



BOARD OF DIRECTORS
LEGISLATIVE COMMITTEE MEETING

COMMITTEE MEMBERS

BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

MARGARET ABE-KOGA – CO-CHAIR
BRAD WAGENKNECHT – VICE CHAIR
ERIN HANNIGAN
LYNDA HOPKINS
ROB RENNIE

PAULINE RUSSO CUTTER – CO-CHAIR
DAVID CANEPA
DAVID HAUBERT
DAVID HUDSON

**THIS MEETING WILL BE CONDUCTED UNDER PROCEDURES AUTHORIZED BY
EXECUTIVE ORDER N-29-20 ISSUED BY
GOVERNOR GAVIN NEWSOM**

- **THE PUBLIC MAY OBSERVE THIS MEETING THROUGH THE WEBCAST BY
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- **THE PUBLIC MAY PARTICIPATE REMOTELY VIA ZOOM AT THE FOLLOWING
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- **THOSE PARTICIPATING BY PHONE WHO WOULD LIKE TO MAKE A COMMENT
CAN USE THE “RAISE HAND” FEATURE BY DIALING “*9”. IN ORDER TO
RECEIVE THE FULL ZOOM EXPERIENCE, PLEASE MAKE SURE YOUR
APPLICATION IS UP TO DATE**

WEDNESDAY
MAY 19, 2021
1:00 P.M.

AGENDA

1. **CALL TO ORDER - ROLL CALL**

PLEDGE OF ALLEGIANCE

PUBLIC MEETING PROCEDURE

The Committee Co-Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members.

This meeting will be webcast. To see the webcast, please visit www.baaqmd.gov/bodagendas at the time of the meeting. Closed captioning may contain errors and omissions and are not certified for their content or form.

***Public Comment on Agenda Items** The public may comment on each item on the agenda as the item is taken up. Members of the public who wish to speak on matters on the agenda for the meeting, will have three minutes each to address the Committee. No speaker who has already spoken on that item will be entitled to speak to that item again.*

Staff/Phone (415) 749-

CONSENT CALENDAR (ITEM 2)

2. **APPROVAL OF THE MINUTES OF APRIL 21, 2021**

Clerk of the Boards/5073

The Committee will consider approving the attached draft minutes of the Legislative Committee meeting of April 21, 2021.

END OF CONSENT CALENDAR

3. **STATE LEGISLATIVE BUDGET UPDATE**

A. Abbs/8437
aabbs@baaqmd.gov

The Committee will receive an update on recent activities related to the state legislative budget.

4. **AIR DISTRICT-SPONSORED BILL**

A. Abbs/8437
aabbs@baaqmd.gov

The Committee will receive an update on the status of Air District-sponsored bill Assembly Bill (AB) 762 (Lee and C. Garcia) – Hazardous Emissions and Substances: Schoolsites: Private and Charter Schools.

5. **STATE LEGISLATIVE UPDATE AND CONSIDERATION OF NEW BILLS**

A. Abbs/8437
aabbs@baaqmd.gov

Staff will present bills of interest and recommend the Committee recommend that the Board of Directors take positions on high priority bills where appropriate.

6. **FEDERAL LEGISLATIVE UPDATE**

A. Abbs/8437
aabbs@baaqmd.gov

The Committee will receive an update on recent events of significance on the federal level.

7. **PUBLIC COMMENT ON NON-AGENDA MATTERS**

Members of the public who wish to speak on matters not on the agenda for the meeting, will have three minutes each to address the Committee.

8. **COMMITTEE MEMBER COMMENTS / OTHER BUSINESS**

Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2).

9. **TIME AND PLACE OF NEXT MEETING**

Wednesday, June 16, 2021, at 1:00 p.m. via webcast, pursuant to procedures authorized by Executive Order N-29-20 issued by Governor Gavin Newsom.

10. **ADJOURNMENT**

The Committee meeting shall be adjourned by the Committee Co-Chair.

CONTACT:

MANAGER, EXECUTIVE OPERATIONS
375 BEALE STREET, SAN FRANCISCO, CA 94105
vjohnson@baaqmd.gov

(415) 749-4941
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov

- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the Air District's offices at 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

Accessibility and Non-Discrimination Policy

The Bay Area Air Quality Management District (Air District) does not discriminate on the basis of race, national origin, ethnic group identification, ancestry, religion, age, sex, sexual orientation, gender identity, gender expression, color, genetic information, medical condition, or mental or physical disability, or any other attribute or belief protected by law.

It is the Air District's policy to provide fair and equal access to the benefits of a program or activity administered by Air District. The Air District will not tolerate discrimination against any person(s) seeking to participate in, or receive the benefits of, any program or activity offered or conducted by the Air District. Members of the public who believe they or others were unlawfully denied full and equal access to an Air District program or activity may file a discrimination complaint under this policy. This non-discrimination policy also applies to other people or entities affiliated with Air District, including contractors or grantees that the Air District utilizes to provide benefits and services to members of the public.

Auxiliary aids and services including, for example, qualified interpreters and/or listening devices, to individuals who are deaf or hard of hearing, and to other individuals as necessary to ensure effective communication or an equal opportunity to participate fully in the benefits, activities, programs and services will be provided by the Air District in a timely manner and in such a way as to protect the privacy and independence of the individual. Please contact the Non-Discrimination Coordinator identified below at least three days in advance of a meeting so that arrangements can be made accordingly.

If you believe discrimination has occurred with respect to an Air District program or activity, you may contact the Non-Discrimination Coordinator identified below or visit our website at www.baaqmd.gov/accessibility to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District's Non-Discrimination Coordinator, Terri Levels, at (415) 749-4667 or by email at tlevels@baaqmd.gov

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

375 BEALE STREET, SAN FRANCISCO, CA 94105

FOR QUESTIONS PLEASE CALL (415) 749-4941

EXECUTIVE OFFICE:

MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

MAY 2021

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Stationary Source and Climate Impacts Committee	Monday	17	9:00 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Administration Committee	Wednesday	19	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Legislative Committee	Wednesday	19	1:00 p.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Mobile Source and Climate Impacts Committee	Thursday	27	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Technology Implementation Office (TIO) Steering Committee	Friday	28	1:00 p.m.	Webcast only pursuant to Executive Order N-29-20

JUNE 2021

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Meeting	Wednesday	2	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Community Equity, Health and Justice Committee	Thursday	3	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Meeting	Wednesday	16	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Legislative Committee	Wednesday	16	1:00 p.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Stationary Source and Climate Impacts Committee	Monday	21	9:00 a.m.	Webcast only pursuant to Executive Order N-29-20
Board of Directors Mobile Source and Climate Impacts Committee	Thursday	24	9:30 a.m.	Webcast only pursuant to Executive Order N-29-20

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairpersons Margaret Abe-Koga and Pauline Russo Cutter, and Members
of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 13, 2021

Re: Approval of the Minutes of April 21, 2021

RECOMMENDED ACTION

Approve the attached draft minutes of the Legislative Committee (Committee) meeting of April 21, 2021.

DISCUSSION

Attached for your review and approval are the draft minutes of the Committee meeting of April 21, 2021.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

Attachment 2A: Draft Minutes of the Committee Meeting of April 21, 2021

AGENDA 2A – ATTACHMENT

Draft Minutes – Legislative Committee Meeting of April 21, 2021

Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, California 94105
(415) 749-5073

DRAFT MINUTES

Summary of Board of Directors
Legislative Committee Meeting
Wednesday, April 21, 2021

This meeting was conducted under procedures authorized by executive order N-29-20 issued by Governor Gavin Newsom. Members of the Committee participated by teleconference.

1. CALL TO ORDER – ROLL CALL

Legislative Committee (Committee) Co-Chairperson, Pauline Russo Cutter, called the meeting to order at 1:00 p.m.

Present: Co-Chairpersons Margaret Abe-Koga and Pauline Russo Cutter; and Directors David Canepa, David Haubert, Lynda Hopkins, David Hudson, Rob Rennie.

Absent: Vice Chairperson Brad Wagenknecht; and Director Erin Hannigan.

Also Present: None.

2. APPROVAL OF THE MINUTES OF MARCH 17, 2021

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Haubert made a motion, seconded by Director Hudson, to approve the Minutes of March 17, 2021; and the motion carried by the following vote of the Committee:

AYES: Abe-Koga, Canepa, Cutter, Haubert, Hudson, Rennie.
NOES: None.
ABSTAIN: None.
ABSENT: Hannigan, Hopkins, Wagenknecht.

3. SACRAMENTO LEGISLATIVE UPDATE

Alan Abbs, Legislative Officer, gave the staff presentation *State Legislative Update*. He reported that legislative budget hearings concluded early this year (in March), and that he is waiting for the Governor’s May revision of the Proposed 2021-2022 State Budget to be released. Mr. Abbs added that the early action program funding that the Air District had hoped would be approved did not materialize and has been rolled into regular budget negotiations, but that he is hopeful about certain budget trailer bills that would help the Air District’s programs and initiatives.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed elements of Assembly Bill (AB) 617 that are not receiving Cap and Trade Program revenues in the Proposed 2021-2022 State Budget; and whether the Governor’s May revision of the Proposed 2021-2022 State Budget will include federal stimulus funding for certain state programs.

Committee Action

None; receive and file.

4. AIR-DISTRICT SPONSORED BILLS

Mr. Abbs gave the staff presentation *Air District-Sponsored Bills*, providing updates on the following bills:

- **AB 426 (Bauer-Kahan) – Toxic Air Contaminants.** This bill would allow air districts to adopt local rules related to toxic air contaminants at indirect sources of air pollution and allow collection of data that will help air districts work with these sources and communities to reduce health impacts. Mr. Abbs announced that this bill will not moving forward in 2021.
- **AB 762 (Lee & C. Garcia) – Hazardous Emissions and Substances: School Sites; Private and Charter Schools.** This bill would require that private schools and charter schools meet the same siting requirements as public schools. This bill was presented to the Assembly’s Environmental Safety and Toxic Materials Committee and will be heard in the Assembly’s Education Committee on April 28, 2021. Mr. Abbs mentioned that he will discuss concerns about this bill with the California Association of School Business Officials.

Public Comments

Public comments were given by Jed Holtzman, 350 Bay Area.

NOTED PRESENT: Director Hopkins was noted present at 1:26 p.m.

Committee Comments

The Committee and staff discussed whether charter schools are opposing AB 762 (Lee and C. Garcia) and how much opposition is anticipated as the bill moves forward in the legislative process; and whether to find another author for the toxic air contaminants bill or salvage and move it forward in 2022.

Committee Action

None; receive and file.

5. CONSIDERATION OF NEW BILLS

Mr. Abbs gave the staff presentation *Consideration of New Bills*, including:

- **AB 1346 (Berman) – Air Pollution: Small Off-Road Engines.** This bill would require the California Air Resources Board, by July 1, 2022, to adopt cost-effective and technologically feasible regulations to prohibit engine exhaust and evaporative emissions from new small off-road engines. The bill would require the state board to identify and, to the extent feasible, make available funding for commercial rebate or similar incentive funding as part of any updates to existing applicable funding program guidelines to local air pollution control districts and air quality management districts to implement to support the transition to zero-emission small off-road equipment operations. **(SUPPORT)**
- **AB 1547 (Reyes) – Air Pollution: Warehouse Facilities.** This bill would authorize the State Air Resources Board to regulate indirect sources. This bill would require local governments, before approving a warehouse development project, to take certain actions to identify and address the potential environmental impacts of the project and to ensure public participation by residents affected by the project on the consideration of the project, as provided. By imposing additional duties on local governments, this bill would impose a state-mandated local program.
- **AB 1001 (C. Garcia) – Environment: Air Pollution and Mitigation Measures for Air and Water Quality Impacts.** This bill would additionally require those air districts to adopt an expedited schedule for the implementation of best available control technology (BACT). The bill would delete the provision applying the expedited schedule only to industrial sources that are subject to the market-based compliance mechanism. The bill would provide that industrial sources that, as of January 1, 2027, were subject to the market-based compliance mechanism and that fail to implement BARCT by December 31, 2023, are not eligible to participate in the market-based compliance mechanism. Because this bill would impose additional duties on air districts, this bill would impose a state-mandated local program.
- **AB 745 (Gipson) – Air Pollution: Clean Cars 4 All Program.** This bill would require the state board, as a part of the Clean Cars 4 All Program, to provide vouchers for the purchase of zero-emission vehicles to persons of low income living in disadvantaged communities to replace those persons' vehicles that have failed a smog check inspection, as provided. The bill would require the state board, by January 1, 2024, to take specified actions to meet the goals of the Clean Cars 4 All Program.
- **AB 794 (Carrillo) – Air Pollution: Purchase of New Vehicles: Incentive Programs: Eligibility: Labor and Workforce Standards.** This bill would establish specified labor and

workforce standards that a manufacturer of new vehicles would be required to meet in order for the vehicles to be eligible under the incentive programs. The bill would specify that new vehicles eligible for incentives would be required to comply with the Federal Transit Administration’s domestic content standards for federal procurement of vehicles. The bill would require that 100% of the vehicles eligible for incentives be assembled at a final assembly point, as defined, in the United States. The bill would also establish specified labor and workforce standards that a fleet purchaser would be required to meet in order to be eligible to receive incentives for new vehicles under the incentive programs.

- **Senate Bill (SB) 67 (Becker) – Clean energy: California 24/7 Clean Energy Standard Program.** This bill would revise that policy to establish a goal that 100% of electrical load be supplied by eligible clean energy resources, as defined. The bill would establish the California 24/7 Clean Energy Standard Program, which would require that 85% of retail load, as defined, annually and at least 60% of retail load within certain subperiods by December 31, 2030, and 90% of retail load annually and at least 75% of retail load within certain subperiods by December 31, 2035, be supplied by eligible clean energy resources, as defined. The bill would require the Energy Commission, in consultation with the PUC and California balancing authorities, to establish compliance periods and subperiods that meet certain criteria. The bill would require the PUC to establish for each retail seller, and the Energy Commission for each local publicly owned electric utility, clean energy procurement requirements for each compliance period and subperiod, as provided. Because the bill would impose additional duties on local publicly owned electric utilities, this bill would impose a state-mandated local program.
- **SB 18 (Skinner) – Green Electrolytic Hydrogen.** This bill would require the state board, by December 31, 2022, as a part of the scoping plan and the state’s goal for carbon neutrality, to prepare a strategic plan for accelerating the production and use of hydrogen, including a specific plan to accelerate production and use of green hydrogen in California and an analysis of how curtailed electrical generation could be better utilized to help meet the state’s greenhouse gas emissions reduction goals. The bill would require the state board, in developing the strategic plan, to consult with the California Workforce Development Board and labor and workforce organizations.

Other bills highlighted by Mr. Abbs included:

- **SB 30 (Cortese) – Building Decarbonization.** This bill would, on or after January 1, 2022, prohibit a state agency from designing or constructing a state facility that is connected to the natural gas grid. The bill would require the department to develop the California State Building Decarbonization Plan that will lead to the operational carbon-neutrality of all state-owned buildings by January 1, 2035. The bill would, except as provided, prohibit state agencies from providing funding or other support for projects for the construction of residential and nonresidential buildings that are connected to the natural gas grid.
- **AB 363 (Medina) – Carl Moyer Memorial Air Quality Standards Attainment Program.** This bill would require the state board, by July 1, 2022, to revise the program guidelines to provide additional incentives for projects eligible for program funding that are deployed in disadvantaged communities, as defined. The bill would also require the state board to revise the program guidelines, for purposes of the VIP, to allow all on-road heavy-duty vehicle types, regardless of vehicle type or application, to participate in the VIP, existing engines, as defined, to be replaced with new engines with lower emissions, and fleets participating in the VIP to lease replacement vehicles, as specified, among other VIP modifications.
- **AB 619 (Calderon) – Lung Health.** This bill would require the department to conduct a Chronic Obstructive Pulmonary Disease (COPD) Provider Awareness Campaign to increase awareness of COPD, as specified, and to target the COPD Provider Awareness Campaign to,

among others, primary care providers and family care providers. The bill would make related findings and declarations. This bill would require the department to develop a plan, addressing specified issues, with recommendations and guidelines for counties to use in the case of a significant air quality event caused by wildfires or other sources. The bill would require the department to consult with specified stakeholders in developing the plan. The bill would also require the department, in consultation with the State Air Resources Board, to undertake a statewide public educational campaign regarding wildfires and other environmental hazards triggering asthma, COPD, and other respiratory illnesses. This bill would require a county, in advance of its next emergency plan update, to create a task force to use the air quality plan developed by the department and to develop a county-specific plan that addresses all of the recommendations and guidelines of the department’s air quality plan, as specified. By requiring a county to create an air quality emergency planning task force, this bill would impose a state-mandated local program.

- **AB 1205 (Frazier) – State Air Resources Board: Elections.** This bill would require, as of January 1, 2025, that the state board consist of 14 voting members, 11 of whom shall be elected by district voters and 3 of whom shall be appointed by the Governor, the Senate pro Tempore, and the Speaker of the Assembly. The bill would provide that each elected state board member shall serve a 4-year term commencing on January 1 of the calendar year following a statewide election, with the first state board election occurring in 2024, and that no elected state board member shall serve more than a total of 3 terms. The bill would provide that the office of an elected state board member shall be a nonpartisan office, subject to the provisions specified in the Elections Code for nominations and elections. The bill would require the state board, on or before January 1, 2023, and within one year of each federal decennial census, to establish and adopt 11 districts within the state, as provided, and develop a map depicting the geographical boundaries of each district. The bill would require the state board to engage the public, as specified, prior to adopting the district boundaries and map. The bill would require that a vacancy of an elected state board position be filled by the Governor within 30 days of the date on which the vacancy occurs, and would identify the process pursuant to which an elected state board member may be recalled.
- **SB 475 (Cortese) - Transportation Planning: Sustainable Communities Strategies.** This bill would require the State Air Resources Board, on or before June 30, 2023, and in coordination with the California Transportation Commission and the Department of Housing and Community Development, to issue new guidelines on sustainable communities’ strategies and require these guidelines to be updated thereafter at least every 4 years. The bill would delete the provisions related to the Regional Targets Advisory Committee and instead require the State Air Resources Board to appoint, on or before January 31, 2022, the State-Regional Collaborative for Climate, Equity, and Resilience, consisting of representatives of various entities. The bill would require the State-Regional Collaborative for Climate, Equity, and Resilience to develop a quantitative tool for metropolitan planning organizations to use to evaluate a transportation plan’s consistency with long-range greenhouse gas emission reduction targets and recommend guidelines for metropolitan planning organizations to use when crafting long-range strategies that integrate state goals related to climate resilience and social equity. The bill would also require the State-Regional Collaborative for Climate, Equity, and Resilience to identify best practice implementation actions and generate point-based climate impact scores for each implementation action. The bill would require the State-Regional Collaborative for Climate, Equity, and Resilience, on or before December 31, 2022, to issue its recommendations to the State Air Resources Board for incorporation into the new guidelines for sustainable communities’ strategies. The bill would require the State Air Resources Board, in consultation with California Transportation Commission and the Department of Housing and Community Development, to identify regional greenhouse gas

emission reduction targets for long-range strategies through 2050 and near-term implementation actions through 2030 to reduce emissions from automobiles and light trucks. The bill would require the State Air Resources Board to demonstrate, by March 30, 2023, how the targets could be achieved with existing revenues using tools developed by the State-Regional Collaborative for Climate, Equity, and Resilience, and would require an opportunity for public comment and a public hearing before adoption of targets on or before June 30, 2023. The bill would require the state board to update the regional greenhouse gas emission reduction targets for near-term implementation actions every 4 years consistent with each metropolitan planning organization’s timeframe for updating its regional transportation plan under federal law until 2050 and ensure that the targets are achievable within the context of each region’s approach to meeting specified housing goals and climate adaptation strategies. The bill would also require the State Energy Resources Conservation and Development Commission, on or before July 1, 2023, and in consultation with various state entities, to set regional building decarbonization targets for 2030 and 2045 consistent with the state’s targets for reducing emissions of greenhouse gases in the state’s residential and commercial building stock for each geographic area represented by a metropolitan planning organization.

- **AB 585 (Rivas) - Climate change: Extreme Heat and Community Resilience Program.** This bill would establish the Extreme Heat and Community Resilience Program and would require the Office of Planning and Research to administer the program. Under the program, the bill would require the Office of Planning and Research to coordinate the state’s efforts to address extreme heat and to facilitate the implementation of local, regional, and state climate change planning into effective projects through the awarding of competitive grants to eligible entities for implementation of those projects. The bill would establish the Extreme Heat and Community Resilience Fund in the State Treasury and would require the office, upon appropriation by the Legislature, to expend moneys in the fund for the implementation of the program.

Public Comments

None; receive and file.

Committee Comments

The Committee and staff discussed the anticipated timeline for AB 1346 (Berman) and whether it applies to new engines or leaf blowers; positions that local Community Choice Energy organizations are adopting regarding SB 67 (Becker), and what are the amendments to that bill the Air District wants; regarding AB 1205 (Frazier), concerns about a lack of campaign funds for candidates from disadvantaged/low-income communities, and whether the Air District should allocate funds for candidates to support; and the request that the Air District monitors AB 1205 (Frazier) regarding the composition of the California Air Resources Board’s Governing Board.

Committee Action

Director Hudson made a motion, seconded by Director Canepa, to recommend the Board **adopts** a position of SUPPORT on AB 1346 (Berman); and the motion carried by the following vote of the Committee:

AYES: Abe-Koga, Canepa, Cutter, Haubert, Hudson, Hopkins, Rennie.
 NOES: None.
 ABSTAIN: None.
 ABSENT: Hannigan, Wagenknecht.

6. 2021 LEGISLATIVE PLATFORM

Mr. Abbs gave the staff presentation *2021 Legislative Platform*, including three sections – state budget, state legislation, and federal legislation.

Topic	State Budget	State Legislation	Fed. Legislation
State Funding for Clean Air Projects	X		
AB 617 Community Air Protection Implementation and Incentive Funding	X	X	
Carl Moyer Program AB 1274 Funding	X		
Carl Moyer / Mobile Source Incentive Fund / AB 118 Reauthorization	X		
Wildfire Smoke Public Health Response	X	X	X
Support for Air District Activities Related to Wildfire Mitigation	X		
Clean Tech Financing	X		
Vehicle Emissions and Congestion Relief		X	
Climate Change		X	X
Emergency Backup Generation		X	
Toxic Air Emissions		X	
Stationary Source Greenhouse Gas Authority		X	
Wildfire Smoke Mitigation/Prescribed Fire		X	
Federal Funding for Air District Clean Air Programs			X
Clean Transportation Programs			X
Clean Energy Programs			X
Particulate Matter Standards			X
Vehicle Emission Standards			X

Public Comments

No requests received.

Committee Comments

None.

Committee Action

None; receive and file.

7. FEDERAL LEGISLATIVE UPDATE

Mr. Abbs gave the staff presentation *Federal Legislative Update*. Mr. Abbs stated that that the Air District’s 2021 Legislative Platform (Item 6) now includes comments made by Committee members at the March 17, 2021 Committee meeting.

Public Comments

No requests received.

Committee Comments

None.

Committee Action

None; receive and file.

8. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

9. COMMITTEE MEMBERS’ COMMENTS / OTHER BUSINESS

None.

10. TIME AND PLACE OF NEXT MEETING

Wednesday, May 19, 2021, at 1:00 p.m. via webcast, pursuant to procedures authorized by Executive Order N-29-20 issued by Governor Gavin Newsom.

11. ADJOURNMENT

The meeting adjourned at 2:33 p.m.

Marcy Hirtzka
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairpersons Margaret Abe-Koga and Pauline Russo Cutter, and Members
of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 13, 2021

Re: State Legislative Budget Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

On January 8, 2021, Governor Newsom released his initial Fiscal Year (FY) 2021-2022 Budget. The “May Revise” will be released no later than May 15, 2021.

