing regarding issues that will ultimately be included in the end of session budget package.

On the revenue side, the state now has preliminary results from the first month of the new fiscal year, and revenues continue to perform above expectations. General Fund receipts were $665 million, or 1.8 percent, above the 2026 Budget Act forecast. The June surplus was driven largely by stronger-than-anticipated corporation tax receipts, which exceeded projections by $896 million, along with sales and use tax receipts that were $129 million above forecast and personal income tax receipts that were $107 million higher.

ATTACHMENT 5B

South Coast AQMD, Legislative Committee Report
Buckley Government Affairs LLC
October 22, 2026

Legislative Session Update

The 2026 legislative session ended on the morning of September 1. This year, both houses convened on Sunday, August 30, at 2:00 p.m. Going into the day, the Assembly had 159 measures remaining, including 75 Senate measures, while the Senate had 161 measures remaining, including 117 Assembly measures. Notably, these figures did not include 16 budget-related bills or several other measures still pending in various committees.

Although the final days featured a flurry of activity, much of the focus centered on the constitutional requirement that bills remain in print for 72 hours before a final vote, which generally made midnight on Friday, August 28, the deadline for amendments.

This year marked, by far, the largest number of bills amended within the final 72 hours since Proposition 54 took effect in 2016. The previous high was 25 bills in 2020**,** while historically, fewer than 20 bills have typically been amended during the 72-hour period immediately preceding adjournment. This year, however, 71 bills were amended during that period**,** including 29 budget-related measures which were more than double the previous record.

Specifically, two major measures were amended after that midnight deadline and included urgency clauses, allowing them to be considered before the Legislature adjourned: AB/SB 113, which reflected the August budget agreement, was placed into print at 3:42 a.m., while SB 492, containing the three-party agreement on investor-owned utility and insurer wildfire-liability reforms, was put into print at 7:26 a.m.

Because these measures were amended so late, both houses recessed shortly after midnight on August 31 and called members back later that morning to consider the remaining bills. In an unexpected turn, the Assembly ultimately declined to bring the wildfire-liability measure up for a vote after the agreement unraveled. Since adjournment, there has been continued speculation that the Governor could call a special session on the issue.

The Governor has until September 30 to sign or veto legislation on his desk. To date, he has acted on only a handful of measures. As of September 17, the Governor still had over 900 bills remaining on his desk.

Budget Update

Preliminary General Fund agency cash receipts for the month of August were $7 million, or 0.1 percent below the 2026 Budget Act forecast in July and were $821 million, or 0.8 percent above forecast cumulatively since the forecast was completed in April. The small July shortfall was primarily driven by lower personal income tax receipts of $420 million.

ATTACHMENT 5C

RESOLUTE

South Coast Air Quality Management District

Legislative and Regulatory Update – September 2026

- **Important Upcoming Dates**

  September 30, 2026 – Last Day For Governor to Sign or Veto Legislation
  November 3, 2026 – General Election

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

  - Provided ongoing updates as the legislature reconvened.
  - Followed up on bills for the 2026 legislative session, including for SCAQMD sponsored legislation.

- **AB 907 (Solache).** Assemblymember Philip Chen had introduced AB 907, sponsored legislation for South Coast AQMD dealing with the inequity of pay for AQMD board members appointed to serve on the CA Air Resources Board. The bill is now officially authored by Assemblymember Solache who will continue to carry the legislation forward.

  The bill was held by the Senate Appropriations Committee during their Suspense Hearing on August 13th.

- **AB 617 Funding in Budget.** The budget bill AB 113 was signed by the Governor on September 18th. This budget bill included the final GGRF Expenditure Plan and the associated AB 617 Funding as detailed below.

  Final totals for AB 617 in the final budget act include $229M:
  - $150M from General Fund
  - $20M from Discretionary GGRF
  - $59M expected from the funding formula using DOF revenue assumptions from GGRF Auctions.

ATTACHMENT 5D

RESOLUTE

South Coast Air Quality Management District

Legislative and Regulatory Update – August 2026

- **Important Upcoming Dates**

  August 31, 2026 – Last Day of the Legislative Session
  September 30, 2026 – Last Day For Governor to Sign or Veto Legislation

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

  - Provided ongoing updates as the legislature reconvened.
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  The bill was held by Senate Appropriations Committee during their Suspense Hearing on August 13th.

- **GGRF Expenditure Plan.** Final totals for AB 617 in the final budget act include $229M:
  - $150M from General Fund
  - $20M from Discretionary GGRF
  - $59M expected from the funding formula using DOF revenue assumptions from GGRF Auctions.

