



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
LEGISLATIVE COMMITTEE

COMMITTEE MEMBERS

PAULINE RUSSO CUTTER – CHAIR
MARGARET ABE-KOGA
DAVID HAUBERT
DAVID HUDSON
BRAD WAGENKNECHT

ROB RENNIE – VICE-CHAIR
ERIN HANNIGAN
LYNDA HOPKINS
SERGIO LOPEZ

THIS MEETING WILL BE CONDUCTED UNDER PROCEDURES AUTHORIZED BY ASSEMBLY BILL 361 (RIVAS 2021) ALLOWING REMOTE MEETINGS. THIS MEETING WILL BE ACCESSIBLE VIA WEBCAST, TELECONFERENCE, AND ZOOM. A ZOOM PANELIST LINK WILL BE SENT SEPARATELY TO COMMITTEE OR BOARD MEMBERS

- **THE PUBLIC MAY OBSERVE THIS MEETING THROUGH THE WEBCAST BY CLICKING THE LINK AVAILABLE ON THE AIR DISTRICT’S AGENDA WEBPAGE AT**

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LEGISLATIVE COMMITTEE MEETING AGENDA

MONDAY, OCTOBER 3, 2022

1:00 PM

1. **Call to Order - Roll Call**
2. **Pledge of Allegiance**
3. **Public Meeting Procedure**

The Committee 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 two minutes each to address the Committee. No speaker who has already spoken on that item will be entitled to speak to that item again.*

CONSENT CALENDAR (Item 4)

4. Approval of the Minutes of July 11, 2022

The Committee will consider approving the attached draft minutes of the Legislative Committee meeting of July 11, 2022.

PRESENTATION(S)

5. State Legislative Budget Update

This is an informational item only and will be presented by Alan Abbs, Legislative Officer.

6. Air District-Sponsored Bills

This is an informational item only and will be presented by Alan Abbs, Legislative Officer.

7. State Legislative Update

This is an informational item only and will be presented by Alan Abbs, Legislative Officer.

8. Federal Legislative Update

This is an informational item only and will be presented by Alan Abbs, Legislative Officer.

OTHER BUSINESS

9. Public Comment on Non-Agenda Matters

Pursuant to Government Code Section 54954.3

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

10. Committee Member Comments

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)

11. Time and Place of Next Meeting

Monday, November 14, 2022, at 1:00 p.m., via webcast, teleconference, or Zoom, pursuant to procedures in accordance with Assembly Bill 361 (Rivas 2021).

12. Adjournment

The Committee meeting shall be adjourned by the 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, Suma Peesapati, at (415) 749-4967 or by email at speesapati@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

OCTOBER 2022

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Legislative Committee	Monday	3	1:00 p.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Meeting	Wednesday	5	9:00 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Community Equity, Health and Justice Committee	Thursday	6	9:30 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Legislative Committee- CANCELLED AND RESCHEDULED TO MONDAY, OCTOBER 3, 2022 AT 1:00 P.M.	Monday	10	1:00 p.m.	Webcast only pursuant to Assembly Bill 361
Technology Implementation Office (TIO) Steering Committee	Friday	14	1:00 p.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Stationary Source and Climate Impacts Committee	Monday	17	9:00 a.m.	Webcast only pursuant to Assembly Bill 361
Path to Clean Air Community Emissions Reduction Plan Steering Committee	Monday	17	5:30 p.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Meeting	Wednesday	19	9:00 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Administration Committee	Wednesday	19	1:00 p.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Budget and Finance Committee	Wednesday	26	9:30 a.m.	Webcast only pursuant to Assembly Bill 361
Board of Directors Mobile Source and Climate Impacts Committee	Thursday	27	9:30 a.m.	Webcast only pursuant to Assembly Bill 361

HL 9/28/22 – 12:40 p.m.