DISCUSSION

Staff will provide a verbal update of the Governor’s May Revision to the FY 2021-2022 Budget.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Alan Abbs
Reviewed by: Jack P. Broadbent

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairpersons Margaret Abe-Koga and Pauline Russo Cutter, and Members of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 13, 2021

Re: Air District-Sponsored Bill

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Assembly Bill (AB) 762 (Lee and C. Garcia) – *Hazardous emissions and substances: schoolsites: private and charter schools.*

Prior to constructing a new public school, a school district must go through a California Environmental Quality Act (CEQA) process that requires (in the Education Code and Public Resources Code) dialog with their local air district, identification of sources of air pollution nearby, and a thoughtful determination that the nearby sources of pollution do not pose a threat to the future students or employees. While private schools perform CEQA, they are not required to make a similar declaration prior to construction of a school. As we see more infill development in California, including development of old industrial sites, it will be important to ensure that our children have an opportunity to attend schools with a healthy learning environment.

DISCUSSION

AB 762 was introduced by Assembly Members Alex Lee and Cristina Garcia on February 16, 2021 and was referred to Assembly Environmental Safety and Toxic Materials and Assembly Education. It was heard in Assembly Environmental Safety and Toxic Materials on April 7, 2021. It received a vote in favor of 6-0 and was referred to Assembly Education. The bill was then heard in Assembly Education on April 28, 2021. With the Assembly Education Committee accepting the recommended amendments, the bill received a vote in favor of 5-1 and was referred to Assembly Appropriations Committee.

Per the Assembly Education Committee analysis, the registered support and opposition for the bill is listed in the table below:

Support

Bay Area Air Quality Management District (sponsor)
California Air Pollution Control Officers Association
California Association of Private School Organizations
California Safe Schools
County of San Diego
Los Angeles County Office of Education

Opposition

None

The South Coast Air Quality Management District also submitted an interim letter of support until their Governing Board finalizes its position on this bill at its next meeting on May 7, 2021.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Alan Abbs
Reviewed by: Jack P. Broadbent

- Attachment 4A: AB 762 (Lee and C. Garcia) – Current Bill Text
- Attachment 4B: AB 762 (Lee and C. Garcia) – Bay Area Air Quality Management District – Sponsor Letter
- Attachment 4C: AB 762 (Lee and C. Garcia) – South Coast Air Quality Management District – Interim Support Letter

AMENDED IN ASSEMBLY MAY 4, 2021

AMENDED IN ASSEMBLY MARCH 30, 2021

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

ASSEMBLY BILL

No. 762

Introduced by Assembly Members Lee and Cristina Garcia
(Coauthors: Assembly Members Kalra and Bauer-Kahan)
(Coauthor: Senator Gonzalez)

February 16, 2021

An act to amend Sections 17212, 17213, ~~17213.1~~ 17213.1, 17251, and 17268 of, and to add Article 3 (commencing with Section 17235) to Chapter 1 of Part 10.5 of Division 1 of Title 1 of, the Education Code, to amend Section 21151.8 of the Public Resources Code, and to amend Section 1612 of the Public Utilities Code, relating to schoolsites.

LEGISLATIVE COUNSEL'S DIGEST

AB 762, as amended, Lee. Hazardous emissions and substances: schoolsites: private and charter schools.

(1) The California Environmental Quality Act (CEQA) requires a lead agency to prepare, or cause to be prepared by contract, and certify the completion of, an environmental impact report on a project, as defined, that it proposes to carry out or approve that may have a significant effect on the environment, or to adopt a negative declaration if it finds that the project will not have that effect. CEQA prohibits an environmental impact report or negative declaration from being approved for any project involving the purchase of a schoolsite or the construction of a new elementary or secondary school by a school district unless specified conditions are met, relating to, among other things, whether the property is located on a current or former hazardous

waste disposal site or solid waste disposal site, a hazardous substance release site, or a site that contains a pipeline that carries specified substances, and the property's proximity to facilities that might reasonably be anticipated to emit hazardous emissions or handle hazardous or extremely hazardous substances or waste, as provided.

This bill would prohibit an environmental impact report or negative declaration from being approved for a project involving the purchase of a schoolsite or the construction of a new elementary or secondary school by a charter school, unless those specified conditions are met. By imposing new requirements on school districts, charter schools, lead agencies, cities, and counties, the bill would impose a state-mandated local program.

(2) Existing law prohibits the governing board of a school district from approving a project for the acquisition of a schoolsite unless specified conditions are met, including, among others, that the school district, as the lead agency, determines that the property to be purchased or built upon is not the site of a current or former hazardous waste disposal site or solid waste disposal site, a hazardous substance release site, or a site that contains a pipeline that carries specified substances, and that the school district, as the lead agency, has not identified specified facilities within $\frac{1}{4}$ of one mile of the proposed schoolsite that might reasonably be anticipated to emit hazardous air emissions or handle hazardous or extremely hazardous materials, substances, or waste, as provided.

This bill would impose that prohibition on the governing body of a charter school and would require the determination and identification described above to be made by the lead agency. The bill would impose that prohibition, and related requirements, additionally on a private school. By imposing new requirements on school districts, charter schools, lead agencies, cities, and counties, the bill would impose a state-mandated local program.

(3) *Existing law requires the State Department of Education, upon the request of the governing board of a school district, to advise the governing board on the acquisition of new schoolsites, as specified.*

This bill would require the department to additionally advise the governing body of a charter school, upon the request of the governing body, on the acquisition of new schoolsites, as specified.

(3)

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

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

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

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

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

1 SECTION 1. Section 17212 of the Education Code is amended
2 to read:

3 17212. (a) (1) The governing board of a school district, prior
4 to district, or the governing body of a charter school, before
5 acquiring any site on which it proposes to construct any school
6 building as defined in Section 17283 shall have the site, or sites,
7 under consideration investigated by competent personnel to ensure
8 that the final site selection is determined by an evaluation of all
9 factors affecting the public interest and is not limited to selection
10 on the basis of raw land cost only. If the prospective schoolsite is
11 located within the boundaries of any special studies zone or within
12 an area designated as geologically hazardous in the safety element
13 of the local general plan as provided in subdivision (g) of Section
14 65302 of the Government Code, the investigation shall include
15 any geological and soil engineering studies by competent personnel
16 needed to provide an assessment of the nature of the site and
17 potential for earthquake or other geologic hazard damage.

18 ~~The~~

19 (2) The geological and soil engineering studies of the site shall
20 be of such a nature as that will preclude siting of a school in any
21 location where the geological and site characteristics are such that
22 the construction effort required to make the school building safe
23 for occupancy is economically unfeasible. No studies are required
24 to be made if the site or sites under consideration have been the
25 subject of adequate prior studies. The evaluation shall also include
26 location of the site with respect to population, transportation, water

1 supply, waste disposal facilities, utilities, traffic hazards, surface
2 drainage conditions, and other factors affecting the operating costs,
3 as well as the initial costs, of the total project.

4 ~~For~~

5 ~~(b) For the purposes of this article, a special studies zone is~~
6 ~~“special studies zone” means an area which that is identified as~~
7 ~~a special studies zone on any map, or maps, compiled by the State~~
8 ~~Geologist pursuant to Chapter 7.5 (commencing with Section 2621)~~
9 ~~of Division 2 of the Public Resources Code.~~

10 ~~SECTION 4.~~

11 *SEC. 2.* Section 17213 of the Education Code is amended to
12 read:

13 17213. (a) The governing board of a school district or the
14 governing body of a charter school shall not approve a project
15 involving the acquisition of a schoolsite by a school district or
16 charter school, unless all of the following occur:

17 (1) The lead agency, as defined in Section 21067 of the Public
18 Resources Code, determines that the property purchased or to be
19 built upon is not any of the following:

20 (A) The site of a current or former hazardous waste disposal
21 site or solid waste disposal site, unless, if the site was a former
22 solid waste disposal site, the governing board of the school district
23 or the governing body of a charter school concludes that the wastes
24 have been removed.

25 (B) A hazardous substance release site identified by the
26 Department of Toxic Substances Control in a current list adopted
27 pursuant to Section 25356 of the Health and Safety Code for
28 removal or remedial action pursuant to Chapter 6.8 (commencing
29 with Section 25300) of Division 20 of the Health and Safety Code.

30 (C) A site that contains one or more pipelines, situated
31 underground or aboveground, that carries hazardous substances,
32 extremely hazardous substances, or hazardous wastes, unless the
33 pipeline is a natural gas line that is used only to supply natural gas
34 to that school or neighborhood.

35 (2) The lead agency, as defined in Section 21067 of the Public
36 Resources Code, in preparing the environmental impact report or
37 negative declaration has consulted with the administering agency
38 in which the proposed schoolsite is located, pursuant to Section
39 2735.3 of Title 19 of the California Code of Regulations, and with
40 any air pollution control district or air quality management district

1 having jurisdiction in the area, to identify both permitted and
2 nonpermitted facilities within that district's authority, including,
3 but not limited to, freeways and other busy traffic corridors, large
4 agricultural operations, and railyards, within one-fourth of one
5 mile of the proposed schoolsite, that might reasonably be
6 anticipated to emit hazardous air emissions, or to handle hazardous
7 or extremely hazardous materials, substances, or waste. The lead
8 agency shall include a list of the locations for which information
9 is sought.

10 (3) The governing board of the school district or the governing
11 body of a charter school makes one of the following written
12 findings:

13 (A) Consultation identified none of the facilities or significant
14 pollution sources specified in paragraph (2).

15 (B) The facilities or other pollution sources specified in
16 paragraph (2) exist, but one of the following conditions applies:

17 (i) The health risks from the facilities or other pollution sources
18 do not and will not constitute an actual or potential endangerment
19 of public health to persons who would attend or be employed at
20 the school.

21 (ii) The governing board of a school district or the governing
22 body of a charter school finds that corrective measures required
23 under an existing order by another governmental entity that has
24 jurisdiction over the facilities or other pollution sources will, before
25 the school is occupied, result in the mitigation of all chronic or
26 accidental hazardous air emissions to levels that do not constitute
27 an actual or potential endangerment of public health to persons
28 who would attend or be employed at the proposed school. If the
29 governing board of a school district or the governing body of a
30 charter school makes this finding, the governing board of a school
31 district or governing body of a charter school shall also make a
32 subsequent finding, before occupancy of the school, that the
33 emissions have been mitigated to these levels.

34 (iii) For a schoolsite with a boundary that is within 500 feet of
35 the edge of the closest traffic lane of a freeway or other busy traffic
36 corridor, the governing board of the school district or the governing
37 body of a charter school determines, through analysis pursuant to
38 paragraph (2) of subdivision (b) of Section 44360 of the Health
39 and Safety Code, based on appropriate air dispersion modeling,
40 and after considering any potential mitigation measures, that the

1 air quality at the proposed site is such that neither short-term nor
2 long-term exposure poses significant health risks to pupils.

3 (iv) The governing board of a school district or the governing
4 body of a charter school finds that the conditions set forth in clause
5 (ii) or (iii) cannot be met, and the school district or charter school
6 is unable to locate an alternative site that is suitable due to a severe
7 shortage of sites that meet the requirements in subdivision (a). If
8 the governing board of a school district or the governing body of
9 a charter school makes this finding, the governing board of a school
10 district or the governing body of a charter school shall adopt a
11 statement of overriding considerations pursuant to Section 15093
12 of Title 14 of the California Code of Regulations.

13 (b) For purposes of this section, the following definitions apply:

14 (1) “Administering agency” means an agency designated
15 pursuant to Section 25502 of the Health and Safety Code.

16 (2) “Extremely hazardous substance” means a material defined
17 pursuant to paragraph (2) of subdivision (j) of Section 25532 of
18 the Health and Safety Code.

19 (3) “Facilities” means a source with a potential to use, generate,
20 emit, or discharge hazardous air pollutants, including, but not
21 limited to, pollutants that meet the definition of a hazardous
22 substance, and whose process or operation is identified as an
23 emission source pursuant to the most recent list of source categories
24 published by the State Air Resources Board.

25 (4) “Freeway or other busy traffic corridor” means those
26 roadways that, on an average day, have traffic in excess of 50,000
27 vehicles in a rural area, as defined in Section 50101 of the Health
28 and Safety Code, and 100,000 vehicles in an urban area, as defined
29 in Section 50104.7 of the Health and Safety Code.

30 (5) “Handle” means handle as defined in Article 1 (commencing
31 with Section 25500) of Chapter 6.95 of Division 20 of the Health
32 and Safety Code.

33 (6) “Hazardous air emissions” means emissions into the ambient
34 air of air contaminants that have been identified as a toxic air
35 contaminant by the State Air Resources Board or by the air
36 pollution control officer for the jurisdiction in which the project
37 is located. As determined by the air pollution control officer,
38 hazardous air emissions also means emissions into the ambient air
39 from any substance identified in subdivisions (a) to (f), inclusive,
40 of Section 44321 of the Health and Safety Code.

1 (7) “Hazardous substance” means a substance defined in Section
2 25316 of the Health and Safety Code.

3 (8) “Hazardous waste” means a waste defined in Section 25117
4 of the Health and Safety Code.

5 (9) “Hazardous waste disposal site” means a site defined in
6 Section 25114 of the Health and Safety Code.

7 ~~SEC. 2.~~

8 *SEC. 3.* Section 17213.1 of the Education Code is amended to
9 read:

10 17213.1. As a condition of receiving state funding pursuant to
11 Chapter 12.5 (commencing with Section 17070.10), the governing
12 board of a school district shall comply with subdivision (a), and
13 is not required to comply with paragraph (1) of subdivision (a) of
14 Section 17213, ~~prior to~~ *before* the acquisition of a schoolsite, or
15 if the school district owns or leases a schoolsite, ~~prior to~~ *before*
16 the construction of a project.

17 (a) ~~Prior to~~ *Before* acquiring a schoolsite, the governing board
18 shall contract with an environmental assessor to supervise the
19 preparation of, and sign, a Phase I environmental assessment of
20 the proposed schoolsite unless the governing board decides to
21 proceed directly to a preliminary endangerment assessment, in
22 which case it shall comply with paragraph (4).

23 (1) The Phase I environmental assessment shall contain one of
24 the following recommendations:

25 (A) A further investigation of the site is not required.

26 (B) A preliminary endangerment assessment is needed, including
27 sampling or testing, to determine the following:

28 (i) If a release of hazardous material has occurred and, if so, the
29 extent of the release.

30 (ii) If there is the threat of a release of hazardous materials.

31 (iii) If a naturally occurring hazardous material is present.

32 (2) If the Phase I environmental assessment concludes that
33 further investigation of the site is not required, the signed
34 assessment, proof that the environmental assessor meets the
35 qualifications specified in subdivision (b) of Section 17210, and
36 the renewal fee shall be submitted to the Department of Toxic
37 Substances Control. The Department of Toxic Substances Control
38 shall conduct its review and approval, within 30 calendar days of
39 its receipt of that assessment, proof of qualifications, and the
40 renewal fee. In those instances in which the Department of Toxic

1 Substances Control requests additional information after receipt
2 of the Phase I environmental assessment pursuant to paragraph
3 (3), the Department of Toxic Substances Control shall conduct its
4 review and approval within 30 calendar days of its receipt of the
5 requested additional information. If the Department of Toxic
6 Substances Control concurs with the conclusion of the Phase I
7 environmental assessment that a further investigation of the site
8 is not required, the Department of Toxic Substances Control shall
9 approve the Phase I environmental assessment and shall notify, in
10 writing, the State Department of Education and the governing
11 board of the school district of the approval.

12 (3) If the Department of Toxic Substances Control determines
13 that the Phase I environmental assessment is not complete or
14 disapproves the Phase I environmental assessment, the department
15 shall inform the school district of the decision, the basis for the
16 decision, and actions necessary to secure department approval of
17 the Phase I environmental assessment. The school district shall
18 take actions necessary to secure the approval of the Phase I
19 environmental assessment, elect to conduct a preliminary
20 endangerment assessment, or elect not to pursue the acquisition
21 or the construction project. To facilitate completion of the Phase
22 I environmental assessment, the information required by this
23 paragraph may be provided by telephonic or electronic means.

24 (4) (A) If the Department of Toxic Substances Control
25 concludes after its review of a Phase I environmental assessment
26 pursuant to this section that a preliminary endangerment assessment
27 is needed, the Department of Toxic Substances Control shall notify,
28 in writing, the State Department of Education and the governing
29 board of the school district of that decision and the basis for that
30 decision. The school district shall submit to the State Department
31 of Education the Phase I environmental assessment and requested
32 additional information, if any, that was reviewed by the Department
33 of Toxic Substances Control pursuant to ~~that subparagraph~~
34 *paragraphs (2) and (3)*. Submittal of the Phase I assessment and
35 additional information, if any, to the State Department of Education
36 shall be ~~prior to~~ *before* the State Department of ~~Education~~
37 *Education's* issuance of final site or plan approvals ~~affect~~ *affected*
38 by that Phase I assessment.

39 (B) If the Phase I environmental assessment concludes that a
40 preliminary endangerment assessment is needed, or if the

1 Department of Toxic Substances Control concludes after it reviews
2 a Phase I environmental assessment pursuant to this section that
3 a preliminary endangerment assessment is needed, the school
4 district shall either contract with an environmental assessor to
5 supervise the preparation of, and sign, a preliminary endangerment
6 assessment of the proposed schoolsite and enter into an agreement
7 with the Department of Toxic Substances Control to oversee the
8 preparation of the preliminary endangerment assessment or elect
9 not to pursue the acquisition or construction project. The agreement
10 entered into with the Department of Toxic Substances Control may
11 be entitled an “Environmental Oversight Agreement” and shall
12 reference this paragraph. A school district may, with the
13 concurrence of the Department of Toxic Substances Control, enter
14 into an agreement with the Department of Toxic Substances
15 Control to oversee the preparation of a preliminary endangerment
16 assessment without first having prepared a Phase I environmental
17 assessment. Upon request from the school district, the Director of
18 the Department of Toxic Substances Control shall exercise its
19 authority to designate a person to enter the site and inspect and
20 obtain samples pursuant to Section 25358.1 of the Health and
21 Safety Code, if the director determines that the exercise of that
22 authority will assist in expeditiously completing the preliminary
23 endangerment assessment. The preliminary endangerment
24 assessment shall contain one of the following conclusions:

- 25 (i) A further investigation of the site is not required.
- 26 (ii) A release of hazardous materials has occurred, and if so, the
27 extent of the release, that there is the threat of a release of
28 hazardous materials, or that a naturally occurring hazardous
29 material is present, or any combination thereof.

30 (5) The school district shall submit the preliminary
31 endangerment assessment to the Department of Toxic Substances
32 Control for its review and approval and to the State Department
33 of Education for its files. The school district may entitle a document
34 that is meant to fulfill the requirements of a preliminary
35 endangerment assessment a “preliminary environmental
36 assessment” and that document shall be deemed to be a preliminary
37 endangerment assessment if it specifically refers to the statutory
38 provisions whose requirements it intends to meet and the document
39 meets the requirements of a preliminary endangerment assessment.

1 (6) At the same time a school district submits a preliminary
2 endangerment assessment to the Department of Toxic Substances
3 Control pursuant to paragraph (5), the school district shall publish
4 a notice that the assessment has been submitted to the department
5 in a local newspaper of general circulation, and shall post the notice
6 in a prominent manner at the proposed schoolsite that is the subject
7 of that notice. The notice shall state the school district's
8 determination to make the preliminary endangerment assessment
9 available for public review and comment pursuant to subparagraph
10 (A) or (B):

11 (A) If the school district chooses to make the assessment
12 available for public review and comment pursuant to this
13 subparagraph, it shall offer to receive written comments for a
14 period of at least 30 calendar days after the assessment is submitted
15 to the Department of Toxic Substances Control, commencing on
16 the date the notice is originally published, and shall hold a public
17 hearing to receive further comments. The school district shall make
18 all of the following documents available to the public upon request
19 through the time of the public hearing:

20 (i) The preliminary endangerment assessment.

21 (ii) The changes requested by the Department of Toxic
22 Substances Control for the preliminary endangerment assessment,
23 if any.

24 (iii) Any correspondence between the school district and the
25 Department of Toxic Substances Control that relates to the
26 preliminary endangerment assessment.

27 For the purposes of this subparagraph, the notice of the public
28 hearing shall include the date and location of the public hearing,
29 and the location where the public may review the documents
30 described in clauses (i) to (iii), inclusive. If the preliminary
31 endangerment assessment is revised or altered following the public
32 hearing, the school district shall make those revisions or alterations
33 available to the public. The school district shall transmit a copy
34 of all public comments received by the school district on the
35 preliminary endangerment assessment to the Department of Toxic
36 Substances Control. The Department of Toxic Substances Control
37 shall complete its review of the preliminary endangerment
38 assessment and public comments received thereon and shall either
39 approve or disapprove the assessment within 30 calendar days of
40 the close of the public review period. If the Department of Toxic

1 Substances Control determines that it is likely to disapprove the
2 assessment ~~prior to~~ *before* its receipt of the public comments, it
3 shall inform the school district of that determination and of any
4 action that the school district is required to take for the Department
5 of Toxic Substances Control to approve the assessment.

6 (B) If the school district chooses to make the preliminary
7 endangerment assessment available for public review and comment
8 pursuant to this subparagraph, the Department of Toxic Substances
9 Control shall complete its review of the assessment within 60
10 calendar days of receipt of the assessment and shall either return
11 the assessment to the school district with comments and requested
12 modifications or requested further assessment or concur with the
13 adequacy of the assessment pending review of public comment.
14 If the Department of Toxic Substances Control concurs with the
15 adequacy of the assessment, and the school district proposes to
16 proceed with site acquisition or a construction project, the school
17 district shall make the assessment available to the public on the
18 same basis and at the same time it makes available the draft
19 environmental impact report or negative declaration pursuant to
20 the California Environmental Quality Act (Division 13
21 (commencing with Section 21000) of the Public Resources Code)
22 for the site, unless the document developed pursuant to the
23 California Environmental Quality Act (Division 13 (commencing
24 with Section 21000) of the Public Resources Code) will not be
25 made available until more than 90 days after the assessment is
26 approved, in which case the school district shall, within 60 days
27 of the approval of the assessment, separately publish a notice of
28 the availability of the assessment for public review in a local
29 newspaper of general circulation. The school district shall hold a
30 public hearing on the preliminary endangerment assessment and
31 the draft environmental impact report or negative declaration at
32 the same time, pursuant to the California Environmental Quality
33 Act (Division 13 (commencing with Section 21000) of the Public
34 Resources Code). All public comments pertaining to the
35 preliminary endangerment assessment shall be forwarded to the
36 Department of Toxic Substances Control immediately. The
37 Department of Toxic Substances Control shall review the public
38 comments forwarded by the school district and shall approve or
39 disapprove the preliminary endangerment assessment within 30

1 days of the district's approval action of the environmental impact
2 report or the negative declaration.

3 (7) The school district shall comply with the public participation
4 requirements of Sections 25358.7 and 25358.7.1 of the Health and
5 Safety Code and other applicable provisions of the state act with
6 respect to those response actions only if further response actions
7 beyond a preliminary endangerment assessment are required and
8 the district determines that it will proceed with the acquisition or
9 construction project.

10 (8) If the Department of Toxic Substances Control disapproves
11 the preliminary endangerment assessment, it shall inform the
12 district of the decision, the basis for the decision, and actions
13 necessary to secure the Department of Toxic Substances Control
14 approval of the assessment. The school district shall take actions
15 necessary to secure the approval of the Department of Toxic
16 Substances Control of the preliminary endangerment assessment
17 or elect not to pursue the acquisition or construction project.

18 (9) If the preliminary endangerment assessment determines that
19 a further investigation of the site is not required and the Department
20 of Toxic Substances Control approves this determination, it shall
21 notify the State Department of Education and the school district
22 of its approval. The school district may then proceed with the
23 acquisition or construction project.

24 (10) If the preliminary endangerment assessment determines
25 that a release of hazardous material has occurred, that there is the
26 threat of a release of hazardous materials, that a naturally occurring
27 hazardous material is present, or any combination thereof, that
28 requires further investigation, and the Department of Toxic
29 Substances Control approves this determination, the school district
30 may elect not to pursue the acquisition or construction project. If
31 the school district elects to pursue the acquisition or construction
32 project, it shall do all of the following:

33 (A) Prepare a financial analysis that estimates the cost of
34 response action that will be required at the proposed schoolsite.