ATTACHMENT 5E

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TO: South Coast AQMD

FROM: Anthony, Jason & Paul Gonsalves

SUBJECT: Legislative Update – August 2026

DATE: Thursday, August 20, 2026

The California Legislature returned from its summer recess on August 3, 2026, beginning the final month of the two-year legislative session. During the first two weeks of August, lawmakers were focused on passing their bills off of the Assembly and Senate Appropriations Committees suspense files. Now that all bills are on the floor, the Legislature shifted to floor sessions only, meaning regular policy and fiscal committees could no longer meet (without a rule waiver).

The final two weeks of August are centered on floor negotiations, amendments and votes as lawmakers debate the remaining 900+ bills before final adjournment on August 31, 2026. Legislation approved by both houses are then sent to the Governor for consideration. Governor Newsom will then have until September 30, 2026 to take action on the bills sent to him.

The following will provide you with an update on issues of interest to the District:

BOYLE HEIGHTS WAREHOUSE FIRE - FEDERAL DISASTER ASSISTANCE FOR SMALL BUSINESSES

On August 18, 2026, Governor Newsom announced that the U.S. Small Business Administration (SBA) has approved California's request for a disaster declaration, making low-interest federal loans available to eligible small businesses and private nonprofit organizations affected by the June warehouse fire in Boyle Heights.

The SBA approved the disaster declaration following an Aug. 10 request from California Governor's Office of Emergency Services (Cal OES) Director Caroline Thomas Jacobs. The declaration covers Kern, Los Angeles, Orange, San Bernardino, and Ventura counties.

Through the SBA's Economic Injury Disaster Loan (EIDL) program, eligible small businesses, small agricultural cooperatives, and private nonprofit organizations (including faith-based organizations) may apply for assistance if they experienced

financial losses directly related to the fire. Agricultural producers, farmers, and ranchers are not eligible for the program, with the exception of aquaculture enterprises.

Economic Injury Disaster Loans provide working capital to help organizations recover from disaster-related financial impacts, even if they did not sustain physical property damage. Loan funds may be used for fixed debts, payroll, accounts payable, and other operating expenses that could not otherwise be paid because of the disaster.

Eligible applicants may receive loans of up to $2 million, with interest rates as low as 4% for businesses and 3.625% for private nonprofit organizations. Loan terms may extend up to 30 years. Interest does not accrue and payments are not due until 12 months after the first loan disbursement. The SBA determines eligibility, loan amounts, and repayment terms based on each applicant's financial condition.

The deadline to apply for an Economic Injury Disaster Loan is May 14, 2027.

$95 MILLION PLAN TO EXPAND EV CHARGING AND HYDROGEN FUELING

California is committing $95.2 million to expand its network of zero-emission vehicle (ZEV) infrastructure, supporting the continued growth of electric and hydrogen-powered transportation across the state.

Approved Monday by the California Energy Commission (CEC), the funding will help increase access to electric vehicle charging stations and hydrogen refueling facilities for passenger vehicles, commercial fleets, freight trucks, school buses, and other zero-emission vehicles. The investment is part of the CEC's Clean Transportation Program, which has directed more than $2.7 billion toward cleaner transportation and infrastructure projects since 2008.

The latest funding comes shortly after the state launched the MyFirstEV program, which provides instant rebates to eligible Californians purchasing their first zero-emission vehicle. While that initiative is designed to lower the upfront cost of ZEV ownership, this new investment addresses another major part of the transition by expanding the infrastructure drivers and fleets need to keep those vehicles on the road.

Of the $95.2 million approved for the current fiscal year, $48 million will support light-duty EV charging infrastructure, including DC fast chargers and charging options located at or near residents' homes. Another $30.2 million will be directed toward infrastructure for medium- and heavy-duty zero-emission vehicles, with an emphasis on freight operations, ports, public fleets, and school buses.

The plan also dedicates $15 million to expanding hydrogen refueling infrastructure and $2 million to workforce training and development, helping prepare workers for jobs associated with California's growing zero-emission transportation sector.

The investment also places a significant emphasis on expanding access in communities that have historically received fewer transportation investments. At least half of the

program's funding is required to support projects that benefit low-income Californians or serve low-income and disadvantaged communities. As of March 2026, more than 62% of Clean Transportation Program and supplemental funding had been directed toward projects serving those communities.

The state expects the broader investment plan to continue allocating funding through the 2028-29 fiscal year, further expanding the charging and fueling network needed to support California's transition toward zero-emission transportation.