G/Board/Executive Office/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Pauline Russo Cutter and Members
of the Legislative Committee

From: Sharon L. Landers
Interim Executive Officer/APCO

Date: October 3, 2022

Re: Approval of the Minutes of July 11, 2022

RECOMMENDED ACTION

Approve the attached draft minutes of the Legislative Committee meeting of July 11, 2022.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval are the draft minutes of the Legislative Committee meeting of July 11, 2022.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Sharon L. Landers
Interim Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

ATTACHMENTS:

1. Draft Minutes of the Legislative Committee Meeting of July 11, 2022

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
Monday, July 11, 2022

This meeting was conducted under procedures authorized by executive order Assembly Bill 361. Members of the Committee participated by teleconference.

1. CALL TO ORDER – ROLL CALL

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

Roll Call:

Present: Chairperson Pauline Russo Cutter; Vice Chairperson Rob Rennie; and Directors Margaret Abe-Koga, David Haubert, Lynda Hopkins, David Hudson, and Sergio Lopez.

Absent: Directors Erin Hannigan and Brad Wagenknecht.

2. PLEDGE OF ALLEGIANCE

3. PUBLIC MEETING PROCEDURE

4. APPROVAL OF THE MINUTES OF JUNE 13, 2022

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Hudson made a motion, seconded by Director Haubert, to approve the Minutes of June 13, 2022; and the motion carried by the following vote of the Committee:

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

5. STATE LEGISLATIVE BUDGET UPDATE

Alan Abbs, Legislative Officer, gave the staff presentation *State Legislative Budget Update*, including: outcome; outline; requested action; and 2022-23 State Budget versus previous year. Mr. Abbs explained the development of the 2022-23 State Budget, which was approved by the Governor and is 95% complete. He noted that there was an error on slide 5; “Assembly Bill (AB) 836 – Clean Air Centers” is actually the overall budget for resilience centers.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed which funds are still to be allocated for the 2022-23 State Budget; whether climate change or equity is the bigger priority; whether the Air District should receive a larger allocation of AB 617 funding than other California air districts; how the Air District made up the difference in previous years when the State issued less AB 617 funding, and how that affected the Air District’s annual budget; candidate Bay Area AB 617 communities; why resiliency centers, zero-emission lawn and garden, and woodstove replacement programs were not funded in the 2022-23 State Budget; and whether the California Energy Commission would willing to consider hydrogen fueling stations.

Committee Action

None; receive and file.

6. AIR-DISTRICT SPONSORED BILLS

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

- **AB 1897 (Wicks): Nonvehicular air pollution control: civil penalties: refineries.** – Existing law prohibits a person from discharging from nonvehicular sources air contaminants or other materials that cause injury, detriment, nuisance, or annoyance to any considerable number of persons or to the public, or that endanger the comfort, repose, health, or safety of those persons or the public, or that cause, or have a natural tendency to cause, injury or damage to business or property. Under existing law, a person who violates this provision, or any other statute, rule, regulation, permit, or order, as provided, is strictly liable for a civil penalty of not more than \$10,000, unless that person alleges by affirmative defense and establishes that the act was not the result of intentional or negligent conduct, in which case the person is strictly liable for a civil penalty of not

more than \$5,000. A violator who acts negligently, knowingly, willfully and intentionally, or with reckless disregard, is liable for a civil penalty in a greater amount, as specified. Existing law requires the civil penalties to be assessed and recovered in a court of competent jurisdiction through a civil action brought by the Attorney General, a district attorney, or the attorney for the district in which the violation occurs. Existing law precludes prosecution under specified statutes if civil penalties are recovered for the same offense. This bill would make a person who violates the above provision liable for a civil penalty of not more than \$30,000 if the violation results from a discharge from a stationary source required by federal law to be included in an operating permit program established pursuant to Title V of the federal Clean Air Act, and the stationary source is a refinery, as defined, the discharge results in a disruption to the community, and the discharge contains or includes one or more toxic air contaminants, as specified. The bill would additionally make a person who violates this provision liable for a civil penalty of not more than \$100,000 for a subsequent violation within a 12-month period. The bill would require civil penalties collected by an air pollution control district or an air quality management district pursuant to this provision, above the costs of prosecution, to be expended to mitigate the effects of air pollution in communities affected by the violation. Mr. Abbs reported that this bill was doubly referred to the Senate Standing Committees on Environmental Quality and Judiciary, after being passed in the California Assembly. This bill is scheduled to be heard in the Senate Standing Committee on Appropriations on August 1, and the Air District is still reaching out to Senators for support.