35 (B) Assess the benefits that accrue from using the proposed
36 schoolsite when compared to the use of alternative schoolsites, if
37 any.

38 (C) Obtain the approval of the State Department of Education
39 that the proposed schoolsite meets the schoolsite selection standards

1 adopted by the State Department of Education pursuant to
2 subdivision (b) of Section 17251.

3 (D) Evaluate the suitability of the proposed schoolsite in light
4 of the recommended alternative schoolsite locations in order of
5 merit if the school district has requested the assistance of the State
6 Department of Education, based upon the standards of the State
7 Department of Education, pursuant to subdivision (a) of Section
8 17251.

9 (11) The school district shall reimburse the Department of Toxic
10 Substances Control for all of the department's response costs.

11 (b) The costs incurred by the school districts when complying
12 with this section are allowable costs for purposes of an applicant
13 under Chapter 12.5 (commencing with Section 17070.10) of Part
14 10 and may be reimbursed in accordance with Section 17072.13.

15 (c) A school district that releases a Phase I environmental
16 assessment, a preliminary endangerment assessment, or information
17 concerning either of these assessments, any of which is required
18 by this section, may not be held liable in any action filed against
19 the school district for making either of these assessments available
20 for public review.

21 (d) The changes made to this section by ~~the act amending this~~
22 ~~section during the 2001 portion of the 2001-02 Regular Session~~
23 *Chapter 865 of the Statutes of 2001* do not apply to a schoolsite
24 acquisition project or a school construction project, if either of the
25 following occurred on or before ~~the effective date of the act~~
26 ~~amending this section during the 2001 portion of the 2001-02~~
27 ~~Regular Session: October 14, 2001:~~

28 (1) The final preliminary endangerment assessment for the
29 project was approved by the Department of Toxic Substances
30 Control pursuant to this section as this section read on the date of
31 the approval.

32 (2) The school district seeking state funding for the project
33 completed a public hearing for the project pursuant to this section,
34 as this section read on the date of the hearing.

35 ~~SEC. 3.~~

36 *SEC. 4.* Article 3 (commencing with Section 17235) is added
37 to Chapter 1 of Part 10.5 of Division 1 of Title 1 of the Education
38 Code, to read:

Article 3. Private School Schoolsites

1
2
3 17235. (a) For purposes of this section, the following
4 definitions apply:
5 (1) “Administering agency” means an agency authorized
6 pursuant to Section 25502 of the Health and Safety Code to
7 implement and enforce Chapter 6.95 (commencing with Section
8 25500) of Division 20 of the Health and Safety Code.
9 (2) “Extremely hazardous substance” has the same meaning as
10 defined in paragraph (2) of subdivision (j) of Section 25532 of the
11 Health and Safety Code.
12 (3) “Facilities” means a source with a potential to use, generate,
13 emit, or discharge hazardous air pollutants, including, but not
14 limited to, pollutants that meet the definition of a hazardous
15 substance, and whose process or operation is identified as an
16 emission source pursuant to the most recent list of source categories
17 published by the State Air Resources Board.
18 (4) “Freeway or other busy traffic corridor” means those
19 roadways that, on an average day, have traffic in excess of 50,000
20 vehicles in a rural area, as defined in Section 50101 of the Health
21 and Safety Code, and 100,000 vehicles in an urban area, as defined
22 in Section 50104.7 of the Health and Safety Code.
23 (5) “Handle” has the same meaning as defined in Section 25501
24 of the Health and Safety Code.
25 (6) “Hazardous air emissions” means emissions into the ambient
26 air of air contaminants that have been identified as a toxic air
27 contaminant by the State Air Resources Board or by the air
28 pollution control officer for the jurisdiction in which the project
29 is located. As determined by the air pollution control officer,
30 hazardous air emissions also means emissions into the ambient air
31 from any substances identified in subdivisions (a) to (f), inclusive,
32 of Section 44321 of the Health and Safety Code.
33 (7) “Hazardous substance” has the same meaning as defined in
34 Section 25316 of the Health and Safety Code.
35 (8) “Hazardous waste” has the same meaning as defined in
36 Section 25117 of the Health and Safety Code.
37 (9) “Hazardous waste disposal site” has the same meaning as
38 “disposal site,” as defined in Section 25114 of the Health and
39 Safety Code.

1 (10) “Special studies zone” means an area that is identified as
2 a special studies zone on any map, or maps, compiled by the State
3 Geologist pursuant to Chapter 7.5 (commencing with Section 2621)
4 of Division 2 of the Public Resources Code.

5 (b) The governing board of a private school shall not approve
6 the acquisition or purchase of a schoolsite, or the construction of
7 a new elementary or secondary school, by, or for use by, a private
8 school unless all of the following occur:

9 (1) The city or county determines that the property proposed to
10 be acquired or purchased, or to be constructed upon, is not any of
11 the following:

12 (A) The site of a current or former hazardous waste disposal
13 site or solid waste disposal site, unless, if the site was a former
14 solid waste disposal site, the city or county concludes that the
15 wastes have been removed.

16 (B) A hazardous substance release site identified by the
17 Department of Toxic Substances Control in a current list adopted
18 pursuant to Section 25356 of the Health and Safety Code for
19 removal or remedial action pursuant to Chapter 6.8 (commencing
20 with Section 25300) of Division 20 of the Health and Safety Code.

21 (C) A site that contains one or more pipelines, situated
22 underground or aboveground, that carry hazardous substances,
23 extremely hazardous substances, or hazardous wastes, unless the
24 pipeline is a natural gas line that is used only to supply natural gas
25 to that school or neighborhood, or other nearby schools.

26 (2) (A) The governing board has notified in writing and
27 consulted with the administering agency in which the proposed
28 schoolsite is located, and with any air pollution control district or
29 air quality management district having jurisdiction in the area, to
30 identify both permitted and nonpermitted facilities within that
31 district’s authority, including, but not limited to, freeways or other
32 busy traffic corridors, large agricultural operations, and railyards,
33 within one-fourth of one mile of the proposed schoolsite, that might
34 reasonably be anticipated to emit hazardous emissions or handle
35 hazardous or extremely hazardous substances or waste. The
36 notification by the governing board shall include a list of the
37 locations for which information is sought.

38 (B) Each administering agency, air pollution control district, or
39 air quality management district receiving written notification from
40 a governing board to identify facilities pursuant to subparagraph

1 (A) shall provide the requested information and provide a written
 2 response to the governing board within 30 days of receiving the
 3 notification.

4 (3) The city or county makes one of the following written
 5 findings:

6 (A) Consultation identified no facilities of the type specified in
 7 paragraph (2) or other significant pollution sources.

8 (B) One or more facilities specified in paragraph (2) or other
 9 pollution sources exist, but one of the following conditions applies:

10 (i) The health risks from the facilities or other pollution sources
 11 do not and will not constitute an actual or potential endangerment
 12 of public health to persons who would attend or be employed at
 13 the proposed school.

14 (ii) Corrective measures required under an existing order by
 15 another agency having jurisdiction over the facilities or other
 16 pollution sources will, before the school is occupied, result in the
 17 mitigation of all chronic or accidental hazardous air emissions to
 18 levels that do not constitute an actual or potential endangerment
 19 of public health to persons who would attend or be employed at
 20 the proposed school. If the city or county makes a finding pursuant
 21 to this clause, it shall also make a subsequent finding, before
 22 occupancy of the school, that the emissions have been so mitigated.

23 (iii) For a schoolsite with a boundary that is within 500 feet of
 24 the edge of the closest traffic lane of a freeway or other busy traffic
 25 corridor, the city or county determines, through analysis pursuant
 26 to paragraph (2) of subdivision (b) of Section 44360 of the Health
 27 and Safety Code, based on appropriate air dispersion modeling,
 28 and after considering any potential mitigation measures, that the
 29 air quality at the proposed site is such that neither short-term nor
 30 long-term exposure poses significant health risks to pupils.

31 (C) One or more facilities specified in paragraph (2) or other
 32 pollution sources exist, but conditions in clause (i), (ii), or (iii) of
 33 subparagraph (B) cannot be met, and the private school is unable
 34 to locate an alternative site that is suitable due to a severe shortage
 35 of sites that meet the requirements in this section.

36 *(c) (1) The governing board of a private school, before*
 37 *acquiring any site on which it proposes to construct any school*
 38 *building shall have the site, or sites, under consideration*
 39 *investigated by competent personnel to ensure that the final site*
 40 *selection is determined by an evaluation of all factors affecting*

1 *the public interest and is not limited to selection on the basis of*
2 *raw land cost only. If the prospective schoolsite is located within*
3 *the boundaries of any special studies zone or within an area*
4 *designated as geologically hazardous in the safety element of the*
5 *local general plan as provided in subdivision (g) of Section 65302*
6 *of the Government Code, the investigation shall include any*
7 *geological and soil engineering studies by competent personnel*
8 *needed to provide an assessment of the nature of the site and*
9 *potential for earthquake or other geologic hazard damage.*

10 (2) *The geological and soil engineering studies of the site shall*
11 *be of a nature that will preclude siting of a school in any location*
12 *where the geological and site characteristics are such that the*
13 *construction effort required to make the school building safe for*
14 *occupancy is economically unfeasible. No studies are required to*
15 *be made if the site or sites under consideration have been the*
16 *subject of adequate prior studies. The evaluation shall also include*
17 *location of the site with respect to population, transportation,*
18 *water supply, waste disposal facilities, utilities, traffic hazards,*
19 *surface drainage conditions, and other factors affecting the*
20 *operating costs, as well as the initial costs, of the total project.*

21 *SEC. 5. Section 17251 of the Education Code is amended to*
22 *read:*

23 17251. The department shall:

24 (a) *Upon the request of the governing board of a school district,*
25 *district or the governing body of a charter school, advise the*
26 *governing board of the school district or the governing body of*
27 *the charter school on the acquisition of new schoolsites and, after*
28 *a review of available plots, give the governing board of the school*
29 *district or the governing body of the charter school in writing a*
30 *list of the recommended locations in the order of their merit,*
31 *considering especially the matters of educational merit, safety,*
32 *reduction of traffic hazards, and conformity to the land use element*
33 *in the general plan of the city, county, or city and county having*
34 *jurisdiction. The governing board of the school district or the*
35 *governing body of the charter school may purchase a site deemed*
36 *unsuitable for school purposes by the department only after*
37 *reviewing the report of the department on proposed sites at a public*
38 *hearing. The department shall charge the school district or charter*
39 *school a reasonable fee for each schoolsite reviewed not to exceed*
40 *the actual administrative costs incurred for that purpose.*

1 (b) Develop standards for use by a school district *or charter*
2 *school* in the selection of schoolsites, in accordance with the
3 objectives set forth in subdivision (a). The department shall
4 investigate complaints of noncompliance with site selection
5 standards, and shall notify the governing board of the school district
6 *or the governing body of the charter school* of the results of the
7 investigation. If that notification is received before the acquisition
8 of the site, the governing board of the school district *or the*
9 *governing body of the charter school* shall discuss the findings of
10 the investigation in a public hearing.

11 (c) Establish standards for use by school districts *and charter*
12 *schools* to ensure that the design and construction of school
13 facilities are educationally appropriate, promote school safety, and
14 provide school districts *and charter schools* with flexibility in
15 designing instructional facilities.

16 (d) Upon the request of the governing board of a school ~~district,~~
17 *district or the governing body of a charter school*, review plans
18 and specifications for school buildings in the school ~~district.~~ *district*
19 *or charter school*. The department shall charge the ~~governing board~~
20 ~~of a school district,~~ *district or charter school*, for the review of
21 plans and specifications, a reasonable fee not to exceed the actual
22 administrative costs incurred for that purpose.

23 (e) Upon the request of the governing board of a school ~~district,~~
24 *district or the governing body of a charter school*, make a survey
25 of the building needs of the school ~~district,~~ *district or charter*
26 *school*, advise the governing board of the school district *or the*
27 *governing body of the charter school* concerning the building
28 needs, and suggest plans for financing a building program to meet
29 the needs. The department shall charge the school ~~district,~~ *district*
30 *or charter school*, for the cost of the survey, a reasonable fee not
31 to exceed the actual administrative costs incurred for that purpose.

32 (f) Provide information relating to the impact or potential impact
33 upon a schoolsite of hazardous substances, solid waste, safety,
34 hazardous air emissions, and other information as the department
35 may deem appropriate.

36 (g) (1) Develop strategies to assist small school districts with
37 technical assistance relating to school construction and the funding
38 of school facilities. The strategies may include informing ~~the~~ *those*
39 *small school* districts of how to receive the approval required for
40 school construction, including the requirements of the Division of

1 the State Architect, and how to secure state funding, including
2 from the state bond funds made available pursuant to the Leroy F.
3 Greene School Facilities Act of 1998 (Chapter 12.5 (commencing
4 with Section 17070.10) of Part 10).

5 (2) For purposes of this subdivision, “small school district”
6 means a school district with fewer than 2,501 units of average
7 daily attendance.

8 ~~SEC. 4.~~

9 *SEC. 6.* Section 17268 of the Education Code is amended to
10 read:

11 17268. (a) The governing board of a school district that elects
12 not to receive state funds pursuant to Chapter 12.5 (commencing
13 with Section 17070.10) may not approve a project for the
14 construction of a new school building, as defined in Section 17283,
15 unless the project and its lead agency comply with the same
16 requirements specified in paragraph (1) of subdivision (a) of
17 Section 17213 for schoolsite acquisition.

18 (b) As a condition to receiving state funds pursuant to Chapter
19 12.5 (commencing with Section 17070.10), the governing board
20 of a school district may not approve a project for the construction
21 of a new school building or schoolsite on leased or acquired land
22 unless the project and the school district comply with the
23 requirements specified in Sections 17213.1 and 17213.2.

24 (c) The project shall not be subject to subdivision (b) for a minor
25 addition to a school if the project is eligible for a categorical or
26 statutory exemption under guidelines issued pursuant to Section
27 21083 of the Public Resources Code, as set forth in the California
28 Environmental Quality Act.

29 (d) “School building,” as used in this section, means any
30 building designed and constructed to be used for elementary or
31 secondary school purposes by a school district.

32 (e) The requirements of Sections 17213, ~~17213.1~~ 17213.1, and
33 17213.2 shall not apply to a schoolsite if the acquisition occurred
34 ~~prior to~~ before January 1, 2000, to the extent a school district is
35 subject to the requirements set forth in those sections pursuant to
36 a judicial order or an order issued by, or an agreement ~~with~~ with,
37 the Department of Toxic Substances Control regarding that site,
38 and the school district is in full compliance with that order or
39 agreement.

1 (f) For purposes of this section, the acceptance of construction
2 bids shall constitute approval of the project.

3 ~~SEC. 5.~~

4 *SEC. 7.* Section 21151.8 of the Public Resources Code is
5 amended to read:

6 21151.8. (a) An environmental impact report shall not be
7 certified or a negative declaration shall not be approved for a
8 project involving the purchase of a schoolsite or the construction
9 of a new elementary or secondary school by a school district or a
10 charter school unless all of the following occur:

11 (1) The environmental impact report or negative declaration
12 includes information that is needed to determine if the property
13 proposed to be purchased, or to be constructed upon, is any of the
14 following:

15 (A) The site of a current or former hazardous waste disposal
16 site or solid waste disposal site and, if so, whether the wastes have
17 been removed.

18 (B) A hazardous substance release site identified by the
19 Department of Toxic Substances Control in a current list adopted
20 pursuant to Section 25356 of the Health and Safety Code for
21 removal or remedial action pursuant to Chapter 6.8 (commencing
22 with Section 25300) of Division 20 of the Health and Safety Code.

23 (C) A site that contains one or more pipelines, situated
24 underground or aboveground, that carries hazardous substances,
25 extremely hazardous substances, or hazardous wastes, unless the
26 pipeline is a natural gas line that is used only to supply natural gas
27 to that school or neighborhood, or other nearby schools.

28 (D) A site that is within 500 feet of the edge of the closest traffic
29 lane of a freeway or other busy traffic corridor.

30 (2) (A) The lead agency in preparing the environmental impact
31 report or negative declaration has notified in writing and consulted
32 with the administering agency in which the proposed schoolsite
33 is located, pursuant to Section 2735.3 of Title 19 of the California
34 Code of Regulations, and with any air pollution control district or
35 air quality management district having jurisdiction in the area, to
36 identify both permitted and nonpermitted facilities within that
37 district’s authority, including, but not limited to, freeways or other
38 busy traffic corridors, large agricultural operations, and railyards,
39 within one-fourth of one mile of the proposed schoolsite, that might
40 reasonably be anticipated to emit hazardous emissions or handle

1 hazardous or extremely hazardous substances or waste. The
2 notification by the lead agency shall include a list of the locations
3 for which information is sought.

4 (B) Each administering agency, air pollution control district, or
5 air quality management district receiving written notification from
6 a lead agency to identify facilities pursuant to subparagraph (A)
7 shall provide the requested information and provide a written
8 response to the lead agency within 30 days of receiving the
9 notification. The environmental impact report or negative
10 declaration shall be conclusively presumed to comply with
11 subparagraph (A) as to the area of responsibility of an agency that
12 does not respond within 30 days.

13 (C) If the lead agency has carried out the consultation required
14 by subparagraph (A), the environmental impact report or the
15 negative declaration shall be conclusively presumed to comply
16 with subparagraph (A), notwithstanding any failure of the
17 consultation to identify an existing facility or other pollution source
18 specified in subparagraph (A).

19 (3) The governing board of the school district or the governing
20 body of a charter school makes one of the following written
21 findings:

22 (A) Consultation identified no facilities of this type or other
23 significant pollution sources specified in paragraph (2).

24 (B) The facilities or other pollution sources specified in
25 paragraph (2) exist, but one of the following conditions applies:

26 (i) The health risks from the facilities or other pollution sources
27 do not and will not constitute an actual or potential endangerment
28 of public health to persons who would attend or be employed at
29 the proposed school.

30 (ii) Corrective measures required under an existing order by
31 another agency having jurisdiction over the facilities or other
32 pollution sources will, before the school is occupied, result in the
33 mitigation of all chronic or accidental hazardous air emissions to
34 levels that do not constitute an actual or potential endangerment
35 of public health to persons who would attend or be employed at
36 the proposed school. If the governing board of a school district or
37 the governing body of a charter school makes a finding pursuant
38 to this clause, it shall also make a subsequent finding, before
39 occupancy of the school, that the emissions have been so mitigated.

1 (iii) For a schoolsite with a boundary that is within 500 feet of
2 the edge of the closest traffic lane of a freeway or other busy traffic
3 corridor, the governing board of the school district or the governing
4 body of a charter school determines, through analysis pursuant to
5 paragraph (2) of subdivision (b) of Section 44360 of the Health
6 and Safety Code, based on appropriate air dispersion modeling,
7 and after considering any potential mitigation measures, that the
8 air quality at the proposed site is such that neither short-term nor
9 long-term exposure poses significant health risks to pupils.

10 (C) The facilities or other pollution sources specified in
11 paragraph (2) exist, but conditions in clause (i), (ii), or (iii) of
12 subparagraph (B) cannot be met, and the school district or charter
13 school is unable to locate an alternative site that is suitable due to
14 a severe shortage of sites that meet the requirements in paragraph
15 (1) of subdivision (a) of Section 17213 of the Education Code. If
16 the governing board of a school district or the governing body of
17 a charter school makes this finding, the governing board of a school
18 district or the governing body of a charter school shall adopt a
19 statement of overriding considerations pursuant to Section 15093
20 of Title 14 of the California Code of Regulations.

21 (b) For purposes of this section, the following definitions apply:

22 (1) “Administering agency” means an agency authorized
23 pursuant to Section 25502 of the Health and Safety Code to
24 implement and enforce Chapter 6.95 (commencing with Section
25 25500) of Division 20 of the Health and Safety Code.

26 (2) “Extremely hazardous substances” means an extremely
27 hazardous substance, as defined pursuant to paragraph (2) of
28 subdivision (j) of Section 25532 of the Health and Safety Code.

29 (3) “Facilities” means a source with a potential to use, generate,
30 emit, or discharge hazardous air pollutants, including, but not
31 limited to, pollutants that meet the definition of a hazardous
32 substance, and whose process or operation is identified as an
33 emission source pursuant to the most recent list of source categories
34 published by the State Air Resources Board.

35 (4) “Freeway or other busy traffic corridor” means those
36 roadways that, on an average day, have traffic in excess of 50,000
37 vehicles in a rural area, as defined in Section 50101 of the Health
38 and Safety Code, and 100,000 vehicles in an urban area, as defined
39 in Section 50104.7 of the Health and Safety Code.

1 (5) “Handle” means handle as defined in Article 1 (commencing
2 with Section 25500) of Chapter 6.95 of Division 20 of the Health
3 and Safety Code.

4 (6) “Hazardous air emissions” means emissions into the ambient
5 air of air contaminants that have been identified as a toxic air
6 contaminant by the State Air Resources Board or by the air
7 pollution control officer for the jurisdiction in which the project
8 is located. As determined by the air pollution control officer,
9 hazardous air emissions also means emissions into the ambient air
10 from any substances identified in subdivisions (a) to (f), inclusive,
11 of Section 44321 of the Health and Safety Code.

12 (7) “Hazardous substance” means a substance defined in Section
13 25316 of the Health and Safety Code.

14 (8) “Hazardous waste” means a waste defined in Section 25117
15 of the Health and Safety Code.

16 (9) “Hazardous waste disposal site” means a site defined in
17 Section 25114 of the Health and Safety Code.

18 ~~SEC. 6.~~

19 *SEC. 8.* Section 1612 of the Public Utilities Code is amended
20 to read:

21 1612. Not less than 25 percent of projects funded by the
22 SRVEVR Program or SNPFA Program shall be in underserved
23 communities. The SRVEVR Program and SNPFA Program shall
24 prioritize underserved communities by ensuring that all schools
25 that are in an underserved community are offered the opportunity
26 to apply for and receive grants before those schools that are not in
27 an underserved community. Additionally, the SRVEVR Program
28 shall prioritize schools with a boundary that is within 500 feet of
29 the edge of the closest traffic lane of a freeway or other busy traffic
30 corridor or within 1,000 feet of a facility holding a permit pursuant
31 to Title V of the Clean Air Act (42 U.S.C. Section 7661 et seq.).
32 For the purposes of this section, “freeway or other busy traffic
33 corridors” has the same meaning as defined in paragraph (4) of
34 subdivision (b) of Section 17213 of the Education Code.

35 ~~SEC. 7.~~

36 *SEC. 9.* No reimbursement is required by this act pursuant to
37 Section 6 of Article XIII B of the California Constitution because
38 a local agency or school district has the authority to levy service
39 charges, fees, or assessments sufficient to pay for the program or

1 level of service mandated by this act, within the meaning of Section
2 17556 of the Government Code.

3 However, if the Commission on State Mandates determines that
4 this act contains costs mandated by the state, reimbursement to
5 local agencies and school districts for those costs shall be made
6 pursuant to Part 7 (commencing with Section 17500) of Division
7 4 of Title 2 of the Government Code.

O



**BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT**

April 20, 2021

The Honorable Patrick O'Donnell
Chair, Assembly Committee on Education
1020 N Street, Room 159
Sacramento, CA 95814

RE: AB 762 (Lee and C. Garcia) - Hazardous Emissions and Substances:
Schoolsites: Private and Charter Schools

Dear Chair O'Donnell:

On behalf of the Bay Area Air Quality Management District (Bay Area AQMD), I wish to inform you of our sponsorship and support of Assembly Bill 762 (Lee and C. Garcia), which will ensure the public health and safety of all students and school employees in California by requiring that private schools and charter schools meet the same siting requirements as public schools.

Existing law requires public schools to follow certain requirements before approving and building a new school. These requirements include that the public school district determines that the proposed schoolsite is not hazardous and that the public school district consults with its local air district to identify sources of air pollution that may affect the health of the children and employees at the proposed school. Doing so will ensure awareness of any harmful pollution and provide an early opportunity to mitigate its effects before or as the school is constructed. Unfortunately, these requirements only apply to public schools and not to private schools and some charter schools. Consequently, this has resulted in instances where schools have been built in locations near sources of pollution, unbeknownst to the children, their parents, and school employees. One of those such instances occurred in Fall 2018, when a private preschool through eighth grade school was constructed next to the Tri-City Rock concrete batch facility in Fremont, CA without consulting the Bay Area AQMD, or properly notifying the students' parents.