TIRE EFFICIENCY STANDARDS

On August 17, 2026, the California Energy Commission (CEC) adopted new energy-efficiency requirements for replacement tires sold for passenger cars and light-duty trucks in California. Known as the Replacement Tire Efficiency Program, the new rules are the first standards of their kind in the United States.

Tires installed on new vehicles are generally engineered to help maximize fuel economy and driving range. Replacement tires, however, can have higher rolling resistance, which may cause vehicles to consume more gasoline or electricity. California's new standards are intended to narrow that efficiency gap by requiring replacement tires sold in the state to meet minimum performance requirements comparable, on average, to tires installed on new vehicles.

CEC commissioners unanimously approved the program, which the agency estimates could reduce Californians' gasoline and electricity expenses by nearly $1 billion annually once fully implemented. The commission also projects that the standards will cut carbon dioxide emissions by approximately 2 million metric tons each year, an amount comparable to removing roughly 400,000 gasoline-powered vehicles from California roads.

The program is designed to achieve those savings while keeping additional costs for motorists relatively small. During the first phase, scheduled for 2029 through 2033, the CEC estimates the requirements will add about $1.50 to the cost of each tire. Beginning with the second phase in 2033, the estimated additional cost rises to approximately $6.50 per tire.

Despite the higher upfront price, the commission expects motorists to save considerably more through lower fuel consumption. A typical gasoline-powered vehicle using more efficient replacement tires could save an estimated $179 in fuel over the life of a set of tires. That calculation assumes gasoline costs $4.60 per gallon. If fuel prices remain at the higher levels experienced in mid-2026, the actual savings could be approximately 25% greater.

The standards are not expected to require an entirely new generation of tires. Many replacement tires currently available already satisfy the efficiency levels established under the program. The CEC says compliant products are offered by numerous manufacturers and span commonly purchased tire categories and price points. The

phased implementation also gives manufacturers several years to redesign or improve products that do not currently meet the requirements before the standards take full effect in 2033.

Before adopting the regulations, the commission conducted laboratory testing of widely purchased replacement tires in California and evaluated industry performance data. The regulations are also the result of several years of consultation with tire manufacturers, trade groups and other interested parties. Feedback gathered during that process led the commission to make accommodations for tires designed for specialized applications. Certain competition tires, larger off-road tires and winter-oriented all-weather performance tires are among the products receiving specific treatment under the program.

The rules also recognize that some tires are engineered for purposes that can affect their efficiency characteristics. Separate classifications were developed for products including long-life tires, ultra-high-performance tires and tires with lower load indexes, as well as other models with specialized performance requirements.

2026 LEGISLATIVE DEADLINES

Aug. 3 - Legislature reconvenes from Summer Recess.

Aug. 14 - Last day for fiscal committees to meet and report bills to the Floor.

Aug. 17 – 31 - Floor Session only. No committee, other than conference and Rules committees, may meet for any purpose.

Aug. 21 - Last day to amend on the Floor.

Aug. 31 - Last day for each house to pass bills. Final recess begins upon adjournment.

Sept. 30 – Last Day for the Governor to take action on legislation sent to him.

ATTACHMENT 5F

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TO: South Coast AQMD

FROM: Anthony, Jason & Paul Gonsalves

SUBJECT: Legislative Update – September 2026

DATE: Thursday, September 17, 2026

The month of September marks the transition from the California Legislature's 2025–26 regular session to the Governor's action and implementation of legislation passed during the session. The Legislature adjourned on August 31, 2026 and sent 987 bills to Governor Newsom, who has until September 30, 2026 to sign or veto bills that reached his desk before the end of session.

Additionally, the Legislature's focus will now shift to the November 2026 elections, where all 80 Assembly seats, 20 of the 40 Senate seats, and Statewide Constitutional offices are up for grabs. Also, the November ballot will include 14 ballot initiatives for the voters to decide on.

The following will provide you with an update on issues of interest to the District:

CAP-AND-INVEST AUGUST 2026 AUCTION

California's most recent Cap-and-Invest auction demonstrated strong demand for greenhouse gas emission allowances. All 49,016,180 current vintage allowances offered for sale were purchased, marking the fifth consecutive auction in which all available current-year allowances sold. Current vintage allowances, which can be used to satisfy compliance obligations this year, settled at $32.48 per allowance. This represents a $3.67 increase from the previous quarterly auction, when allowances settled at $28.81.