In order to ensure the public health and safety of all students and school employees in California, the potential location for a new private school or charter school needs to be properly evaluated. AB 762 will achieve this by requiring that private schools and charter schools meet the same siting requirements as public schools.

- ALAMEDA COUNTY**
John J. Bauters
(Secretary)
Pauline Russo Cutter
David Haubert
Nate Miley
- CONTRA COSTA COUNTY**
John Gioia
David Hudson
Karen Mitchoff
(Vice Chair)
Mark Ross
- MARIN COUNTY**
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- NAPA COUNTY**
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- SAN FRANCISCO COUNTY**
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Shamann Walton
Tyrone Jue
(SF Mayor's Appointee)
- SAN MATEO COUNTY**
David J. Canepa
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Davina Hurt
- SANTA CLARA COUNTY**
Margaret Abe-Koga
Cindy Chavez
(Chair)
Rich Constantine
Rob Rennie
- SOLANO COUNTY**
Erin Hannigan
Lori Wilson
- SONOMA COUNTY**
Teresa Barrett
Lynda Hopkins

Jack P. Broadbent
EXECUTIVE OFFICER/APCO

Connect with the
Bay Area Air District:



The Bay Area AQMD is committed to reducing air pollution in California and ensuring that every one of the region's approximately 7.75 million residents can breathe clean, healthful air. We encourage you to support AB 762 when it comes before you for consideration. If you should have any questions, please do not hesitate to contact me at (415) 749-5052, or our Legislative Officer, Mr. Alan Abbs at (916) 769-7769.

Sincerely,



Jack P. Broadbent
Executive Officer/APCO

JPB:AA

cc: The Honorable Alex Lee, Assemblymember, 25th District
The Honorable Cristina Garcia, Assemblymember, 58th District
Members of the Assembly Committee on Education



**South Coast
Air Quality Management District**



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

*Office of the Executive Officer
Wayne Nastri
Tel 909.396.3131, Fax 909.396.3340*

April 20, 2021

The Honorable Patrick O'Donnell
Chair, Committee on Education
California State Assembly
Legislative Office Building
1020 N Street, Room 159
Sacramento, CA 95814

Re: AB 762 (Lee) – SUPPORT

Dear Chair O'Donnell:

The South Coast Air Quality Management District's (South Coast AQMD) Legislative Committee has taken an interim position of SUPPORT on AB 762 (Lee) – Hazardous emissions and substances: schoolsites: private and charter schools. This position is considered interim until the South Coast AQMD Governing Board finalizes its position on this bill at its next meeting on May 7, 2021.

This bill would require charter schools and private schools to follow the same siting requirements as public schools for evaluating a schoolsite for potential hazardous substances, emissions, or waste. The bill would also require the evaluation of a potential charter school site to follow the same process as public school site evaluations under the California Environmental Quality Act (CEQA).

Private schools and some charter schools are not required to meet the same siting requirements as public schools before building a new school. As a result, there are cases in California where schools have been built in potentially unsafe locations near sources of hazardous emissions, substances, or waste. Consequently, the public health and safety of all students and school employees at these schools could be at risk.

There are thousands of known contaminated sites in California, however, there are estimates of tens of thousands of unknown contaminated sites in the state. It is

important that potential schoolsites, regardless of whether the school is a public school, private school, or charter school, be properly evaluated in order to protect the health and well-being of the future students who will attend that school.

This bill is consistent with South Coast AQMD's policy priorities to protect public health, especially within disadvantaged communities, and to promote environmental justice within the South Coast region. By adding extra protections within the school setting, this bill seeks to protect children, who are at even higher risk as sensitive receptors to pollution.

If you have any questions or would like to discuss this bill further, please call me at (909) 396-3131, or Derrick Alatorre, Deputy Executive Officer for Legislative, Public Affairs and Media at (909) 396-3122.

Sincerely,

A handwritten signature in black ink, appearing to read "Wayne Nastro", with a stylized flourish at the end.

Wayne Nastro
Executive Officer

WN:DA:PC:SD

cc: The Honorable Alex Lee
Members of the Assembly Committee on Education

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairpersons Margaret Abe-Koga and Pauline Russo Cutter, and Members of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 13, 2021

Re: State Legislative Update and Consideration of New Bills

RECOMMENDED ACTION

The Legislative Committee (Committee) will discuss and review bills and take positions where appropriate.

Staff recommends support positions on the following bill: SB 771 (Becker)- Sales and Use Tax Law: zero emissions vehicle exemption.

BACKGROUND

This is the first year of the two-year 2021-2022 Legislative Session. The attached bill matrix has been arranged by category.

DISCUSSION

Staff will provide the Committee a brief summary and status of bills on the attached list and will recommend bills to support and oppose during the session. Staff will review other bills that may be of interest to the Committee. Specifically, staff will plan to discuss Senate Bill (SB) 771 (Becker) and Assembly Bill (AB) 794 (Carrillo).

Bills with a fiscal impact are required to pass out of their policy committee(s) and be sent to Appropriations by April 30, and bills without a fiscal impact have until May 7. The attached matrix reflects these deadlines, with many bills moved to two-year status.

SB 771 (Becker) - Sales and Use Tax Law: zero emissions vehicle exemption

Existing state sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state. The Sales and Use Tax Law provides various exemptions from those taxes.

This bill, on or after January 1, 2022, would provide an exemption from those taxes with respect to the sale in this state of a plug-in hybrid or zero-emission vehicle designated as an eligible vehicle under the Clean Cars 4 All Program established by Section 44124.5 of the Health and Safety Code. This bill would specify that this exemption does not apply to local sales and use taxes or transactions and use taxes.

AB 794 (Carrillo) – Air pollution: purchase of vehicles and vehicle technology: incentive programs: eligibility: labor and workforce standards.

Existing law establishes various incentive programs that are administered or funded by CARB to provide financial assistance for the purchase of vehicles and vehicle technology by individuals and fleet purchasers. This includes the Carl Moyer Program and AB 617 Incentive Program. This bill would establish specified labor and workforce standards that a manufacturer of vehicles or vehicle technology would be required to meet in order for the vehicles or vehicle technology to be eligible under the incentive programs. For this purpose, the bill would specify the percentage of incentives that a vehicle or vehicle technology would be eligible for, as provided. The bill would also establish specified labor and workforce standards that a fleet purchaser would be required to meet in order to be eligible to receive incentives under the incentive programs.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Alan Abbs
Reviewed by: Jack P. Broadbent

Attachment 5A: Current Bills of Interest Matrix
Attachment 5B: SB 771 (Becker) – Bill Text
Attachment 5C: AB 794 (Carrillo) – Bill Text

AGENDA 5A - ATTACHMENT

Bill #	Author	Subject	Last Amended	Last Status - As of 5/12/2021	Location	Notes	Position	Priority (Low/Medium/High)	Category
AB 39	Chau	California-China Climate Institute.	3/25/2021	4/29/2021-Read second time. Ordered to third reading.	4/29/2021-A. THIRD READING			Low	Climate Change
AB 284	Rivas, Robert	California Global Warming Solutions Act of 2006: climate goal: natural and working lands.	4/14/2021	5/5/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/5/2021-A. APPR. SUSPENSE FILE			Low	Climate Change
AB 897	Mullin	Office of Planning and Research: regional climate networks: climate adaptation action plans.	4/19/2021	5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE			Low	Climate Change
AB 1086	Aguiar-Curry	Organic waste: implementation strategy.	4/5/2021	4/14/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	4/14/2021-A. APPR. SUSPENSE FILE			Low	Climate Change
AB 1395	Muratsuchi	Greenhouse gases: carbon neutrality.	5/4/2021	5/10/2021-In committee: Hearing postponed by committee.	4/28/2021-A. APPR.			Low	Climate Change
SB 27	Skinner	Carbon sequestration: state goals: natural and working lands: registry of projects.	4/19/2021	5/10/2021-May 10 hearing: Placed on APPR suspense file.	5/10/2021-S. APPR. SUSPENSE FILE			Low	Climate Change
SB 31	Cortese	Building decarbonization.	4/27/2021	5/10/2021-May 10 hearing: Placed on APPR suspense file.	5/10/2021-S. APPR. SUSPENSE FILE		Support	Medium	Climate Change
SB 68	Becker	Building decarbonization.	4/28/2021	5/7/2021-Set for hearing May 17.	4/29/2021-S. APPR.		Support	Low	Climate Change
SB 260	Wiener	Climate Corporate Accountability Act.	4/19/2021	5/7/2021-Set for hearing May 17.	4/28/2021-S. APPR.			Medium	Climate Change
SB 449	Stern	Climate-related financial risk.	4/22/2021	5/7/2021-Set for hearing May 17.	4/29/2021-S. APPR.			Low	Climate Change
SB 456	Laird	Fire prevention: forest health: action plan: reports.	4/19/2021	5/10/2021-May 10 hearing: Placed on APPR suspense file.	5/10/2021-S. APPR. SUSPENSE FILE			Low	Climate Change
SB 582	Stern	Climate Emergency Mitigation, Safe Restoration, and Just Resilience Act of 2021.	4/5/2021	5/10/2021-May 10 hearing: Placed on APPR suspense file.	5/10/2021-S. APPR. SUSPENSE FILE			Low	Climate Change
SB 596	Becker	Greenhouse gases: cement and concrete production.	3/4/2021	5/7/2021-Set for hearing May 17.	4/29/2021-S. APPR.			Medium	Climate Change
SB 759	Hueso	Short-lived climate pollutants: methane: organic waste: landfills.		3/3/2021-Referred to Com. on RLS.	2/19/2021-S. RLS.	Spot bill.		Low	Climate Change
AB 113	Boerner Horvath	Income taxes: credits: electric vehicles.	4/7/2021	4/8/2021-Re-referred to Com. on H. & C.D.	3/25/2021-A. H. & C.D.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 117	Boerner Horvath	Air Quality Improvement Program: electric bicycles.	3/24/2021	4/28/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	4/28/2021-A. APPR. SUSPENSE FILE			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 363	Medina	Carl Moyer Memorial Air Quality Standards Attainment Program.	4/12/2021	5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE		Oppose	Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 365	O'Donnell	Sales and use taxes: exclusion: zero-emission and near-zero-emission drayage trucks.		2/12/2021-Referred to Com. on REV. & TAX.	2/12/2021-A. REV. & TAX			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 648	Fong	Greenhouse Gas Reduction Fund: healthy forest and fire prevention: appropriation.		2/25/2021-Referred to Com. on NAT. RES.	2/25/2021-A. NAT. RES.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 713	Garcia, Cristina	State Air Resources Board: greenhouse gas emissions scoping plan: comprehensive health analysis.	4/12/2021	5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE	Cap and Trade		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 745	Gipson	Air pollution: Clean Cars 4 All Program.	4/21/2021	5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE	Clean Cars for All		Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 794	Carrillo	Air pollution: purchase of new vehicles: incentive programs: eligibility: labor and workforce standards.	4/28/2021	5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 965	Levine	Building standards: electric vehicle charging infrastructure.		5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 992	Cooley	California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program.	3/25/2021	5/12/2021-From committee: Do pass. To Consent Calendar. (Ayes 16. Noes 0.) (May 12).	5/12/2021-A. CONSENT CALENDAR			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 1147	Friedman	Regional transportation plan: Active Transportation Program.	3/18/2021	5/10/2021-In committee: Hearing postponed by committee.	4/14/2021-A. APPR.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 1346	Berman	Air pollution: small off-road engines.	3/25/2021	5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE		Support	Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 1389	Reyes	Alternative and Renewable Fuel and Vehicle Technology Program.	4/12/2021	5/12/2021-From committee: Do pass. (Ayes 13. Noes 3.) (May 12).	4/19/2021-A. APPR.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 1500	Garcia, Eduardo	Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022.	5/11/2021	5/12/2021-Re-referred to Com. on APPR.	5/5/2021-A. APPR.			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 1524	O'Donnell	State Air Resources Board: zero-emission drayage trucks: Project 800 Initiative.	4/19/2021	5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 45	Portantino	Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022.	4/8/2021	5/4/2021-May 3 hearing: Placed on APPR suspense file.	5/3/2021-S. APPR. SUSPENSE FILE			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 66	Allen	California Council on the Future of Transportation: advisory committee: autonomous vehicle technology.	4/28/2021	5/10/2021-May 10 hearing: Placed on APPR suspense file.	5/10/2021-S. APPR. SUSPENSE FILE			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 227	Jones	Off-highway vehicles.	4/19/2021	5/10/2021-May 10 hearing: Placed on APPR suspense file.	5/10/2021-S. APPR. SUSPENSE FILE			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 339	Wiener	Vehicles: road usage charge pilot program.	4/5/2021	5/4/2021-May 3 hearing: Placed on APPR suspense file.	5/3/2021-S. APPR. SUSPENSE FILE			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade

Bill #	Author	Subject	Last Amended	Last Status - As of 5/12/2021	Location	Notes	Position	Priority (Low/Medium/High)	Category
SB 372	Leyva	Medium- and heavy-duty fleet purchasing assistance program: zero-emission vehicles.	4/19/2021	5/10/2021-May 10 hearing: Placed on APPR suspense file.	5/10/2021-S. APPR. SUSPENSE FILE			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 500	Min	Autonomous vehicles: zero emissions.	4/15/2021	5/10/2021-May 10 hearing: Placed on APPR suspense file.	5/10/2021-S. APPR. SUSPENSE FILE			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 542	Limón	Vehicle license fees for zero-emission vehicles: sales and use taxes on medium- or heavy-duty zero-emission trucks.	5/3/2021	5/12/2021-Set for hearing May 17.	5/6/2021-S. APPR.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 551	Stern	California Electric Vehicle Authority.	5/11/2021	5/11/2021-From committee with author's amendments. Read second time and amended. Re-referred to Com. on APPR.	4/27/2021-S. APPR.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 589	Hueso	Air pollution: alternative vehicles and vehicle infrastructure.	5/4/2021	5/10/2021-May 10 hearing: Placed on APPR suspense file.	5/10/2021-S. APPR. SUSPENSE FILE			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 643	Archuleta	Fuel cell electric vehicle fueling infrastructure and fuel production: working group: statewide assessment.	5/3/2021	5/7/2021-Set for hearing May 17.	4/27/2021-S. APPR.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 671	Gonzalez	Transportation: Clean Freight Corridor Efficiency Assessment.	4/28/2021	5/7/2021-Set for hearing May 17.	4/26/2021-S. APPR.			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 726	Gonzalez	Alternative fuel and vehicle technologies: Sustainable Transportation Strategy.	4/21/2021	5/10/2021-May 10 hearing: Placed on APPR suspense file.	5/10/2021-S. APPR. SUSPENSE FILE			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 771	Becker	Sales and Use Tax Law: zero emissions vehicle exemption.	5/11/2021	5/11/2021-Read second time and amended. Re-referred to Com. on APPR.	5/6/2021-S. APPR.		Propose Support	Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 798	Wieckowski	Trade Corridor Enhancement Account.		3/3/2021-Referred to Com. on RLS.	2/19/2021-S. RLS.	Spot bill.		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 762	Lee	Hazardous emissions and substances: schoolsites: private and charter schools.	5/4/2021	5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE		Air District-Sponsored	High	General-Air District
AB 9	Wood	Fire safety: wildfires: fire adapted communities.	4/19/2021	5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE			Medium	Wildfire/Smoke/PSPS
AB 73	Rivas, Robert	Employment safety: agricultural workers: wildfire smoke.	4/12/2021	4/28/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	4/28/2021-A. APPR. SUSPENSE FILE			Low	Wildfire/Smoke/PSPS
AB 297	Gallagher	Fire prevention.	4/21/2021	4/22/2021-Re-referred to Com. on NAT. RES.	2/12/2021-A. NAT. RES.			Low	Wildfire/Smoke/PSPS
AB 619	Calderon	Lung health.	4/14/2021	5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE			Low	Wildfire/Smoke/PSPS
AB 642	Friedman	Wildfires.		5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE			Low	Wildfire/Smoke/PSPS
AB 792	Flora	Forestry: prescribed burning agreements.		5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE			Low	Wildfire/Smoke/PSPS
AB 1100	Aguiar-Curry	Communications service: emergencies and disasters: reports.		5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE			Low	Wildfire/Smoke/PSPS
SB 52	Dodd	State of emergency: local emergency: planned power outage.	4/12/2021	4/29/2021-Read third time. Passed. (Ayes 36. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.	4/29/2021-A. DESK			Low	Wildfire/Smoke/PSPS
SB 63	Stern	Fire prevention: vegetation management: public education: grants: defensible space: fire hazard severity zones: forest management.	5/3/2021	5/7/2021-Set for hearing May 17.	4/29/2021-S. APPR.			Low	Wildfire/Smoke/PSPS
SB 332	Dodd	Civil liability: prescribed burning operations: gross negligence.	5/6/2021	5/12/2021-Set for hearing May 17.	5/10/2021-S. APPR.			Low	Wildfire/Smoke/PSPS
AB 214	Ting	Budget Act of 2021.		1/28/2021-Referred to Com. on BUDGET.	1/28/2021-A. BUDGET			High	Other
AB 339	Lee	Local government: open and public meetings.	5/4/2021	5/5/2021-Re-referred to Com. on APPR.	4/28/2021-A. APPR.			Low	Other
AB 362	Quirk-Silva	Homeless shelters: safety regulations.	5/4/2021	5/5/2021-Re-referred to Com. on APPR.	4/29/2021-A. APPR.			Low	Other
AB 844	Grayson	Green Empowerment Zone for the Northern Waterfront area of the Counties of Contra Costa and Solano.	5/4/2021	5/11/2021-In Senate. Read first time. To Com. on RLS. for assignment.	5/11/2021-S. RLS.			Low	Other
AB 983	Garcia, Eduardo	Public contracts: construction projects: community workforce agreements: battery manufacturing and lithium-based technology.	4/12/2021	5/6/2021-Read second time. Ordered to third reading.	5/6/2021-A. THIRD READING			Low	Other
SB 7	Atkins	Environmental quality: Jobs and Economic Improvement Through Environmental Leadership Act of 2021.	2/18/2021	5/11/2021-In Senate. Ordered to engrossing and enrolling.	5/11/2021-S. ENROLLMENT			Low	Other
SB 112	Skinner	Budget Act of 2021.		1/11/2021-From printer. Read first time. Referred to Com. on B. & F.R.	1/11/2021-S. BUDGET & F.R.			High	Other
SB 560	Rubio	Climate Pollution Reduction in Homes Initiative: grants.	5/4/2021	5/7/2021-Set for hearing May 17.	4/26/2021-S. APPR.			Medium	Other
AB 585	Rivas, Luz	Climate change: Extreme Heat and Community Resilience Program.	3/17/2021	4/14/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	4/14/2021-A. APPR. SUSPENSE FILE			Low	Environmental Justice
AB 680	Burke	Greenhouse Gas Reduction Fund: California Jobs Plan Act of 2021.	5/3/2021	5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE			Medium	Environmental Justice
AB 976	Rivas, Luz	Resilient Economies and Community Health Pilot Program.		4/14/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	4/14/2021-A. APPR. SUSPENSE FILE			Low	Environmental Justice
AB 1087	Chiu	Environmental Justice Community Resilience Hubs Program.	4/21/2021	5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE			Low	Environmental Justice

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AB 1218	McCarty	Motor vehicle greenhouse gas emissions standards: civil penalty: Equitable Access to Zero-Emissions Vehicles Fund.	4/12/2021	4/20/2021-From committee: Do pass and re-refer to Com. on APPR. (Ayes 8. Noes 5.) (April 19). Re-referred to Com. on APPR.	4/19/2021-A. APPR.			Low	Environmental Justice
AB 1453	Muratsuchi	Environmental justice: Just Transition Advisory Commission: Just Transition Plan.		5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE			Low	Environmental Justice
SB 342	Gonzalez	South Coast Air Quality Management District: board membership.	4/22/2021	5/11/2021-Read second time. Ordered to third reading.	5/11/2021-S. THIRD READING			Low	Environmental Justice
SB 751	Gonzalez	Environmental justice.		3/3/2021-Referred to Com. on RLS.	2/19/2021-S. RLS.	Intent bill.		Low	Environmental Justice
AB 33	Ting	Energy Conservation Assistance Act of 1979: energy storage systems and transportation electrification infrastructure.	4/29/2021	5/12/2021-Coauthors revised. From committee: Do pass. To Consent Calendar. (Ayes 16. Noes 0.) (May 12).	5/12/2021-A. CONSENT CALENDAR			Low	Energy
AB 1261	Burke	State Air Resources Board: greenhouse gas emissions: incentive programs.	3/18/2021	5/12/2021-In committee: Set, first hearing. Referred to APPR. suspense file.	5/12/2021-A. APPR. SUSPENSE FILE			Low	Energy
AB 1559	O'Donnell	Energy: Innovative Renewable Energy for Buildings Act of 2021.	3/18/2021	3/22/2021-Re-referred to Com. on NAT. RES.	3/18/2021-A. NAT. RES.			Low	Energy
SB 18	Skinner	Green electrolytic hydrogen.	5/3/2021	5/7/2021-Set for hearing May 17.	4/29/2021-S. APPR.			Low	Energy
SB 32	Cortese	Energy: general plan: building decarbonization requirements.	4/8/2021	5/4/2021-May 3 hearing: Placed on APPR suspense file.	5/3/2021-S. APPR. SUSPENSE FILE		Support	Medium	Energy
SB 36	Skinner	Energy efficiency.		1/28/2021-Referred to Com. on RLS.	12/7/2020-S. RLS.	Spot bill.		Low	Energy
SB 99	Dodd	Community Energy Resilience Act of 2021.	4/12/2021	5/4/2021-May 3 hearing: Placed on APPR suspense file.	5/3/2021-S. APPR. SUSPENSE FILE			Low	Energy
SB 345	Becker	Energy programs and projects: nonenergy benefits.	3/23/2021	4/5/2021-April 5 hearing: Placed on APPR suspense file.	4/5/2021-S. APPR. SUSPENSE FILE			Low	Energy
SB 513	Hertzberg	Eligible fuel cell electrical generating facilities.		2/25/2021-Referred to Com. on RLS.	2/17/2021-S. RLS.			Low	Energy
SB 662	Archuleta	Energy: transportation sector: hydrogen.	5/3/2021	5/7/2021-Set for hearing May 17.	4/29/2021-S. APPR.			Low	Energy
AB 11	Ward	Climate change: regional climate change authorities.	1/21/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 1/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Climate Change
AB 51	Quirk	Climate change: adaptation: regional climate adaptation planning groups: regional climate adaptation plans.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 1/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Climate Change
AB 943	Garcia, Eduardo	California Global Warming Solutions Act of 2006: Greenhouse Gas Reduction Fund: investment plan.	3/11/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Climate Change
AB 1463	O'Donnell	California Global Warming Solutions Act of 2006: Low Carbon Fuel Standard regulations.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Climate Change
AB 1523	Gallagher	Greenhouse gases.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Climate Change
SB 30	Cortese	Building decarbonization.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was G.O. on 1/28/2021)(May be acted upon Jan 2022)	4/30/2021-S. 2 YEAR	2-Year Bill	Support	Medium	Climate Change
AB 5	Fong	Greenhouse Gas Reduction Fund: High-Speed Rail Authority: K-12 education: transfer.	3/17/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 1/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 96	O'Donnell	California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program.	3/22/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 1/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 111	Boerner Horvath	Transportation: zero-emission vehicles.	3/22/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 1/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 649	Bennett	California Global Warming Solutions Act of 2006: Greenhouse Gas Reduction Revolving Loan Program. Department of Resources Recycling and Recovery: Office of Environmental Justice and Tribal Relations.	3/11/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	No Longer Tracking: Amended/Removed		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 776	Mathis	Methane: dairy digesters.		5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/16/2021)(May be acted upon Jan 2021)	5/7/2021-A. 2 YEAR	2-Year Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 823	Gray	High-Speed Rail Authority: trains powered by fossil fuel combustion engines.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 2/25/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 833	Quirk-Silva	State government: grants: administrative costs.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was A. & A.R. on 2/25/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade

Bill #	Author	Subject	Last Amended	Last Status - As of 5/12/2021	Location	Notes	Position	Priority (Low/Medium/High)	Category
AB 906	Carrillo	Zero-emission trucks: tax and fee exemptions.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was REV. & TAX on 2/25/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 1312	Rodriguez	Vehicular fuels: renewable and clean hydrogen: income tax: credit.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/4/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 1519	Gallagher	Forestry: fuels transportation program: biomass energy facility: grant program.	3/11/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 261	Allen	Regional transportation plans: sustainable communities strategies.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 3/15/2021)(May be acted upon Jan 2022)	4/30/2021-S. 2 YEAR	2-Year Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 495	Dahle	California Global Warming Solutions Act of 2006: scoping plan.	4/20/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was E.Q. on 2/17/2021)(May be acted upon Jan 2022)	4/30/2021-S. 2 YEAR	2-Year Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 506	Jones	California Environmental Quality Act: Greenhouse Gas Reduction Fund monies: greenhouse gas emissions: vegetation management projects.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was N.R. & W. on 2/25/2021)(May be acted upon Jan 2022)	4/30/2021-S. 2 YEAR	2-Year Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 527	Melendez	Greenhouse Gas Reduction Fund: high-speed rail: Salton Sea restoration.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was E.Q. on 2/25/2021)(May be acted upon Jan 2022)	4/30/2021-S. 2 YEAR	2-Year Bill		Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 220	Voepel	Smog check: exemption.	4/13/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 1/28/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill	Oppose	Medium	General-Air District
AB 426	Bauer-Kahan	Toxic air contaminants.	3/17/2021	5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was NAT. RES. on 2/12/2021)(May be acted upon Jan 2021)	5/7/2021-A. 2 YEAR	2-Year Bill	Air District-Sponsored	High	General-Air District
AB 467	Grayson	Smog check: exemption: historic vehicles.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 2/18/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill	Oppose	Medium	General-Air District
AB 766	Gabriel	Climate change: corporate disclosures.	3/18/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/18/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Medium	General-Air District
AB 905	Quirk	Mobile fueling on-demand tank vehicles: performance standards.	4/5/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 2/25/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill	Oppose	Medium	General-Air District
AB 1296	Kamlager	South Coast Air Quality Management District: district board: membership.		5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was NAT. RES. on 3/4/2021)(May be acted upon Jan 2021)	5/7/2021-A. 2 YEAR	2-Year Bill		Low	General-Air District
AB 1547	Reyes	Air pollution: warehouse facilities.	3/25/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/25/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Medium	General-Air District
AB 52	Frazier	California Global Warming Solutions Act of 2006: scoping plan updates: wildfires.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 1/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Wildfire/Smoke/PSPS
AB 575	Fong	Civil liability: prescribed burning activities: gross negligence.		5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was JUD. on 2/18/2021)(May be acted upon Jan 2021)	5/7/2021-A. 2 YEAR	2-Year Bill		Low	Wildfire/Smoke/PSPS
AB 800	Gabriel	Wildfires: local general plans: safety elements: fire hazard severity zones.	3/18/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/18/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Wildfire/Smoke/PSPS
AB 1512	Bauer-Kahan	Forest practices: burning of brush-covered lands. Off-highway vehicular recreation: Carnegie State Vehicular Recreation Area: Alameda-Tesla Expansion Area.	3/25/2021	4/27/2021-From committee: Do pass and re-refer to Com. on APPR. (Ayes 11. Noes 4.) (April 26). Re-referred to Com. on APPR.	4/27/2021-A. APPR.	No Longer Tracking: Amended/Removed		Low	Wildfire/Smoke/PSPS
AB 1005	Muratsuchi	Scientific Review Panel on Toxic Air Contaminants.		5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/18/2021)(May be acted upon Jan 2021)	5/7/2021-A. 2 YEAR	2-Year Bill		Low	Other
AB 1205	Frazier	State Air Resources Board: elections.	3/18/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/18/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Other
AB 1240	Ting	Indoor air pollution.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/4/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Medium	Other
AB 1270	Rivas, Luz	Natural gas plants: methane monitoring systems and reporting.	3/18/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/18/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Other
AB 1365	Bonta	Public contracts: clean concrete.	3/25/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 4/14/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Other

Bill #	Author	Subject	Last Amended	Last Status - As of 5/12/2021	Location	Notes	Position	Priority (Low/Medium/High)	Category
AB 1397	Garcia, Eduardo	Public contracts: California Lithium Economy Act.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was A. & A.R. on 3/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Other
SB 467	Wiener	Oil and gas: hydraulic fracturing, acid well stimulation treatments, steam flooding, water flooding, or cyclic steaming; prohibition: job relocation.	3/22/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was N.R. & W. on 2/25/2021)(May be acted upon Jan 2022)	4/30/2021-S. 2 YEAR	2-Year Bill		Low	Other
SB 475	Cortese	Transportation planning: sustainable communities strategies.	3/10/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 4/26/2021)(May be acted upon Jan 2022)	4/30/2021-S. 2 YEAR	2-Year Bill		Low	Other
AB 1001	Garcia, Cristina	Environment: air pollution and mitigation measures for air and water quality impacts.	4/20/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/4/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Medium	Environmental Justice
AB 1069	Lackey	Zero-emission passenger vehicles: underrepresented communities.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 3/4/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Environmental Justice
AB 1099	Rivas, Robert	Environmental equity: principles: bond and fund expenditures.	3/25/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/25/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Environmental Justice
SB 499	Leyva	General plan: land use element: uses adversely impacting health outcomes.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was GOV. & F. on 2/25/2021)(May be acted upon Jan 2022)	4/30/2021-S. 2 YEAR	2-Year Bill		Low	Environmental Justice
AB 28	Chau	Service stations: definition: alternative fuels. Hate crimes.	4/29/2021	5/3/2021-Re-referred to Com. on APPR.	4/28/2021-A. APPR.	No Longer Tracking: Amended/Removed		Low	Energy
AB 64	Quirk	Electricity: long-term backup electricity supply strategy.	3/23/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was U. & E. on 1/11/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Energy
AB 1161	Garcia, Eduardo	Electricity: eligible renewable energy and zero-carbon resources: state agencies: procurement.	4/13/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was U. & E. on 3/4/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Energy
AB 1317	Berman	Clean energy.		5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/19/2021)(May be acted upon Jan 2021)	5/7/2021-A. 2 YEAR	2-Year Bill		Low	Energy
AB 1325	Burke	Microgrids: Clean Community Microgrid Incentive Program.		4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was U. & E. on 3/4/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	2-Year Bill		Low	Energy
AB 1469	Santiago	Energy: energy efficiency programs. Solid waste: plastic products: labeling: compostability and biodegradability.	3/18/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 3/18/2021)(May be acted upon Jan 2022)	4/30/2021-A. 2 YEAR	No Longer Tracking: Amended/Removed		Low	Energy
SB 67	Becker	Clean energy: California 24/7 Clean Energy Standard Program.	4/19/2021	4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was E. U., & C. on 3/11/2021)(May be acted upon Jan 2022)	4/30/2021-S. 2 YEAR	2-Year Bill		Low	Energy
Total Active Bills	80							Low: 62 Medium: 15 High: 3	

AMENDED IN SENATE MAY 3, 2021

SENATE BILL**No. 771****Introduced by Senator Becker**

February 19, 2021

An act to add Section 6368.2 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 771, as amended, Becker. Sales and Use Tax Law: zero emissions vehicle exemption.

Existing state sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state. The Sales and Use Tax Law provides various exemptions from those taxes.

This bill, on or after January 1, 2022, would provide an exemption from those taxes with respect to the sale in this state of, and the storage, use, or other consumption in this state of, ~~an electric or a hybrid electric vehicle for which the final listing price is not greater than \$25,000.~~ *a qualified motor vehicle, as defined, sold to a qualified buyer, as defined. The bill would provide that this exemption does not apply to specified state sales and use taxes from which the proceeds are deposited into the Local Revenue Fund, the Local Revenue Fund 2011, or the Local Public Safety Fund.*

The Bradley-Burns Uniform Local Sales and Use Tax Law authorizes counties and cities to impose local sales and use taxes in conformity with the Sales and Use Tax Law, and existing laws authorize districts, as specified, to impose transactions and use taxes in accordance with

the Transactions and Use Tax Law, which generally conforms to the Sales and Use Tax Law. Amendments to the Sales and Use Tax Law are automatically incorporated into the local tax laws.

Existing law requires the state to reimburse counties and cities for revenue losses caused by the enactment of sales and use tax exemptions.

~~This bill would provide that, notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse any local agencies for sales and use tax revenues lost by them pursuant to this bill.~~

This bill would specify that this exemption does not apply to local sales and use taxes or transactions and use taxes.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

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

1 SECTION 1. Section 6368.2 is added to the Revenue and
2 Taxation Code, to read:

3 6368.2. (a) On or after January 1, 2022, there are exempted
4 from the taxes imposed by this part, the gross receipts from the
5 sale in this state of, and the storage, use, or other consumption in
6 this state of, a ~~qualified fuel efficient vehicle~~: *motor vehicle sold*
7 *to a qualified buyer*.

8 (b) For purposes of this section, ~~“qualified fuel efficient vehicle”~~ *“qualified all of the following*
9 *definitions apply: fuel efficient vehicle” means an electric vehicle*
10 *or a hybrid electric vehicle for which the final listing price is not*
11 *greater than twenty-five thousand dollars (\$25,000).*

12 (1) *“Qualified motor vehicle” means a plug-in hybrid or*
13 *zero-emission vehicle designated as an eligible vehicle under either*
14 *the Clean Cars 4 All Program established by Section 44124.5 of*
15 *the Health and Safety Code or the Clean Vehicle Rebate Project*
16 *where original use did not commence with the purchaser.*

17 (2) *“Qualified buyer” means either of the following:*

18 (A) *An individual with an award letter issued by the South Coast*
19 *Air Quality Management District, Sacramento Metropolitan Air*
20 *Quality Management District, San Joaquin Valley Air Quality*
21 *Management District, or Bay Area Air Quality Management*
22 *District, to the individual indicating that their application has*
23 *been approved for a grant under the Clean Cars for All Program.*

1 (B) An individual eligible to receive a rebate under the Clean
2 Vehicle Rebate Project.

3 (3) “Clean Vehicle Rebate Project” means the program
4 established as part of the Air Quality Improvement Program by
5 the State Air Resources Board under Article 3 (commencing with
6 Section 44274) of Chapter 8.9 of Part 5 of Division 26 of the Health
7 and Safety Code.

8 (c) (1) Notwithstanding any provision of the Bradley-Burns
9 Uniform Local Sales and Use Tax Law (Part 1.5 (commencing
10 with Section 7200)) or the Transactions and Use Tax Law (Part
11 1.6 (commencing with Section 7251)), the exemption established
12 by this section does not apply with respect to any tax levied by a
13 county, city, or district pursuant to, or in accordance with, either
14 of those laws.

15 (2) Notwithstanding subdivision (a), the exemption established
16 by this section shall not apply with respect to any tax levied
17 pursuant to Section 6051.2 or 6201.2, pursuant to Section 35 of
18 Article XIII of the California Constitution, or any tax levied
19 pursuant to Section 6051 or 6201 that is deposited in the State
20 Treasury to the credit of the Local Revenue Fund 2011 pursuant
21 to Section 6051.15 or 6201.15.

22 SEC. 2. It is the intent of the Legislature to comply with Section
23 41 of the Revenue and Taxation Code.

24 ~~SEC. 3.— Notwithstanding Section 2230 of the Revenue and~~
25 ~~Taxation Code, no appropriation is made by this act and the state~~
26 ~~shall not reimburse any local agency for any sales and use tax~~
27 ~~revenues lost by it under this act.~~

28 ~~SEC. 4.~~

29 SEC. 3. This act provides for a tax levy within the meaning
30 of Article IV of the California Constitution and shall go into
31 immediate effect.

AMENDED IN ASSEMBLY APRIL 28, 2021

AMENDED IN ASSEMBLY MARCH 25, 2021

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

ASSEMBLY BILL

No. 794

Introduced by Assembly Member Carrillo
(Coauthor: Assembly Member Ward)

February 16, 2021

An act to amend Section 16428.9 of the Government Code, and to amend Sections 39614, 39712, 43015, 44274, and 44282 of, to add Sections 39501, 39602.6, and 44295.5 to, and to add Chapter 3.6 (commencing with Section 39680) to Part 2 of Division 26 of, the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 794, as amended, Carrillo. Air pollution: purchase of ~~vehicles and vehicle technology~~; *new vehicles*: incentive programs: eligibility: labor and workforce standards.

Existing law establishes various incentive programs that are administered or funded by the State Air Resources Board to provide financial assistance for the purchase of vehicles ~~and vehicle technology~~ by individuals and fleet purchasers.

This bill would establish specified labor and workforce standards that a manufacturer of *new vehicles* ~~or vehicle technology~~ would be required to meet in order for the vehicles ~~or vehicle technology~~ to be eligible under the incentive programs. ~~For this purpose, the bill would specify the percentage of incentives that a vehicle or vehicle technology would be eligible for, as provided. The bill would specify that new vehicles eligible for incentives would be required to comply with the Federal~~

Transit Administration’s domestic content standards for federal procurement of vehicles. The bill would require that 100% of the vehicles eligible for incentives be assembled at a final assembly point, as defined, in the United States. The bill would also establish specified labor and workforce standards that a fleet purchaser would be required to meet in order to be eligible to receive incentives for new vehicles under the incentive programs.

The bill would require the state board, by January 1, 2023, to adopt operational guidelines for the implementation of the above requirements that would be effective on January 1, 2025. The bill would require the state board, as a part of the development of the guidelines, to determine if there are constraints to the implementation of the requirements of the bill, would authorize the state board to delay or suspend the implementation of requirements that are not feasible, and would require the state board to reevaluate the delayed or suspended requirements, as provided.

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

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

- 1 SECTION 1. Section 16428.9 of the Government Code is
- 2 amended to read:
- 3 16428.9. (a) Before expending any moneys appropriated to it
- 4 by the Legislature from the fund, a state agency shall prepare a
- 5 record consisting of all of the following:
- 6 (1) A description of each expenditure proposed to be made by
- 7 the state agency pursuant to the appropriation.
- 8 (2) A description of how a proposed expenditure will further
- 9 the regulatory purposes of Division 25.5 (commencing with Section
- 10 38500) of the Health and Safety Code, including, but not limited
- 11 to, the limit established under Part 3 (commencing with Section
- 12 38550) and other applicable requirements of law.
- 13 (3) A description of how a proposed expenditure will contribute
- 14 to achieving and maintaining greenhouse gas emission reductions
- 15 pursuant to Division 25.5 (commencing with Section 38500) of
- 16 the Health and Safety Code.
- 17 (4) A description of how the state agency considered the
- 18 applicability and feasibility of other nongreenhouse gas reduction

1 objectives of Division 25.5 (commencing with Section 38500) of
2 the Health and Safety Code.

3 (5) A description of how the state agency will document the
4 result achieved from the expenditure to comply with Division 25.5
5 (commencing with Section 35800) of the Health and Safety Code.

6 (6) A description of how grant, loan, voucher, or other incentive
7 programs for purchase of *new* vehicles ~~or vehicle technology~~ that
8 receive moneys from the fund are implementing the labor and
9 workforce standards required by Chapter 3.6 (commencing with
10 Section 39680) of Part 2 of Division 26 of the Health and Safety
11 Code, as applicable.

12 (b) The State Air Resources Board shall develop guidance on
13 reporting and quantification methods for all state agencies that
14 receive appropriations from the fund to ensure the requirements
15 of this section are met. Chapter 3.5 (commencing with Section
16 11340) of Part 1 of Division 3 does not apply to the procedures
17 developed pursuant to this subdivision.

18 (c) Nothing in this section alters, amends, or otherwise modifies
19 in any manner Division 25.5 (commencing with Section 35800)
20 of the Health and Safety Code, including the authority of the State
21 Air Resources Board to adopt and implement a fee pursuant to that
22 division.

23 (d) If any expenditure of moneys from the fund for any measure
24 or project is determined by a court to be inconsistent with law, the
25 funding for the remaining measures or projects shall be severable
26 and shall not be affected.

27 SEC. 2. Section 39501 is added to the Health and Safety Code,
28 to read:

29 39501. It is the intent of the Legislature that the state board
30 maximize economic cobenefits by conditioning eligibility to
31 participate in grant, loan, voucher, or other incentive programs to
32 purchase *new* vehicles ~~or vehicle technology~~ on compliance with
33 the labor and workforce standards required by Chapter 3.6
34 (commencing with Section 39680).

35 SEC. 3. Section 39602.6 is added to the Health and Safety
36 Code, to read:

37 39602.6. The state board shall condition eligibility to participate
38 in grant, loan, voucher, or other incentive programs to purchase
39 *new* vehicles ~~or vehicle technology~~ on compliance with the labor

1 and workforce standards required by Chapter 3.6 (commencing
2 with Section 39680), as applicable.

3 SEC. 4. Section 39614 of the Health and Safety Code is
4 amended to read:

5 39614. (a) For purposes of this section, the following
6 definitions apply:

7 (1) “2.0L partial consent decree” means the October 25, 2016,
8 Amended Partial Consent Decree among the State Air Resources
9 Board, Volkswagen AG et al., and the United States Department
10 of Justice in the United States of America v. Volkswagen AG et
11 al., Case No. 16-cv-295 (N.D. Cal.).

12 (2) “Investment plans” mean the plans required to be submitted
13 to the state board for approval pursuant to Appendix C of the 2.0L
14 partial consent decree.

15 (3) “Lead agency” means the state agency appointed by the
16 Governor to implement Appendix D of the 2.0L partial consent
17 decree.

18 (4) “State board” means the State Air Resources Board.

19 (5) “Volkswagen” means the defendants in the United States
20 of America v. Volkswagen AG et al., Case No. 16-cv-295 (N.D.
21 Cal.).

22 (b) (1) The state board shall strive to ensure that investments
23 made pursuant to Appendix C of the 2.0L partial consent decree
24 are aligned with the state’s priorities and provide for public
25 transparency before approval.

26 (2) The lead agency shall strive to ensure that the expenditures
27 made pursuant to Appendix D of the 2.0L partial consent decree
28 are aligned with the state’s priorities and provide for public
29 transparency before approval.

30 (3) If an investment plan for grants, loans, vouchers, or other
31 incentives is proposed after January 1, 2023, the plan shall
32 condition funds on the labor and workforce standards required by
33 Chapter 3.6 (commencing with Section 39680), as applicable.

34 (c) (1) On and after the effective date of this section, the state
35 board, in approving each of the investment plans proposed by
36 Volkswagen, shall strive to ensure, to the maximum extent
37 allowable under the 2.0L partial consent decree, both of the
38 following:

1 (A) At least 35 percent of funds for the investment plan benefit
2 low-income or disadvantaged communities disproportionately
3 affected by air pollution.

4 (B) The periodic submission of progress reports to the state
5 board on the implementation of the investment plan from
6 Volkswagen or its subsidiary.

7 (2) The state board shall approve each investment plan at a
8 public hearing.

9 (3) The state board shall post each proposed investment plan
10 for public comment.

11 (4) Notwithstanding Section 10231.5 of the Government Code
12 and pursuant to Section 9795 of the Government Code, the state
13 board shall report annually to the Legislature on the progress of
14 the implementation of the investment plan.

15 (d) (1) The lead agency shall strive to ensure, to the maximum
16 extent allowable under the 2.0L partial consent decree, that 35
17 percent of the moneys received pursuant to Appendix D of the
18 2.0L partial consent decree benefit low-income or disadvantaged
19 communities disproportionately affected by air pollution.

20 (2) Notwithstanding Section 10231.5 of the Government Code
21 and pursuant to Section 9795 of the Government Code, the lead
22 agency shall report annually to the Legislature on the proposed
23 and actual expenditures of the moneys received pursuant to
24 Appendix D of the 2.0L partial consent decree.

25 SEC. 5. Chapter 3.6 (commencing with Section 39680) is added
26 to Part 2 of Division 26 of the Health and Safety Code, to read:

27

28 CHAPTER 3.6. LABOR AND WORKFORCE STANDARDS

29

30 Article 1. General Provisions and Definitions

31

32 39680. (a) The Legislature finds and declares all of the
33 following:

34 (1) (A) California has established itself as a leader in national
35 and international energy conservation and environmental
36 stewardship.

37 (B) The California Global Warming Solutions Act of 2006
38 (Division 25.5 (commencing with Section 38500)) charges the
39 state board as the lead agency to monitor and regulate sources of
40 emissions of greenhouse gases. That act has set a goal of reducing

1 greenhouse gas emissions to 40 percent below the 1990 level by
2 2030. That act also authorizes the state board to develop
3 market-based mechanisms, including the cap-and-trade system,
4 which generates revenue for the Greenhouse Gas Reduction Fund,
5 and other transactional mechanisms.

6 (C) The state board, when expending moneys from the
7 Greenhouse Gas Reduction Fund, is required to maximize
8 economic and environmental cobenefits, including job-related
9 cobenefits, as California builds a low-carbon economy.

10 (D) However, the charge to seek job-related benefits is not
11 required within any timeframe, nor is there any legislative guidance
12 with respect to specific standards or implementation mechanisms.

13 (E) While the charge to develop job-related cobenefits is explicit
14 for the Greenhouse Gas Reduction Fund, it is implied rather than
15 explicit for other clean air funds that the state board administers.

16 (2) To clarify the need for job-related cobenefits, Chapter 135
17 of the Statutes of 2017 required the California Workforce
18 Development Board, in consultation with the state board, to submit
19 a report to the Legislature. The California Workforce Development
20 Board commissioned the Center for Labor Research and Education
21 at the University of California, Berkeley, to prepare the report.
22 Published in June 2020, the report is entitled, Putting California
23 on the High Road: A Jobs and Climate Action Plan for 2030 (2020
24 Action Plan).

25 (3) A study by the University of California shows that fleet
26 purchasers have a significant disparity of compliance with clean
27 vehicle regulations. While 83 percent of large firms that employ
28 drivers comply, only 61 percent of contractors comply.
29 Noncompliant trucks operated by contractors represent 44 percent
30 of all noncompliant trucks, a significantly greater share than their
31 share of all operating trucks. The study finds that many of the
32 noncompliant contractors are actually misclassified employees
33 who do not have the financial resources to comply with
34 clean-vehicle regulations. Many companies take advantage of the
35 fleet purchaser incentives but then pass on the cost of vehicles,
36 maintenance, and upkeep to misclassified drivers who do not have
37 the funds or ability to maintain those vehicles at a level that
38 maximizes their environmental benefits. For example, in drayage,
39 an investigation by USA Today found that “port trucking
40 companies in Southern California have spent the past decade

1 forcing drivers to finance their own trucks by taking on debt they
2 could not afford.” Drivers at dozens of companies “were handed
3 a lease-to-own contract by their employer and given a choice: Sign
4 immediately or be fired.” Such sublease arrangements directly
5 impede the state’s ability to advance its environmental stewardship.
6 Many contractors have later filed for bankruptcy, nullifying the
7 benefit from the state’s climate investments.

8 (4) The 2020 Action Plan creates a “high road framework” based
9 on demand-side strategies and supply-side strategies. The Action
10 Plan does all of the following:

11 (A) Stresses that “[d]emand-side strategies affect the demand
12 for labor, including the kinds of jobs that are generated, the skills
13 that are needed, the wages and benefits employers provide, and
14 who employers hire.”

15 (B) Emphasizes the importance of market participation through
16 incentive programs: “[a]gencies responsible for implementing
17 climate investments and other measures play a key role here
18 because they direct public investment and influence private
19 investments in lower carbon economic activity.”

20 (C) Proposes workforce standards that in general terms do all
21 of the following:

22 (i) Create high-quality jobs.