Future vintage allowances also experienced a significant increase in price, settling at $32.75 per allowance. This was $3.99 higher than the previous quarterly auction price of $28.76. The higher clearing prices for both current and future allowances reflect increased demand in the Cap-and-Invest market compared with the prior auction.

The auction is expected to generate approximately $870 million for California's Greenhouse Gas Reduction Fund (GGRF). The sold-out auction and increase in allowance prices are particularly noteworthy as California continues implementation of

its Cap-and-Invest program and determines how future auction revenues will be allocated.

WILDFIRE

On September 15, 2026, Governor Newsom signed AB 1642 (Harabedian) and AB 1795 (Gipson), two companion measures that expand and clarify statewide standards for addressing hazardous contamination left behind by wildfire smoke. The measures respond in part to problems identified following the 2025 Eaton and Palisades fires, where thousands of homes remained standing but were potentially affected by smoke, ash, lead, asbestos, and other contaminants. The bills will establish a new state framework for determining when smoke-damaged buildings are safe to occupy and for resolving insurance claims involving contamination.

AB 1642 (Harabedian) focuses primarily on developing the scientific and public-health standards used to evaluate wildfire smoke contamination. The measure directs CARB and DTSC to develop statewide protections and standards governing the testing, remediation, and restoration of properties potentially contaminated by lead and asbestos carried by wildfire smoke and ash. AB 1642 also directs DTSC to develop guidance addressing wildfire contamination and recovery at schools, extending the state's response beyond residential properties.

AB 1795 (Gipson), the Smoke Damage Recovery Act, focuses more directly on insurance claims and protections for property owners whose homes suffer smoke contamination. The bill creates a presumption that qualifying smoke damage within a designated wildfire impact zone was caused by the wildfire, reducing the burden on homeowners to prove the source of the contamination. It requires insurers to pay for necessary testing and sampling and establishes requirements for repair estimates sufficient to restore a home to its pre-loss condition while meeting applicable health and safety standards. It also establishes timelines for inspections and claims handling, preserves a policyholder's ability to select a restoration contractor, requires training for adjusters handling smoke-damage claims, and establishes protections for workers performing remediation and restoration.

AB 1795 also prevents insurers from terminating Additional Living Expense (ALE) benefits for qualifying homeowners before a smoke-damaged residence has actually been remediated and determined safe to occupy. The bill also proposes to direct the California Department of Insurance and Cal OES to evaluate issues raised by the 2026 Lineage Logistics warehouse fire in Boyle Heights and develop recommendations for improving protections for homeowners, renters, businesses, and communities affected by future contamination incidents.

NOVEMBER 2026 ELECTIONS

California’s November 3, 2026, General Election will bring significant changes to the State Legislature and statewide leadership. All 80 seats in the State Assembly are up for election, along with the 20 even-numbered State Senate districts. The legislative

elections will result in at least 21 new lawmakers taking office in December, creating an important opportunity to introduce incoming members to our priority issues and begin developing relationships with their offices early in the new legislative session.

California will also elect a new Governor in November, along with the other statewide constitutional officers. With Governor Gavin Newsom term-limited, the election will usher in a new administration beginning in January 2027. The gubernatorial election includes former California Attorney General and U.S. Health and Human Services Secretary Xavier Becerra, among the candidates who advanced from the June primary. The transition to a new administration, combined with significant legislative turnover, will make early outreach and education particularly important heading into 2027.

In addition to the candidate races, California voters will decide 14 statewide ballot propositions. The measures cover a broad range of major policy and fiscal issues, including an $11.25 billion housing and veterans' bond, an increase in the State's Rainy-Day Fund, a one-time tax on certain taxpayers with assets exceeding $1 billion, new voter identification requirements, changes to environmental review requirements for certain projects, and changes affecting the voter-approval requirements for local government revenues.

Taken together, the November election has the potential to significantly reshape California's political and policy landscape heading into the 2027–28 Legislative Session. A new Governor and administration, new statewide officeholders, legislative turnover, and the outcome of 14 statewide propositions will create both new policy considerations and a need for early engagement.

Following the election, our focus will be on establishing relationships with incoming legislators and administration officials, educating new policymakers on our priority issues, and evaluating how the election results and ballot measures may affect our legislative and regulatory priorities in 2027.

2026 LEGISLATIVE DEADLINES

Aug. 31 - Last day for each house to pass bills. Final recess begins upon adjournment.

Sept. 30 – Last Day for the Governor to take action on legislation sent to him.

Nov. 3 – Statewide General Election

Dec. 7 – Swearing in for New Members of the California Legislature