23 (ii) Prepare workers with the skills needed to adapt to and master
24 new zero- and low-emission technologies.

25 (iii) Broaden career opportunities for workers from
26 disadvantaged communities.

27 (iv) Support workers whose jobs may be at risk.

28 (D) Identifies industry sectors that pose challenges to attaining
29 clean air objectives and opportunities to incentivize development
30 of high-road jobs and working conditions. Among these are vehicle
31 manufacturing and trucking, both of which the plan faults as
32 high-risk subsectors for labor abuses, such as misclassification,
33 unpaid wages, and denial of unemployment benefits, workers’
34 compensation, or disability benefits.

35 (b) In enacting this chapter, it is the intent of the Legislature to
36 do all of the following:

37 (1) Implement the 2020 Action Plan’s high-road
38 recommendations that would apply to crucial windows for
39 high-road job development and working conditions. For vehicle
40 manufacturing, the window is the span of several years immediately

1 before receiving the incentive when the vehicle is designed and
2 manufactured. For the trucking industry, the window is a longer
3 span of years immediately after a fleet purchaser receives the
4 incentive when the vehicle is placed in service.

5 (2) Use market participation to increase demand for clean air
6 vehicles through incentive programs to attain equity goals for jobs
7 in disadvantaged communities and reward companies that respect
8 worker rights. In so doing, the Legislature will require the state
9 board to develop labor and workforce standards to determine
10 eligibility for programs that provide clean air incentives for
11 manufacturers of *new* vehicles ~~and technology~~ and fleet purchasers
12 *of new vehicles* that operate drayage and short-haul trucking in
13 California.

14 (3) Maximize the environmental benefits of its investments by
15 ensuring that recipients of fleet purchaser subsidies operate the
16 equipment in compliance with all state laws rather than taking
17 advantage of state incentives and then selling or otherwise
18 transferring the equipment in question.

19 (4) Clarify that the state board's authority to maximize
20 job-related cobenefits applies to all of the incentive funds and
21 programs that it administers.

22 (5) Collaborate with the Labor and Workforce Development
23 Agency, including the California Workforce Development Board
24 and the Labor Commissioner, to develop guidelines and implement
25 contract remedies for labor and workforce standards that include
26 repayment of incentive funds and public disclosure of labor and
27 workforce data.

28 (6) Expand upon the state board's current approach of using
29 multiyear incentive contracts to clearly set the conditions for
30 attaining the state's clean air objectives with workforce cobenefits.
31 Relevant conditions already in place for heavy-duty trucks include
32 compliance with state law and contract terms for multiyear
33 ownership and control of the equipment.

34 39681. This chapter establishes labor and workforce standards
35 as a cobenefit of incentive programs for the purchase of *new*
36 vehicles ~~or vehicle technology~~ that are based on clean air standards.
37 To be eligible for an incentive program, a participant shall first
38 meet the clean air standard, and then they may qualify for ~~all or a~~
39 ~~percentage of that full~~ *the* incentive by meeting the labor and
40 workforce standards under this chapter.

1 39682. For purposes of this chapter, the following definitions
2 apply:

3 (a) “Clean air standards” include the standards that the state
4 board sets to reduce air pollution or reduce emissions of greenhouse
5 gases pursuant to this division or Division 25.5 (commencing with
6 Section 38500).

7 (b) *“Final assembly point” means the plant, factory, or other*
8 *place, which is a building or series of buildings in close proximity,*
9 *where a new light-duty vehicle, including a passenger vehicle, or*
10 *a medium- or heavy-duty motor vehicle is produced or assembled*
11 *in the United States from motor vehicle equipment and from which*
12 *the vehicle is delivered to a dealer in a condition that all*
13 *component parts necessary to the mechanical operation of the*
14 *vehicle are included with the vehicle whether or not the component*
15 *parts are permanently installed in or on the vehicle. For a*
16 *multistage vehicle, the final assembly point is the location where*
17 *the first-stage vehicle is assembled.*

18 ~~(b)~~

19 (c) “Incentive” includes a grant, loan, voucher, or other
20 incentive, regardless of the source of revenue that funds the
21 incentive, for the purchase of ~~motor vehicles or vehicle technology.~~
22 *new motor vehicles.*

23 ~~(e)~~

24 (d) “Short-haul trucking service” means movement of goods
25 by truck within ~~an~~ a 150-air-mile radius of the normal working
26 reporting location while in service within the state.

27 39683. (a) The state board, in consultation with the Labor and
28 Workforce Development Agency, including the California
29 Workforce Development Board and the Labor Commissioner, shall
30 condition eligibility to participate in incentive programs for *new*
31 ~~vehicle or vehicle technology~~ purchasing on compliance with the
32 labor and workforce standards described in this chapter.

33 (b) (1) The state board, in collaboration with the Labor and
34 Workforce Development Agency, including the California
35 Workforce Development Board and the Labor Commissioner, shall
36 develop operational guidelines for applying the standards in this
37 chapter to incentive programs subject to this chapter. In these
38 guidelines, the state board may interpret the scope of applicability,
39 terms of labor and workforce standards, and implementation,
40 consistent with this chapter.

1 (2) The state board may solicit recommendations regarding
2 implementation and delegate any duties in this chapter to the Labor
3 and Workforce Development Agency.

4 39683.5. (a) The state board shall provide an opportunity for
5 public input before finalizing the operational guidelines developed
6 pursuant to this chapter.

7 (b) Chapter 3.5 (commencing with Section 11340) of the Part
8 1 of Division 3 of Title 2 of the Government Code does not apply
9 to the adoption of the operational guidelines.

10 (c) (1) The state board shall adopt the operational guidelines
11 on or before ~~April 1, 2022~~, *January 1, 2023*, after consultation
12 pursuant to subdivision (b) of Section 39683 and after receiving
13 public input pursuant to subdivision (a).

14 (2) *The operational guidelines shall become effective on January*
15 *1, 2025, and shall condition the eligibility of new light-, medium-,*
16 *and heavy-duty vehicles for incentives that meet both of the*
17 *following:*

18 (A) *Consistency with the Federal Transit Administration's*
19 *guidance for domestic content standards for federal procurement*
20 *of those types of vehicles.*

21 (B) *Require 100 percent of the vehicle be assembled at a final*
22 *assembly point in the United States.*

23 (d) (1) ~~On or before July 1, 2022, As part of its operational~~
24 ~~guidelines development process, if the state board shall determine~~
25 ~~whether determines~~ there are ~~any~~ constraints to applying the
26 requirements of Article 2 (commencing with Section 39690) and
27 Article 3 (commencing with Section 39695) to each incentive
28 program that is subject to this ~~chapter~~. *chapter, the state board*
29 *may delay or suspend the implementation of the requirements of*
30 *this chapter that are not feasible and shall reevaluate the feasibility*
31 *of implementing those requirements in future operational*
32 *guidelines.*

33 (2) In determining whether there are any constraints to
34 implementation, the state board may consider consistency with
35 the statutory goals of the incentive program to reduce air pollution
36 or emissions of greenhouse gases and state board's capacity to
37 enforce the applicable labor and workforce standards.

38 (3) ~~(A) Except as provided in subparagraph (B), this chapter~~
39 ~~applies to an incentive program on or before July 1, 2022.~~

40 ~~(B)~~

1 (3) If the state board determines that there are constraints
2 preventing the application of the requirements of Article 2
3 (commencing with Section 39690) and Article 3 (commencing
4 with Section 39695) to an incentive program, the state board shall
5 notify the Legislature, on or before ~~July 1, 2022~~, *January 1, 2023*,
6 with a written report, submitted in accordance with Section 9795
7 of the Government Code, of findings and constraints, and possible
8 remedies that would eliminate the constraints in question. ~~To the~~
9 ~~extent the state board can implement the remedy, the state board~~
10 ~~shall do so as soon as possible. To the extent that the state board~~
11 ~~cannot implement the necessary remedy that would allow for the~~
12 ~~implementation of this chapter to an incentive program, the state~~
13 ~~board shall include this fact in its report to the Legislature. The~~
14 ~~state board may defer the application of this chapter to the incentive~~
15 ~~program, not to exceed one year from the time of notification to~~
16 ~~the Legislature.~~

17 39684. This chapter applies to all incentive programs for the
18 purchase of *new* vehicles ~~or vehicle technology~~ that receive funding
19 from, or are administered by, the state board, including, but not
20 limited to, all of the following:

21 (a) An incentive program funded by a fund, including, but not
22 limited to, all of the following funds:

- 23 (1) The Greenhouse Gas Reduction Fund.
- 24 (2) The Air Quality Improvement Fund.
- 25 (3) The Carl Moyer Memorial Air Standards Attainment Trust
26 Fund.
- 27 (4) The Air Pollution Control Fund.

28 (b) An incentive program funded wholly or partially by the state
29 board, including, but not limited to, all of the following:

- 30 (1) The Truck Loan Assistance Program under subdivision (c)
31 of Section 44274.
- 32 (2) A local or regional incentive program.
- 33 (3) A public-private partnership.

34 (c) An incentive program funded by a settlement fund under
35 the state board's jurisdiction, including, but not limited to, both
36 of the following:

- 37 (1) The partial consent decree in *United States of America v.*
38 *Volkswagen AG et al.*, under Section 39614.
- 39 (2) The consent decree in *United States of America v. Daimler*
40 *AG and Mercedes-Benz USA, LLC, LLC*, Case No. ~~1:20-vc-2564~~

1 *1:20-cv-2564* (N.D. Cal.) and the partial consent decree in People
2 of the State of California v. Daimler AG and Mercedes-Benz USA,
3 ~~LLC, LLC~~, Case No. 1:20-cv-2565 (N.D. Cal.).

4 39685. This chapter establishes baseline standards, job quality
5 standards, and a structure for full or partial eligibility to participate
6 in incentive programs for the purchase of ~~vehicles or vehicle~~
7 ~~technology~~; *new vehicles*. This chapter applies the standards to the
8 following program participants:

9 (a) Manufacturers of ~~vehicles and technology~~; *new on-road*
10 *vehicles*.

11 (b) Fleet purchasers of *new vehicles and vehicle technology* for
12 drayage and short-haul trucking services within the state. The
13 standards do not apply to other fleet purchases for operations
14 outside of this scope.

15 39686. The state board or an agency administering an incentive
16 program subject to this chapter, in collaboration with the Labor
17 Commissioner, shall enforce the standards set forth in Article 2
18 (commencing with Section 39690) and Article 3 (commencing
19 with Section 39695).

20 39687. (a) The Labor Commissioner, at the request of the
21 agency administering an incentive program or the state board, may
22 investigate an allegation regarding a violation of the standards set
23 forth in Article 2 (commencing with Section 39690) or Article 3
24 (commencing with Section 39695).

25 (b) Unless contrary to Section 19542 of the Revenue and
26 Taxation Code, and notwithstanding any other law or effort to
27 maintain their secrecy, the data and certifications disclosed by a
28 manufacturer pursuant to Article 2 (commencing with Section
29 39690) or a fleet purchaser pursuant to Article 3 (commencing
30 with Section 39695) are public records that may be disclosed to
31 the public and are not trade secrets.

32 (c) The state board shall develop an internet website that displays
33 public information from manufacturers or fleet purchasers
34 participating in incentive programs that are subject to this chapter
35 regarding their disclosures and certifications of compliance with
36 the labor and workforce standards.

37 39687.5. (a) (1) In addition to requiring accurate certification
38 of compliance and disclosure of data, the state board or the agency
39 administering an incentive program shall require that manufacturers
40 of a *new vehicle or vehicle technology* eligible for an incentive

1 sign a contract conditioning the eligibility on compliance with this
2 chapter.

3 (2) In addition to requiring accurate certification of compliance
4 and disclosure of data, the state board or the agency administering
5 an incentive program shall require that fleet purchasers receiving
6 an incentive sign contracts conditioning any incentive received on
7 compliance with this chapter.

8 (b) The contract entered into pursuant to subdivision (a) shall
9 state a timeframe for compliance with standards under this chapter,
10 as follows:

11 (1) For manufacturers, the timeframe includes the application
12 process and the three-year period before a vehicle is eligible to
13 receive the incentive.

14 (2) For fleet purchasers, the timeframe includes the application
15 process and a multiyear period after receiving the incentive of at
16 least ~~10~~ *three* years.

17 39688. A manufacturer of a *new* vehicle ~~or vehicle technology~~
18 that is eligible to participate in, or a fleet purchaser receiving an
19 incentive from, an incentive program subject to this chapter shall
20 ~~apply~~ *comply with* the labor and workforce standards set forth in
21 Article 2 (commencing with Section 39690) or Article 3
22 (commencing with Section 39695), ~~as applicable, in its contracts~~
23 ~~with subcontractors and suppliers.~~ *applicable.*

24 39688.5. (a) If an agency administering an incentive program,
25 the state board, or the Labor Commissioner finds that a
26 manufacturer of *new* vehicles ~~or vehicle technology~~ that is eligible
27 for an incentive is in violation of the standards set forth in Article
28 2 (commencing with Section 39690), the vehicles ~~or vehicle~~
29 ~~technology~~ of that manufacturer shall not be eligible for an
30 incentive under the incentive program and the manufacturer shall
31 be liable for the repayment of an amount that is equal to the total
32 aggregate amount of ~~all the~~ incentives provided for the purchase
33 of ~~the each~~ vehicle ~~or vehicle technology~~ of that manufacturer
34 ~~under the incentive programs subject to~~ *during the time period*
35 *that the manufacturer was out of compliance with this chapter.*

36 (b) ~~If~~ *If*, during the term of the contract entered into pursuant
37 to Section 39687.5, an agency administering an incentive program,
38 the state board, or the Labor Commissioner finds that a fleet
39 purchaser receiving an incentive is in violation of the standards
40 set forth in Article 3 (commencing with Section 39695), or that

1 the fleet purchaser failed to make correct and accurate disclosures
 2 required under Section 39698, the fleet purchaser *is in breach of*
 3 *the contract and* shall be liable for the repayment of ~~an~~ *the*
 4 *incentive* amount that is equal to the total aggregate amount of
 5 incentives received by the fleet ~~purchaser~~ *purchaser*, during the
 6 ~~preceding 10 years~~. *period that the fleet purchaser was out of*
 7 *compliance, up to three years after the purchases to which the*
 8 *contract applies.*

9 (c) The contract remedies specified in this section shall also
 10 bind the manufacturer’s or the fleet purchaser’s successors or
 11 assignees. The Labor Commissioner, the state board, or the agency
 12 administering the incentive program may require that a successor
 13 or assignee to repay any incentives received by manufacturers or
 14 fleet purchasers.

15 39688.6. (a) *The state board, in collaboration with the Labor*
 16 *and Workforce Development Agency, shall implement a process*
 17 *for the appeal of violations of this chapter.*

18 (b) *The state board, in collaboration with the Labor and*
 19 *Workforce Development Agency, shall implement a process for*
 20 *purposes of reinstating eligibility for vehicle manufacturers or*
 21 *fleet purchasers for participation in an incentive program.*

22 39689. The provisions of this chapter are severable. If any
 23 provision of this chapter or its application is held invalid, that
 24 invalidity shall not affect other provisions or applications that can
 25 be given effect without the invalid provision or application.

26

27 Article 2. Vehicle Manufacturing Labor and Workforce
 28 Standards

29

30 39690. (a) This article establishes labor and workforce
 31 standards for manufacturers to meet to qualify their ~~vehicle or~~
 32 ~~vehicle technology~~, *new vehicles*, excluding public transit buses,
 33 for incentive programs subject to this chapter.

34 (b) A *new vehicle or vehicle technology* is eligible for an
 35 incentive if the manufacturer demonstrates to the agency
 36 administering the incentive program and the state board that it is
 37 in compliance with the labor and workforce standards set forth in
 38 Sections 39691 and 39692 for the prior three-year period.

39 39691. For a *new vehicle or vehicle technology* to be eligible
 40 for a ~~baseline~~ *an incentive amount* under Section 39693 or 39694,

1 *amount*, a manufacturer shall meet all of the following
2 requirements:

3 (a) (1) Comply with the labor laws of the state where the *new*
4 ~~vehicle or vehicle technology~~ is manufactured.

5 (2) A manufacturer shall have a three-year history of compliance
6 with state labor laws, ~~including, but not limited to,~~ *including*
7 classification of employees, wages and hours, ~~unemployment~~
8 ~~compensation~~, and occupational safety and health. *A manufacturer*
9 *is in compliance if, at the time of applying for an incentive, it does*
10 *not have any state labor law violations that are (A) repeated,*
11 *willful, or serious as confirmed in a final determination,*
12 *assessment, finding, order, judgment, or award; and (B) remain*
13 *unabated or unsatisfied following the period for which any appeal*
14 *may be made. Serious wage-and-hour violations include those that*
15 *affect more than 100 workers or involve more than ten thousand*
16 *dollars (\$10,000) in wages. Serious safety and health violations*
17 *include those that risk death or serious physical harm, as described*
18 *in Section 666 of Title 29 of the United States Code.*

19 (3) A manufacturer shall certify to the agency administering the
20 incentive program compliance for the past three years with state
21 labor laws that apply to the point of manufacturing of vehicles that
22 qualify for an incentive.

23 (b) (1) Respect internationally recognized labor rights.

24 (2) A manufacturer shall comply with internationally recognized
25 labor rights in its supply chain of imported components. These
26 rights include, but are not limited to, the prohibitions on forced
27 labor, child labor, and discrimination with respect to work, and
28 the freedom of association and right to organize.

29 (3) A manufacturer shall certify to the agency administering the
30 incentive program and the state board compliance with
31 internationally recognized labor rights. The state board may provide
32 standards for this certification based on the California Sweatfree
33 Policy, Section 6108 of the Public Contract Code, the core
34 conventions of the International Labour Organization, Social
35 Accountability 8000 standards, or comparable certification
36 standards.

37 ~~(e) Achieve both of the following:~~

38 ~~(1)~~

39 (c) Assemble 100 percent of the vehicle, at the final assembly
40 point, in the United States.

1 ~~(2) Produce battery and nonbattery domestic content as provided~~
2 ~~in Section 39693 for light-duty vehicles or Section 39694 for~~
3 ~~medium- or heavy-duty vehicles.~~

4 (d) Disclose data that supports the certification of compliance
5 with this section and Section 39692.

6 39692. For a *new vehicle* ~~or vehicle technology~~ to be eligible
7 ~~for the amount under subdivision (b) of Section 39693 or Section~~
8 ~~39694, an incentive amount, a manufacturer shall do all of the~~
9 following:

10 (a) Demonstrate to the agency administering the incentive
11 program and the state board its commitment to hiring
12 disadvantaged workers by doing both of the following:

13 (1) Demonstrate that it has commitments through a community
14 partnership to recruit, hire, and train all of the following:

15 (A) Individuals with employment barriers that limit their ability
16 to gain employment, including, but not limited to, unemployment,
17 lack of work experience, lack of English language skills, technical
18 skills or educational attainment, criminal justice history, disability
19 status, foster care history, vulnerability to discrimination, or other
20 barriers. The state board may further define the scope of
21 employment barriers with reference to eligibility factors for
22 unemployment insurance in California or other states.

23 (B) Workers who have been displaced, on and after January 1,
24 2020, from the fossil fuel industry for nondisciplinary reasons after
25 more than six months of service.

26 (2) Disclose to the agency administering the incentive program
27 and the state board both of the following:

28 (A) A community benefit or workforce agreement that commits
29 to hiring and training workers, to the extent it is available.

30 (B) Data showing that the manufacturer has hired disadvantaged
31 workers, including those recruited through a community
32 partnership.

33 (b) Demonstrate to the agency administering the incentive
34 program and the state board participation in job training programs
35 by doing both of the following:

36 (1) Produce ~~vehicle or vehicle technology~~ *new vehicles* using
37 apprentices who are certified by a state or federal program, in
38 conjunction with a contractually mandated training program or a
39 plan provided to the state to train production workers, in the skills

1 and technical knowledge needed to manufacture the vehicle and
2 related technologies.

3 (2) Certify or disclose data to the agency administering the
4 incentive program and the state board that demonstrates its use of
5 certified apprentices, contractually mandated training, or a plan to
6 train production workers.

7 (c) (1) Demonstrate to the agency administering the incentive
8 program and the state board that it pays workers in a facility where
9 the ~~new vehicle or vehicle technology~~ is assembled the following:

10 (A) For all workers, at least 120 percent of the California
11 minimum wage.

12 (B) For production workers, the prevailing wage for specific
13 occupational titles. The state board may provide guidance on the
14 prevailing wage based on data for average wages reported for
15 production employees in the motor vehicle industry by the United
16 States Bureau of Labor Statistics Occupational Employment
17 Statistics.

18 (2) The manufacturer shall disclose to the agency administering
19 the incentive program and the state board the wage average and
20 range that it pays for specific occupational titles in facilities that
21 assemble vehicles or vehicle technologies.

22 (d) (1) Preserve employee access to dispute settlement options
23 available under the laws of the state where the vehicle or vehicle
24 technology is assembled.

25 (2) The manufacturer shall disclose to the agency administering
26 the incentive program and the state board the incentive program
27 policies or contract terms that preserve dispute options, including
28 access to public agencies and courts, and availability of judicial
29 remedies.

30 (e) Demonstrate to the agency administering the incentive
31 program and the state board its commitment to using full-time
32 employees by disclosing both of the following:

33 (1) A community benefit or workforce agreement that sets
34 full-time employment as a goal.

35 (2) The number and percentage of its employees who are full
36 time and part time, permanent and temporary, and direct hire and
37 contractor employees.

38 ~~39693. Incentives provided to light-duty vehicle or vehicle~~
39 ~~technology shall be as follows:~~

1 ~~(a) (1) For a manufacturer that demonstrates compliance with~~
2 ~~Section 39691, a light-duty vehicle or vehicle technology shall be~~
3 ~~eligible for incentives as follows:~~

4 ~~(A) For a vehicle with nonbattery components that are produced~~
5 ~~in the United States and the nonbattery components represent up~~
6 ~~to 50 percent of the value of the vehicle, the vehicle is eligible for~~
7 ~~up to 25 percent of the incentive provided under the incentive~~
8 ~~program.~~

9 ~~(B) For a vehicle with nonbattery components that are produced~~
10 ~~in the United States and the nonbattery components represent~~
11 ~~between 50 and 75 percent of the value of the vehicle, the vehicle~~
12 ~~is eligible for up to 42.5 percent of the incentive provided under~~
13 ~~the incentive program.~~

14 ~~(C) For a vehicle with nonbattery components that are produced~~
15 ~~in the United States and the nonbattery components represent~~
16 ~~between 75 and 100 percent of the value of the vehicle, the vehicle~~
17 ~~is eligible for up to 60 percent of the incentive provided under the~~
18 ~~incentive program.~~

19 ~~(2) On and after January 1, 2025, for a vehicle or vehicle~~
20 ~~technology to be eligible for the incentive under paragraph (1), all~~
21 ~~batteries and fuel cells for the vehicle or vehicle technology shall~~
22 ~~be produced in the United States.~~

23 ~~(b) For a manufacturer that demonstrates compliance with~~
24 ~~Sections 39691 and 39692, a light-duty vehicle or vehicle~~
25 ~~technology shall be eligible for an additional 40 percent of the~~
26 ~~incentive provided under the incentive program.~~

27 ~~39694. A medium- or heavy-duty vehicle or vehicle technology~~
28 ~~shall be eligible for incentives if the manufacturer complies with~~
29 ~~Sections 39691 and 39692. The incentive provided shall be based~~
30 ~~on the model year of the vehicle or vehicle technology and the~~
31 ~~percentage of nonbattery components produced in the United States~~
32 ~~as follows:~~

33 ~~(a) (1) For model year 2023 vehicles with nonbattery~~
34 ~~components that are produced in the United States and the~~
35 ~~nonbattery components represent less than 60 percent of the value~~
36 ~~of the vehicle, 75 percent of the incentive shall be provided.~~

37 ~~(2) For model year 2023 vehicles with nonbattery components~~
38 ~~that are produced in the United States and the nonbattery~~
39 ~~components represent 60 percent or more of the value of the~~
40 ~~vehicle, 100 percent of the incentive shall be provided.~~

1 ~~(b) Model year 2024 vehicles with nonbattery components that~~
2 ~~are produced in the United States and the nonbattery components~~
3 ~~represent at least 65 percent of the value of the vehicle shall be~~
4 ~~eligible under the incentive program.~~

5 ~~(c) Model year 2025 vehicles with nonbattery components that~~
6 ~~are produced in the United States and the nonbattery components~~
7 ~~represent at least 70 percent of the value of the vehicle shall be~~
8 ~~eligible under the incentive program.~~

9 ~~(d) Model year 2026 vehicles with nonbattery components that~~
10 ~~are produced in the United States and the nonbattery components~~
11 ~~represent at least 75 percent of the value of the vehicle shall be~~
12 ~~eligible under the incentive program.~~

13 ~~(e) Model year 2027 and later model year vehicles with~~
14 ~~nonbattery components that are produced in the United States and~~
15 ~~the nonbattery components represent at least 80 percent of the~~
16 ~~value of the vehicle shall be eligible under the incentive program.~~

17 39693. *(a) Except as provided in subdivision (b), a new*
18 *light-duty vehicle shall be eligible for an incentive provided by an*
19 *incentive program subject to this chapter as follows:*

20 *(1) If the manufacturer demonstrates compliance with Sections*
21 *39691 and 39692, the vehicle is eligible for 40 percent of the*
22 *amount of the incentive provided.*

23 *(2) In addition to paragraph (1), if the manufacturer*
24 *demonstrates that the domestic content of the vehicle, by January*
25 *1, 2025, complies with the Federal Transit Administration's*
26 *domestic content standards for federal procurement of light-duty*
27 *vehicles, the vehicle is eligible for 100 percent of the amount of*
28 *the incentive provided.*

29 *(b) (1) Notwithstanding subdivision (a), if the state board*
30 *determines that there are constraints to the implementation of the*
31 *domestic content requirement specified in paragraph (2) of*
32 *subdivision (a) and delays or suspends the implementation of that*
33 *requirement pursuant to subdivision (d) of Section 39683.5, a*
34 *vehicle shall be eligible for 100 percent of the amount of the*
35 *incentive provided if paragraph (1) of subdivision (a) is satisfied.*

36 *(2) If the state board determines that there are constraints to*
37 *the implementation of a requirement of Section 39691 or 39692*
38 *and delays or suspends the implementation of that requirement*
39 *pursuant to subdivision (d) of Section 39683.5, noncompliance*

1 with that requirement shall not affect the eligibility of the vehicle
2 for an incentive pursuant to this section.

3 39694. (a) Except as provided in subdivision (b), a new
4 medium- or heavy-duty vehicle shall be eligible for an incentive
5 if the manufacturer complies with Sections 39691 and 39692, and
6 if the vehicle, by January 1, 2025, complies with the Federal
7 Transit Administration’s domestic content standards for federal
8 procurement, the vehicle shall be eligible to receive 100 percent
9 of the incentive provided.

10 (b) If the state board determines that there are constraints to
11 the implementation of a requirement of Section 39691 or 39692,
12 or the domestic content standards described in subdivision (a),
13 and delays or suspends the implementation of that requirement
14 pursuant to subdivision (d) of Section 39683.5, noncompliance
15 with that requirement shall not affect the eligibility of the vehicle
16 for an incentive pursuant to this section.

17

18 Article 3. Fleet Purchaser Labor and Workforce Standards

19

20 39695. For purposes of this chapter, the following definitions
21 apply:

22 (a) ~~“Applicable laws” mean California labor, employment,~~
23 ~~payroll tax, and health and safety laws and regulations, including,~~
24 ~~but not limited to, classification of employees, wages and hours,~~
25 ~~unemployment compensation, and occupational health and safety.~~

26 (a) “Applicable law violation” means a violation that has a
27 final determination, order, judgment, or award issued against a
28 fleet purchaser of vehicles for engaging in illegal conduct arising
29 out of misclassification of employees as independent contractors,
30 including the failure to pay wages, imposing unlawful expenses
31 on employees, failure to remit payroll taxes, and failure to provide
32 workers’ compensation insurance, and that remains unabated or
33 unsatisfied following the period during which an appeal may be
34 made.

35 (b) “Fleet operations” includes, but is not limited to, port drayage
36 service and short-haul transport of goods. The state board may
37 adopt guidance to interpret the scope of these operations to conform
38 with law.

39 39696. (a) A fleet purchaser of new vehicles ~~or vehicle~~
40 ~~technologies~~ is eligible to participate in an incentive program

1 subject to this chapter if it is ~~in compliance with all applicable~~
2 ~~laws can demonstrate that it does not have any applicable law~~
3 ~~violation~~ at the time of applying for the incentive.

4 ~~(b) A fleet purchaser is not eligible to participate in an incentive~~
5 ~~program subject to this chapter if there are final unsatisfied or~~
6 ~~unabated judgments, rulings, citations, decisions, orders, or awards~~
7 ~~finding that the fleet purchaser has violated applicable law with~~
8 ~~regards to its fleet operations:~~

9 ~~(e)~~

10 ~~(b) A fleet purchaser that is on the list maintained by the~~
11 ~~Division of Labor Standards Enforcement under Section 2810.4~~
12 ~~of the Labor Code is not eligible to participate in an incentive~~
13 ~~program subject to this chapter.~~

14 ~~(d)~~

15 ~~(c) The state board may accept information from a person~~
16 ~~regarding a fleet purchaser's compliance with applicable laws:~~
17 ~~eligibility for the incentive program.~~

18 ~~(e)~~

19 ~~(d) The state board shall affirmatively collaborate with the~~
20 ~~Department of Industrial Relations or the Labor Commissioner to~~
21 ~~identify fleet purchasers that are not in compliance with applicable~~
22 ~~laws: have applicable law violations.~~

23 ~~(f) A fleet purchaser is eligible to participate in an incentive~~
24 ~~program only if it preserves for its employees access to dispute~~
25 ~~settlement options under state law, including access to state~~
26 ~~agencies and the courts, and judicial remedies.~~

27 39697. (a) A fleet purchaser that receives incentives for the
28 purchase of *new* vehicles ~~or vehicle technologies~~ shall use the
29 vehicle ~~or vehicle technology~~ purchased with the incentives for
30 its own operation under its own operating authority and shall not
31 sublease or otherwise transfer the interest in the vehicle or vehicle
32 technology within 10 years of the purchase.

33 (b) A fleet purchaser shall retain direct control over the manner
34 and means for performance of any individual or entity using or
35 driving the vehicle ~~or vehicle technology~~: *vehicle*.

36 39698. (a) (1) Upon application for an incentive, a fleet
37 purchaser shall certify compliance with Section ~~39695~~ 39696 and
38 make the disclosure required under this section.

39 (2) (A) A fleet purchaser that receives an incentive as a grant,
40 loan, or other form of agreement shall, on a yearly basis, for the

1 life of the grant, loan, or agreement, or for ~~10~~ *three* years after the
 2 receipt of the incentive, whichever is longer, certify compliance
 3 with Section ~~39695~~ *39696* and make the disclosure required
 4 pursuant to this section to the agency administering the incentive
 5 program and to the state board.

6 (B) A fleet purchaser that receives an incentive as a one-time
 7 rebate or voucher, on a yearly basis, for *the life of the grant, loan,*
 8 *or agreement, or for a period of 10 years three years, whichever*
 9 *is longer*, after the receipt of the incentive, shall certify compliance
 10 with Section ~~39695~~ *39696* and make the disclosure required
 11 pursuant to this section to the agency administering the incentive
 12 program and the state board.

13 (b) ~~A~~ *As required under subdivision (a), a* fleet purchaser
 14 ~~applying for an incentive, upon application,~~ shall disclose *or*
 15 *provide* to the agency administering the incentive program and to
 16 the state board ~~all~~ *both* of the following:

17 (1) A copy of any judgments, rulings, citations, decisions, orders,
 18 or awards finding that the fleet purchaser or any parent company
 19 or subsidiary or other commonly controlled entity has ~~violated any~~
 20 applicable law *violations* that ~~remains~~ *remain* unsatisfied or
 21 unabated as of the date of ~~application, even if they are being~~
 22 ~~appealed.~~ *application and following the period for which an appeal*
 23 *may be made.*

24 (2) ~~A copy of any judgments, rulings, citations, decisions, orders,~~
 25 ~~or award findings, after the date of application, that the fleet~~
 26 ~~purchaser or any parent company or subsidiary or other commonly~~
 27 ~~controlled entity has violated any labor, employment, or health~~
 28 ~~and safety law or regulation.~~

29 (3)

30 (2) A list of all operating authorities under which the vehicle
 31 ~~or vehicle technology~~ purchased will be or was operated.

32 (e) ~~A fleet purchaser that receives incentives as a grant, loan,~~
 33 ~~or other form of agreement shall, on a yearly basis, for the life of~~
 34 ~~the grant, loan, or agreement, disclose to the agency administering~~
 35 ~~the incentive program and the state board, all of the following:~~

36 (1) ~~Information required pursuant to this chapter.~~

37 (2)

38 (3) A list of all of the individuals who have operated that ~~vehiele~~
 39 ~~or vehicle technology.~~ *vehicle.*

40 (3)

1 (4) A certification that the fleet purchaser maintained control
2 of the individuals operating the ~~vehicle or vehicle technology,~~
3 *vehicle*, and maintained control of the ~~vehicle or vehicle~~
4 ~~technology.~~ *vehicle*.

5 ~~(4)~~

6 (5) A certification that the fleet purchaser has completed all
7 required maintenance and upkeep on the ~~vehicle or vehicle~~
8 ~~technology~~ purchased with the incentive.

9 ~~(d) A fleet purchaser shall disclose to the agency administering~~
10 ~~the incentive program and the state board policies and contract~~
11 ~~terms that preserve for its employees access to dispute settlement~~
12 ~~options under state law.~~

13 SEC. 6. Section 39712 of the Health and Safety Code is
14 amended to read:

15 39712. (a) (1) It is the intent of the Legislature that moneys
16 shall be appropriated from the fund only in a manner consistent
17 with the requirements of this chapter and Article 9.7 (commencing
18 with Section 16428.8) of Chapter 2 of Part 2 of Division 4 of Title
19 2 of the Government Code.

20 (2) The state shall not approve allocations for a measure or
21 program using moneys appropriated from the fund except after
22 determining, based on the available evidence, that the use of those
23 moneys furthers the regulatory purposes of Division 25.5
24 (commencing with Section 38500) and is consistent with law. If
25 any expenditure of moneys from the fund for any measure or
26 project is determined by a court to be inconsistent with law, the
27 allocations for the remaining measures or projects shall be
28 severable and shall not be affected.

29 (3) An eligible expenditure of moneys appropriated to the
30 Department of Community Services and Development may occur
31 over multiple fiscal years and the department may make multiyear
32 funding commitments over a period of more than one fiscal year.

33 (b) Moneys shall be used to facilitate the achievement of
34 reductions of greenhouse gas emissions in this state consistent
35 with Division 25.5 (commencing with Section 38500) and, where
36 applicable and to the extent feasible:

37 (1) Maximize economic, environmental, and public health
38 benefits to the state.

1 (2) Foster job creation by promoting in-state greenhouse gas
2 emissions reduction projects carried out by California workers and
3 businesses.

4 (3) Complement efforts to improve air quality.

5 (4) Direct investment toward the most disadvantaged
6 communities and households in the state.

7 (5) Provide opportunities for businesses, public agencies, Native
8 American tribes in the state, nonprofits, and other community
9 institutions to participate in and benefit from statewide efforts to
10 reduce greenhouse gas emissions.

11 (6) Lessen the impacts and effects of climate change on the
12 state's communities, economy, and environment.

13 (c) Moneys appropriated from the fund may be allocated,
14 consistent with subdivision (a), for the purpose of reducing
15 greenhouse gas emissions in this state through investments that
16 may include, but are not limited to, any of the following:

17 (1) Funding to reduce greenhouse gas emissions through energy
18 efficiency, clean and renewable energy generation, distributed
19 renewable energy generation, transmission and storage, and other
20 related actions, including, but not limited to, at public universities,
21 state and local public buildings, and industrial and manufacturing
22 facilities.

23 (2) Funding to reduce greenhouse gas emissions through the
24 development of state-of-the-art systems to move goods and freight,
25 advanced technology vehicles and vehicle infrastructure, advanced
26 biofuels, and low-carbon and efficient public transportation.

27 (3) Funding to reduce greenhouse gas emissions associated with
28 water use and supply, land and natural resource conservation and
29 management, forestry, and sustainable agriculture.

30 (4) Funding to reduce greenhouse gas emissions through
31 strategic planning and development of sustainable infrastructure
32 projects, including, but not limited to, transportation and housing.

33 (5) Funding to reduce greenhouse gas emissions through
34 increased in-state diversion of municipal solid waste from disposal
35 through waste reduction, diversion, and reuse.

36 (6) Funding to reduce greenhouse gas emissions through
37 investments in programs implemented by local and regional
38 agencies, local and regional collaboratives, Native American tribes
39 in the state, and nonprofit organizations coordinating with local
40 governments.

1 (7) Funding research, development, and deployment of
2 innovative technologies, measures, and practices related to
3 programs and projects funded pursuant to this chapter.

4 (d) Moneys directed to grant, loan, voucher, or other incentive
5 programs shall be conditioned on the requirements of Chapter 3.6
6 (commencing with Section 39680), as applicable.

7 SEC. 7. Section 43015 of the Health and Safety Code is
8 amended to read:

9 43015. (a) The Air Pollution Control Fund is continued in
10 existence in the State Treasury. Upon appropriation by the
11 Legislature, the money in the fund shall be available to the state
12 board to carry out its duties and functions.

13 (b) Projects using grants, loans, vouchers, or other incentives
14 funded in part or whole by the Air Pollution Control Fund shall
15 be conditioned on the requirements of Chapter 3.6 (commencing
16 with Section 39680) of Part 2, as applicable. The state board may
17 include in an existing report its description of how projects funded
18 by the Air Pollution Control Fund are implementing the labor and
19 workforce standards described in Chapter 3.6 (commencing with
20 Section 39680) of Part 2, as applicable.

21 SEC. 8. Section 44274 of the Health and Safety Code is
22 amended to read:

23 44274. (a) The Air Quality Improvement Program is hereby
24 created. The program shall be administered by the state board, in
25 consultation with the districts. The state board shall develop
26 guidelines to implement the program. Prior to the adoption of the
27 guidelines, the state board shall hold at least one public hearing.
28 In addition, the state board shall hold at least three public
29 workshops with at least one workshop in northern California, one
30 in the central valley, and one in southern California. The purpose
31 of the program shall be to fund, upon appropriation by the
32 Legislature, air quality improvement projects relating to fuel and
33 vehicle technologies. The primary purpose of the program shall
34 be to fund projects to reduce criteria air pollutants, improve air
35 quality, and provide funding for research to determine and improve
36 the air quality impacts of alternative transportation fuels and
37 vehicles, vessels, and equipment technologies.

38 (b) The state board shall provide preference in awarding funding
39 to those projects with higher benefit-cost scores that maximize the
40 purposes and goals of the Air Quality Improvement Program. The

1 state board also may give additional preference based on the
2 following criteria, as applicable, in funding awards to projects:

3 (1) Proposed or potential reduction of criteria or toxic air
4 pollutants.

5 (2) Contribution to regional air quality improvement.

6 (3) Ability to promote the use of clean alternative fuels and
7 vehicle technologies as determined by the state board, in
8 coordination with the commission.

9 (4) Ability to achieve climate change benefits in addition to
10 criteria pollutant or air toxic emissions reductions.

11 (5) Ability to support market transformation of California's
12 vehicle or equipment fleet to utilize low carbon or zero-emission
13 technologies.

14 (6) Ability to leverage private capital investments.

15 (c) The program shall be limited to competitive grants, revolving
16 loans, loan guarantees, loans, and other appropriate funding
17 measures that further the purposes of the program. Projects to be
18 funded shall include only the following:

19 (1) ~~On-road~~ *On-road* and off-road equipment projects that are
20 cost effective.

21 (2) Projects that provide mitigation for off-road gasoline exhaust
22 and evaporative emissions.

23 (3) Projects that provide research to determine the air quality
24 impacts of alternative fuels and projects that study the life-cycle
25 impacts of alternative fuels and conventional fuels, the emissions
26 of biofuel and advanced reformulated gasoline blends, and air
27 pollution improvements and control technologies for use with
28 alternative fuels and vehicles.

29 (4) Projects that augment the University of California's
30 agricultural experiment station and cooperative extension programs
31 for research to increase sustainable biofuels production and
32 improve the collection of biomass feedstock.

33 (5) Incentives for small off-road equipment replacement to
34 encourage consumers to replace internal combustion engine lawn
35 and garden equipment.

36 (6) Incentives for medium- and heavy-duty vehicles and
37 equipment mitigation, including all of the following:

38 (A) Lower emission schoolbus programs.

39 (B) Electric, hybrid, and plug-in hybrid ~~on-road~~ *on-road* and
40 off-road medium- and heavy-duty equipment.

1 (C) Regional air quality improvement and attainment programs
2 implemented by the state or districts in the most impacted regions
3 of the state.

4 (7) Workforce training initiatives related to advanced energy
5 technology designed to reduce air pollution, including
6 state-of-the-art equipment and goods, and new processes and
7 systems. Workforce training initiatives funded shall be broad-based
8 partnerships that leverage other public and private job training
9 programs and resources. These partnerships may include, though
10 are not limited to, employers, labor unions, labor-management
11 partnerships, community organizations, workforce investment
12 boards, postsecondary education providers including community
13 colleges, and economic development agencies.

14 (8) Incentives to identify and reduce emissions from
15 high-emitting light-duty vehicles.

16 (d) (1) Beginning January 1, 2011, the state board shall submit
17 to the Legislature a biennial report to evaluate the implementation
18 of the Air Quality Improvement Program established pursuant to
19 this chapter.

20 (2) The report shall include all of the following:

21 (A) A list of projects funded by the Air Quality Improvement
22 Account.

23 (B) The expected benefits of the projects in promoting clean,
24 alternative fuels and vehicle technologies.

25 (C) Improvement in air quality and public health, greenhouse
26 gas emissions reductions, and the progress made toward achieving
27 these benefits.

28 (D) The impact of the projects in making progress toward
29 attainment of state and federal air quality standards.

30 (E) Recommendations for future actions.

31 (3) The state board may include the information required to be
32 reported pursuant to paragraph (1) in an existing report to the
33 Legislature as the state board deems appropriate. The state board
34 may also include in an existing report the description of how grant,
35 loan, voucher, or other incentive projects that receive moneys from
36 the Air Quality Improvement Fund are implementing the labor
37 and workforce standards required by Chapter 3.6 (commencing
38 with Section 39680) of Part 2, as applicable.

39 (e) Projects using grants, loans, vouchers, or other incentives
40 funded in part or whole by the Air Quality Improvement Fund

1 shall be conditioned on the requirements of Chapter 3.6
2 (commencing with Section 39680) of Part 2, as applicable.

3 SEC. 9. Section 44282 of the Health and Safety Code, as
4 amended by Section 9 of Chapter 610 of the Statutes of 2015, is
5 amended to read:

6 44282. The following criteria apply to all projects to be funded
7 through the program except for projects funded through the
8 infrastructure demonstration program and infrastructure projects,
9 pursuant to subdivision (c) of Section 44281 and Section 44284:

10 (a) The state board may establish project criteria, including
11 minimum project life for source categories, in the guidelines
12 described in Section 44287. For previously unregulated source
13 categories, project criteria shall consider the timing of newly
14 established regulatory requirements.

15 (b) To be eligible, projects shall meet the cost-effectiveness per
16 ton of covered emissions reduced requirements of Section 44283.

17 (c) To be eligible, retrofits, repowers, and installation of add-on
18 equipment for covered vehicles shall be performed, or new covered
19 vehicles delivered to the end user, or covered vehicles scrapped
20 on or after the date the program is implemented.

21 (d) Retrofit technologies, new engines, and new vehicles shall
22 be certified for sale or under experimental permit for operation in
23 California.

24 (e) Repower projects that replace older, uncontrolled engines
25 with new, emissions-certified engines or that replace
26 emissions-certified engines with new engines certified to a more
27 stringent NO_x emissions standard are approvable subject to the
28 other applicable selection criteria. The state board shall determine
29 appropriate baseline emission levels for the uncontrolled engines
30 being replaced.

31 (f) For heavy-duty-vehicle projects, retrofit and add-on
32 equipment projects shall document a NO_x or PM emission
33 reduction of at least 25 percent and no increase in other covered
34 emissions compared to the applicable baseline emissions accepted
35 by the state board for that engine year and application. The state
36 board shall determine appropriate baseline emission levels.
37 Acceptable documentation shall be defined by the state board.
38 After study of available emission reduction technologies and after
39 public notice and comment, the state board may revise the
40 minimum percentage emission reduction criterion for retrofits and

1 add-on equipment provided for in this section to improve the ability
2 of the program to achieve its goals.

3 (g) (1) For heavy-duty-vehicle projects involving the purchase
4 of new very low or zero-emission vehicles, engines shall be
5 certified to an optional low NO_x emissions standard established
6 by the state board, except as provided for in paragraph (2).

7 (2) For heavy-duty-vehicle projects involving the purchase of
8 new very low or zero-emission covered vehicles for which no
9 optional low NO_x emission standards are available, documentation
10 shall be provided showing that the low or zero-emission engine
11 emits not more than 70 percent of the NO_x or NO_x plus
12 hydrocarbon emissions of a new engine certified to the applicable
13 baseline NO_x or NO_x plus hydrocarbon emission standard for that
14 engine and meets applicable particulate standards. The state board
15 shall specify the documentation required. If no baseline emission
16 standard exists for new vehicles in a particular category, the state
17 board shall determine an appropriate baseline emission level for
18 comparison.

19 (h) For projects other than heavy-duty-vehicle projects, the state
20 board shall determine appropriate criteria under the provisions of
21 Section 44287.

22 (i) Projects using grants, loans, vouchers, or other incentives
23 pursuant to this chapter shall condition eligibility on the
24 requirements of Chapter 3.6 (commencing with Section 39680) of
25 Part 2, as applicable.

26 (j) This section shall remain in effect only until January 1, 2024,
27 and as of that date is repealed, unless a later enacted statute, that
28 is enacted before January 1, 2024, deletes or extends that date.

29 SEC. 10. Section 44282 of the Health and Safety Code, as
30 amended by Section 22 of Chapter 401 of the Statutes of 2013, is
31 amended to read:

32 44282. The following criteria apply to all projects to be funded
33 through the program except for projects funded through the
34 infrastructure demonstration program:

35 (a) Except for projects involving marine vessels, 75 percent or
36 more of vehicle miles traveled or hours of operation shall be
37 projected to be in California for at least five years following the
38 grant award. Projects involving marine vessels and engines shall
39 be limited to those that spend enough time operating in California
40 air basins over the lifetime of the project to meet the

1 cost-effectiveness criteria based on NO_x reductions in California,
2 as provided in Section 44283.

3 (b) To be eligible, projects shall meet cost-effectiveness per ton
4 of NO_x reduced requirements of Section 44283.

5 (c) To be eligible, retrofits, repowers, and installation of add-on
6 equipment for covered vehicles shall be performed, or new covered
7 vehicles delivered to the end user, on or after the date the program
8 is implemented.

9 (d) Retrofit technologies, new engines, and new vehicles shall
10 be certified for sale or under experimental permit for operation in
11 California.

12 (e) Repower projects that replace older, uncontrolled engines
13 with new, emissions-certified engines or that replace
14 emissions-certified engines with new engines certified to a more
15 stringent NO_x emissions standard are approvable subject to the
16 other applicable selection criteria. The state board shall determine
17 appropriate baseline emission levels for the uncontrolled engines
18 being replaced.

19 (f) Retrofit and add-on equipment projects shall document a
20 NO_x emission reduction of at least 25 percent and no increase in
21 particulate emissions compared to the applicable baseline emissions
22 accepted by the state board for that engine year and application.
23 The state board shall determine appropriate baseline emission
24 levels. Acceptable documentation shall be defined by the state
25 board. After study of available emission reduction technologies
26 and after public notice and comment, the state board may revise
27 the minimum percentage NO_x reduction criterion for retrofits and
28 add-on equipment provided for in this section to improve the ability
29 of the program to achieve its goals.

30 (g) (1) For projects involving the purchase of new very low or
31 zero-emission vehicles, engines shall be certified to an optional
32 low NO_x emissions standard established by the state board, except
33 as provided for in paragraph (2).

34 (2) For projects involving the purchase of new very low or
35 zero-emission covered vehicles for which no optional low NO_x
36 emission standards are available, documentation shall be provided
37 showing that the ~~low~~ low- or zero-emission engine emits not more
38 than 70 percent of the NO_x or NO_x plus hydrocarbon emissions of
39 a new engine certified to the applicable baseline NO_x or NO_x plus
40 hydrocarbon emission standard for that engine and meets applicable

1 particulate standards. The state board shall specify the
2 documentation required. If no baseline emission standard exists
3 for new vehicles in a particular category, the state board shall
4 determine an appropriate baseline emission level for comparison.

5 (h) Projects using grants, loans, vouchers, or other incentives
6 pursuant to this chapter shall condition eligibility on the
7 requirements of Chapter 3.6 (commencing with Section 39680) of
8 Part 2, as applicable.

9 (i) This section shall become operative on January 1, 2024.

10 SEC. 11. Section 44295.5 is added to the Health and Safety
11 Code, to read:

12 44295.5. Beginning January 1, 2023, any program funded by
13 the Carl Moyer Memorial Air Quality Standards Attainment
14 Program that provides grants, loans, vouchers, or other incentives
15 shall comply with the reporting requirements in Chapter 3.6
16 (commencing with Section 39680) of Part 2. The state board may
17 include in an existing report its description of how Carl Moyer
18 programs are implementing the labor and workforce standards
19 required by Chapter 3.6 (commencing with Section 39680) of Part
20 2, as applicable.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairpersons Margaret Abe-Koga and Pauline Russo Cutter, and Members of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 13, 2021

Re: Federal Legislative Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Legislative Committee (Committee) will receive an update on recent events of significance on the federal level for the 117th Congress (2021-2022), including relevant budget activities.

DISCUSSION

To date, the following bills have been introduced at the federal level that are of interest to the Bay Area. Staff will provide an update with any additional bills that have been introduced by the day of the meeting.

The Climate Leadership and Environmental Action for our Nation's (CLEAN) Future Act (House Energy and Commerce Committee)

Sets two strong, national greenhouse gas pollution targets: 1) 50 percent reduction in greenhouse gas pollution from 2005 levels by 2030, and 2) a 100 percent clean economy with net zero greenhouse gas pollution by 2050. It includes sector-specific and economywide solutions to achieve these targets, authorizing \$565 billion over ten years to enable deep decarbonization, including:

- Requiring electricity suppliers to provide an increasing supply of clean energy to consumers starting in 2023, rising to 80 percent clean energy by 2030 and 100 percent by 2035.
- Investing in transportation electrification, including electric vehicles, and charging. Updates financing programs for new domestic manufacturing of advanced automotive technologies.

Clean Energy & Sustainability Accelerator: Creates a first-of-its-kind accelerator – modeled after the successful “Green Bank” – to help states, cities, communities, and companies transition to a clean economy. Capitalized with \$100 billion in funding, it makes investments in low- and zero-emissions energy technologies, climate resiliency projects, industrial decarbonization, energy grid modernization, and clean transportation.

Environmental Justice Protections: Empowers environmental justice communities to protect themselves and participate in the permitting and regulatory process.

Worker and Community Transition: Creates an Office of Energy and Economic Transition in the Executive Office of the President responsible for coordinating programs and activities that support impacted workers and communities.

Reconnecting Communities Act (Carper – DE) – S. ____

The Reconnecting Communities Act will address the legacy of highway construction built through communities, especially through low-income communities and communities of color, that divided neighborhoods and erected barriers to mobility and opportunity. This new grant program would fund community engagement and capacity building, as well as planning and construction of projects to remove or retrofit infrastructure barriers like highway overpasses and depressed highways. As communities across the nation are beginning to reimagine their downtowns to provide more sustainable and equitable access, this legislation will support local efforts to reconnect and revitalize areas that were harmed by the construction of the Interstate Highway System.

Clean Commute for Kids Act of 2021 (Padilla – CA) – S. ____

The *Clean Commute for Kids Act* authorizes \$25 billion over the next 10 years for the EPA, with assistance from the Department of Energy, to provide grants to replace existing buses with clean, zero-emission buses:

- 40 percent of this funding would go toward replacing school buses serving environmental justice communities.
- Funding awarded to school districts may cover up to 100 percent of the replacement costs of zero-emission buses, including acquisition and labor costs for charging infrastructure, workforce development and training, and planning and technical activity costs.
- This bill also directs the EPA to develop an outreach program to assist school districts in transitioning school bus fleets.

In California, school districts are beginning to make the switch to electric buses. The California Air Resources Board has leveraged federal funding to assist school districts and local air boards with the costs of school bus replacements. This bill will accelerate the transition and provide funding to reach more schools.

Clean Corridors Act of 2021 (DeSaulnier – CA) – Reintroduction TBD

Congressman DeSaulnier’s Clean Corridors Act will likely be introduced by the meeting day, and should be identical to the 2020 version, which would allocate \$3 billion to electric and hydrogen fueling infrastructure in cargo and freight corridors.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Alan Abbs
Reviewed by: Jack P. Broadbent

Attachment 6A: Clean Future Act – Fact Sheet
Attachment 6B: Reconnecting Communities Act - Fact Sheet



March 2021

The CLEAN Future Act – Updates to Discussion Draft Based on Feedback from Stakeholders & Committee Testimony

COMMITTEE ON ENERGY & COMMERCE

The CLEAN Future Act is a comprehensive and ambitious plan to ensure the United States acts aggressively to tackle the climate crisis in the 2020s and achieves net-zero greenhouse gas (GHG) pollution by no later than 2050. At the heart of the bill is a commitment to achieving a 50 percent reduction in GHG emissions from 2005 levels by no later than 2030 and a 100 percent clean economy by no later than 2050. The legislation includes both sector-specific and economywide solutions to achieve these goals, authorizing \$565 billion over ten years to enable deep decarbonization. The CLEAN Future Act includes significant updates to the draft released in January 2020, reflecting more than a year's worth of feedback from stakeholders, expert testimony received in Committee hearings, and the enactment of several previous provisions into law. This fact sheet highlights key provisions and updates to the CLEAN Future Act.

Title I – National Climate Target

- **NEW** Declares an interim national goal for the United States to reduce GHG pollution by no less than 50 percent below 2005 levels by no later than 2030.
- Declares a national goal for the United States to achieve net-zero GHG emissions by no later than 2050.
- Directs the head of each federal agency to develop a plan for that agency to achieve the national goals using existing authorities and charges the Environmental Protection Agency (EPA) with reviewing those plans and monitoring the nation's progress, with input from a Clean Economy Federal Advisory Committee.

Title II – Power

- Establishes a federal Clean Electricity Standard (CES) to put the United States on a path to 100 percent clean electricity generation by 2035.
 - **NEW** Accelerates the transition to clean electricity by requiring all retail electricity suppliers to reach 80 percent clean electricity by 2030 and 100 percent by 2035.
 - **NEW** Phases out the ability of fossil fuel power plants to earn partial credits by lowering the carbon intensity factor from 0.82 (adjusted for upstream GHG emissions) in 2030 to 0.4 in 2035.
 - **NEW** Allows the EPA Administrator to extend an individual retail electricity supplier's compliance obligation in the 2030s by one year at a time, if the supplier submits alternative compliance payments for more than 10 percent of its compliance obligation in the two prior consecutive years. Such extensions may be granted to an individual retail electricity supplier no more than five times.
 - **NEW** Requires that to be eligible to receive credits prevailing wages must be paid for construction of new generating units, and all qualifying generation must remain neutral with respect to the right to organize and bargain.
 - **NEW** Limits eligibility for waste-to-energy facilities to those that the EPA Administrator certifies every 18 months meet emission standards applicable to new such facilities and are in compliance with all applicable environmental permits.
- Enables the responsible buildout of the United States electricity transmission system to help achieve national clean energy goals.

- **NEW** Updates and restores federal backstop siting authority, improving interregional transmission planning and accuracy when identifying transmission needs, and supporting non-transmission alternatives.
- **NEW** Establishes an Office of Transmission at the Federal Energy Regulatory Commission (FERC) to help oversee the growing transmission system and provide assistance to state, local, and Tribal governments to help with permitting and siting of interstate transmission lines.
- **NEW** Establishes a program to provide funding for clean energy microgrids that will help communities build and improve resilience to climate change hazards.
- Strengthens the grid by creating a program to fund projects that improve grid resilience and efficiency, as well as programs to fund development of microgrids for critical infrastructure and isolated communities.
- Supports the transition to a low-carbon economy by investing in clean energy, distributed energy resources, energy storage systems, and microgrids.
- Updates and reforms the Public Utility Regulatory Policies Act (PURPA) of 1978 to include resources such as energy storage and non-wires solutions.
- **NEW** Ensures electric utilities offer community solar to all ratepayers by establishing a new standard under PURPA.
- Invests in clean and distributed resources such as community solar programs for low-income and underserved areas, and directs the Secretary of Energy to establish a Distributed Energy Opportunity Board.
- Reauthorizes the Low-Income Home Energy Assistance Program.
- **NEW** Directs the National Academy of Sciences to conduct a study on the equitable distribution of the benefits of clean energy.
- **NEW** Mandates dam safety and financial viability requirements as part of FERC's dam licensing process; directs FERC to hold a technical conference on dam safety; and requires continued communication between FERC and states on dam safety.

Title III – Efficiency

- Sets new energy efficiency targets and standards for buildings and provides funding for schools, homes, nonprofits, and critical infrastructure to improve efficiency, deploy energy-efficient technologies, and improve resilience.
- Authorizes grants to local communities to improve energy efficiency, including \$500 million for workforce training and \$8 billion in rebates for home retrofits.
- Boosts funding for popular and proven energy efficiency programs, providing nearly \$17.5 billion for the Energy Efficiency and Conservation Block Grant Program.
- **NEW** Establishes a benchmarking program to track commercial and multifamily building energy and water use to advance efforts to reduce energy and water consumption and GHG emissions at these buildings.
- **NEW** Reauthorizes the State Energy-Efficient Appliance Rebate Program and expands eligibility to cover replacement of appliances that will be powered by electricity.
- **NEW** Provides funding for projects related to resiliency, energy efficiency, renewable energy, and grid integration at public facilities.
- **NEW** Establishes a program to provide rebates to homeowners to defray the costs of retrofitting an existing home to be wildfire-resistant.
- **NEW** Amends the Energy Policy and Conservation Act of 1975 to add a section on state energy security plans.
- **NEW** Establishes a training and education program to support home energy savings retrofits.
- **NEW** Establishes annual targets for federal facilities to improve energy and water use efficiency under the Federal Energy Management Program.

Title IV – Transportation

- Includes numerous measures to expand U.S. electric vehicle infrastructure and access.
 - Authorizes \$500 million to deploy electric vehicle supply equipment (EVSE).
 - Supports development of model building codes for EVSE integration and standards needed for EVSE deployment.
 - **NEW** Establishes a program to provide funding to determine where EVSE will be needed to meet demand.
 - **NEW** Directs the Secretary of Energy to conduct an assessment to determine the challenges to and opportunities for the deployment of EVSE in underserved or disadvantaged communities.
 - **NEW** Establishes a Department of Energy (DOE) program to support the development and accessibility of electric vehicle charging infrastructure in underserved communities by providing technical assistance and awarding grants for eligible projects.
 - Ensures states are ready for growing electric vehicle charging demand by authorizing funding for State Energy Conservation Plans and State Energy Transportation Plans.
 - Amends PURPA to require states consider authorizing measures that encourage deployment of EVSE.
- **NEW** Revitalizes EPA’s clean school bus program and authorizes \$2.5 billion annually to accelerate the transition to zero-emission school buses and clean commutes for kids.
- **NEW** Establishes an EPA grant program to reduce GHG emissions and other forms of air pollution at ports, authorized to invest \$2 billion annually to decarbonize and electrify port infrastructure and operations.
- **NEW** Increases authorized funding for the Diesel Emissions Reduction Act (DERA) program to \$500 million annually.
- Directs EPA to promulgate emissions standards for GHG emissions from nonroad sources, including locomotives, and from both in-service aircraft and new aircraft, with requirements to increase ambition in reducing emissions.
- Reauthorizes DOE financing programs to help create and expand domestic manufacturing of advanced vehicles and advanced vehicle components.
- Authorizes \$10 million for a pilot program to electrify diesel-powered transport refrigeration units used to deliver and store perishable goods and medications.
- Authorizes \$375 million for the Clean Cities Coalition Program.
- Accelerates action on pathways for lower-carbon fuels under the renewable fuels program.
- **NEW** Creates a deadline for annual submission of petitions to extend small refinery exemptions under the renewable fuels program, and increases transparency by making certain information from those petitions subject to public disclosure.

Title V – Industry

- Establishes an Assistant Secretary of Energy for Manufacturing and Industrial Decarbonization to oversee programs related to manufacturing at DOE.
- Directs EPA, in consultation with DOE and other relevant agencies, to establish a Buy Clean Program to reduce emissions from materials and products used in federally funded projects.
 - **NEW** Establishes a Climate Star program to identify and promote cleaner products through voluntary labeling and federal procurement requirements.
 - **NEW** Updates the performance standards process to ensure adequate consideration of the various factors and complexities of eligible material manufacturing.
 - **NEW** Incorporates the expertise of relevant stakeholders and other Federal agencies, including DOE and the National Institute of Standards and Technology, to improve program development, enforcement, and efficacy.
- **NEW** Creates a DOE grant program to support manufacturing of clean energy systems and decarbonization of energy-intensive product manufacturing.

- **NEW** Establishes a Sustainable Industry Rebate Program at DOE to assist industrial facilities in making upgrades to improve energy and water efficiency and reduce GHG pollution.
- **NEW** Establishes an Industrial Efficiency Working Group to assess technologies and maintain a comprehensive list of those that qualify for a rebate.
- Directs DOE to assist small and medium manufacturers in implementing smart manufacturing practices using existing technical assistance programs and smart manufacturing infrastructure at the National Labs. Authorizes \$10 million annually to help states deploy smart manufacturing technologies.
- Modernizes how DOE's Loan Program Office evaluates an applicant's prospects of repayment.
- Supports carbon sequestration with funding for federal and state Class VI well permitting.

Title VI – Environmental Justice

- Provides funding for technical assistance grants to empower environmental justice communities in the regulatory decision-making process under the Clean Air Act and Solid Waste Disposal Act.
- Strengthens E.O. 12898 by codifying an Interagency Federal Working Group on Environmental Justice; requiring relevant federal agencies to integrate environmental justice into their respective missions; and codifying the National Environmental Justice Advisory Council.
- **NEW** Creates a new program to pay for lead service line removal across the country at no cost to states or homeowners, with high labor standards, using American-made iron and steel. The program will prioritize the replacement of lead service lines impacting disadvantaged communities.
- **NEW** Restricts air pollution permits from being issued or renewed for major sources in census tracts already overburdened by pollution.
- **NEW** Establishes an Office of Energy Equity at DOE to develop an agency-wide environmental justice strategy, reduce or stabilize energy costs in underserved or disadvantaged communities, and increase access to energy conservation measures in these communities.
- **NEW** Establishes a climate justice grants program to help address the impacts of climate change in environmental justice communities.
- **NEW** Establishes a timeline for EPA to assess and address cumulative public health risks.
- **NEW** Sets a ten-year deadline for the cleanup of all federal Superfund sites that are vulnerable to the effects of climate change.
- Requires that state hazardous waste disposal plans neither create nor exacerbate disproportionate impacts on environmental justice communities prior to federal approval.
- **NEW** Requires significant expansion of air quality monitoring for toxic air pollutants in fenceline communities, a rapid expansion of the national ambient air monitoring network in overburdened communities, and increased community access to information about air quality.
- **NEW** Requires environmental justice training for employees at federal agencies.
- **NEW** Establishes an environmental justice basic training program for communities to better identify and address disproportionately adverse human health or environmental effects.
- **NEW** Establishes an environmental justice clearinghouse with information on EPA environmental justice activities, technical expert and community group directories, and linguistically appropriate information.
- **NEW** Requires biennial meetings in each EPA region to gather input on environmental justice strategies and efforts by community stakeholders.
- **NEW** Provides funding for capacity-building in environmental justice communities.

Title VII – Super Pollutants

- Directs EPA to address methane pollution from the oil and gas sector by requiring existing sources to cut emissions 65 percent below 2012 levels by 2025 and 90 percent below 2012 levels by

2030. Further directs EPA to address pollution from liquified natural gas facilities and offshore oil and gas operations.

- Prohibits routine flaring from new oil and gas sources, limits routine flaring for existing sources to 80 percent below 2017 levels by 2025, and completely phases out the practice by 2028.
- Establishes a \$1.25 billion grant program at DOE to prevent methane leaks from the natural gas distribution system and to offset rate increases for low-income communities.
- Addresses domestic black carbon pollution by directing EPA to promulgate new rules if existing rules are insufficient to cut emissions 70 percent below 2013 levels by 2025. Also directs EPA to participate in international efforts to reduce black carbon emissions and provides support for Arctic indigenous communities affected by black carbon.
- **NEW** Establishes an EPA grant program for states to construct large-scale composting or anaerobic digestion food waste-to-energy projects.

Title VIII – Economywide Policies

- Empowers states to complete the transition to a net-zero economy, based on the existing federalism model in the Clean Air Act. States have flexibility to develop plans based on their policy preferences, priorities, and circumstances, and may choose to incorporate model GHG control strategies developed by EPA. Authorizes \$200 million to help states prepare plans.
- **NEW** Establishes a Clean Energy and Sustainability Accelerator, capitalized with \$100 billion to help states, cities, communities, and businesses transition to a clean energy economy. The Accelerator will leverage public and private funds to provide financing for clean energy technologies and infrastructure, climate resiliency, building efficiency and electrification, industrial decarbonization, transportation electrification, and more.
- **NEW** Includes an overarching requirement that 40 percent of funds made available under the CLEAN Future Act benefit environmental justice communities.
- Establishes a clean energy workforce development program to educate and train the next generation of clean energy researchers, scientists, and professionals, including through grants to eligible businesses.
- Requires that any project funded under the Act to construct, alter, maintain, or repair a public building or public work only use iron, steel, and manufactured goods produced in the United States. Also includes strong prevailing wage standards and project labor agreement requirements for any project fully or partially funded under the Act.
- **NEW** Directs the Securities and Exchange Commission to require public companies to disclose information about their exposure to climate-related risks, including direct and indirect GHG emissions, and risk management strategies to identify and mitigate the physical and transition risks posed by climate change.

NEW Title IX – Waste Reduction

- **NEW** Introduces a suite of measures to reduce the generation of waste before it has the chance to pollute the nation’s air, water, and communities.
- **NEW** Places a temporary pause on the permitting of new and expanded plastic production and related facilities, during which EPA must update clean air regulations to limit emissions from these facilities.
- **NEW** Directs EPA to ensure that any permit for a new or expanded plastic production or related facility addresses environmental justice impacts, including by conducting an environmental justice assessment and consulting with impacted communities.
- **NEW** Modernizes the nation’s approach to recycling and waste management, including by establishing post-consumer recycled content standards for everyday products; implementing a national bottle deposit program to improve the collection of recyclable beverage containers; and standardizing labeling and collection of recyclable goods.
- **NEW** Establishes a task force to initiate the process of creating an extended producer responsibility system for products in the marketplace.

- **NEW** Establishes EPA grant programs to invest in community-level zero-waste initiatives; to reduce the amount of waste that ends up in landfills; and to improve education and outreach related to recycling and waste reduction at the federal, state, and local levels.
- **NEW** Establishes programs and measures to improve the collection, recycling, and reuse of batteries and other forms of electronic waste.
- **NEW** Directs EPA to clarify federal agencies' responsibilities related to the procurement of products containing recovered material.

NEW Title X – Worker and Community Transition

- **NEW** Introduces numerous programs to address the needs of workers and communities affected by the transition to a clean energy economy.
- **NEW** Establishes an Office of Energy and Economic Transition in the Executive Office of the President to coordinate federal activities concerning worker and community transition.
- **NEW** Establishes an interagency task force and stakeholder advisory committee to enhance coordination of relevant programs and activities intended to support adversely affected workers and communities.
- **NEW** Creates a program to provide financial assistance to local governments that have lost significant amounts of revenue due to the nation's transition to net-zero GHG emissions. Grants may also be awarded to assist local governments in planning for anticipated community adjustment assistance.
- **NEW** Establishes a program to fund one-stop, community-based organizations in affected communities to advise workers and communities. Programs advise communities in applying for assistance; conducting education and outreach activities; providing information on locally available training, counseling, employment opportunities, and wraparound services; and facilitating enrollment in training and educational programs.

Several provisions that were included in the draft legislation last year are not included in the introduced CLEAN Future Act this year because they were signed into law in 2020 as part of the Consolidated Appropriations Act, 2021. The provisions are:

Indian energy (previously Sec. 233 of CLEAN Future Act discussion draft)
 Rural grants (previously Sec. 234)
 Promoting grid storage (previously Sec. 235)
 Energy efficient transformer rebate program (previously Sec. 237)
 Hydroelectric production incentives and efficiency improvements (previously Sec. 243)
 Weatherization assistance program (previously Sec. 311)
 Energy retrofitting assistance for schools (previously Sec. 313)
 Energy efficient government technology (previously Sec. 323)
 Smart energy and water efficiency program (previously Sec. 324)
 Smart building acceleration (previously Sec. 325)
 Energy savings performance contracts (previously Sec. 341)
 Loan program office reform (previously Sec. 502)
 Supporting carbon capture utilization and storage (previously Sec. 503)
 CHP Support Act (previously Sec. 511)
 Development of National Smart Manufacturing Plan (previously Sec. 512(b))
 Motor rebate program (previously Sec. 513)



The Reconnecting Communities Act will address the legacy of highway construction built through communities, especially through low-income communities and communities of color, that divided neighborhoods and erected barriers to mobility and opportunity. This new grant program would fund community engagement and capacity building, as well as planning and construction of projects to remove or retrofit infrastructure barriers like highway overpasses and depressed highways. As communities across the nation are beginning to reimagine their downtowns to provide more sustainable and equitable access, this legislation will support local efforts to reconnect and revitalize areas that were harmed by the construction of the Interstate Highway System.

Summary

This legislation establishes a grant program at the Department of Transportation to help communities identify and remove or remediate infrastructural barriers that create obstacles to mobility or economic development, or expose the community to air pollution or other health and safety risks. It would create three categories of grants:

- *Community Engagement, Education, and Capacity Building Grants:* These grants would fund efforts to educate community members, build community capacity, identify local needs, form community boards, and engage community members in transportation planning. Funds would expand the ability of community members to participate in transportation and economic development decision-making to ensure investments address community needs. Local and Tribal governments, MPOs, and nonprofit organizations would be eligible recipients of community engagement, education, and capacity building grants.
- *Planning and Feasibility Grants:* These grants would fund state and local planning activities to design projects and study traffic, access, and equity impacts, assess the project feasibility, conduct public engagement and environmental review, and establish a community land trust to develop real estate created by the project. State, local, Tribal governments, MPOs, and nonprofit organizations would be eligible recipients of planning and feasibility grants.
- *Capital Construction Grants:* These grants would fund construction activities to remove or retrofit an infrastructural barrier in a way that enhances community connectivity, including by capping or replacing it with an at-grade roadway; improving connectivity across a barrier; replacing the facility with a new use like a public park or trail; and other projects that would address the mobility needs of the community. Grants would go to the owner of the infrastructure asset, with whom State, local, Tribal government, MPOs, and nonprofit organizations could partner to be eligible recipients of capital construction grants.