- **AB 2214 (C. Garcia and Lee): California Environmental Quality Act: schoolsites: acquisition of property: school districts, charter schools, and private schools.** The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project 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 certain conditions are met relating to, among other things, hazardous emissions or substances safety considerations, as provided. Existing law requires the governing board of a school district, as a condition of receiving state funding under the Leroy F. Greene School Facilities Act of 1998, to conduct a Phase I environmental assessment of a proposed schoolsite before acquiring the site, as provided. 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. Existing law requires the governing board of a school district, before acquiring title to property for a new schoolsite or for an addition to a present schoolsite, to give notice in writing of the proposed acquisition to the planning commission. Existing law requires the planning commission to investigate the proposed site and submit a written report to the governing board of the school district, as provided. Existing law prohibits the governing board from acquiring title to the property until the report of the planning commission has been received. This bill would impose those prohibitions, and related requirements, on the governing body of a charter school and the governing body of a private school, and would make the provisions relating to school districts also applicable to charter schools and private schools, as provided. The bill would apply the Phase I environmental

assessment requirements to charter schools and private schools, without conditioning the requirements on the receipt of state funds. By imposing new requirements on school districts, charter schools, lead agencies, cities, and counties, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason. This bill is scheduled to be heard in the Senate Standing Committee on Appropriations on August 1, where it died in 2021.

- **AB 2721 (Lee) – Bay Area Air Quality Management District: district board: compensation.** Existing law establishes the Bay Area Air Quality Management District, which is vested with the authority to regulate air emissions located in the boundaries of the Counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara and portions of the Counties of Solano and Sonoma. Existing law establishes a district board to govern the district and prescribes the membership of the district board. Existing law authorizes the district board to provide, by ordinance, compensation not to exceed \$100 per day for board members for attending meetings of the board or committees of the board or while on official business of the district and not to exceed \$6,000 per year. Existing law also requires board members to receive actual and necessary expenses incurred in the performance of their duties. This bill would revise the amount of compensation that a member of the board may receive for attending a meeting of the board or attending a meeting while on official business of the district to an amount not to exceed \$100 per meeting and \$200 per day. The bill would also authorize a member of the board to receive compensation for active transportation travel to one of these meetings and would subject this compensation to the \$6,000 total annual compensation limit. The date on which this bill will be heard on the Senate floor is yet to be determined.

- **AB 2836 (E. Garcia): Carl Moyer Memorial Air Quality Standards Attainment Program: vehicle registration fees: California tire fee.** Existing law establishes the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program), which is administered by the State Air Resources Board, to provide grants to offset the incremental cost of eligible projects that reduce emissions of air pollutants from sources in the state and for funding a fueling infrastructure demonstration program and technology development efforts. Existing law, beginning January 1, 2024, limits the Carl Moyer Program to funding projects that reduce emissions of oxides of nitrogen (NOx) from covered sources. Existing law, until January 1, 2024, defines covered source for purposes of the Carl Moyer Program to include any marine vessel and any other category necessary for the state and air districts to meet air quality goals. This bill would extend the current authorization for the Carl Moyer Program to fund a broader range of projects that reduce emissions from covered sources until January 1, 2034. Existing law authorizes the Sacramento Metropolitan Air Quality Management District to adopt a surcharge on motor vehicle registration fees applicable to all motor vehicles registered in counties within the district. Existing law, until January 1, 2024, raises the limit on the amount of that surcharge from \$4 to \$6 and requires that \$2 of the surcharge be used to implement the Carl Moyer Program, among other programs. Existing law requires the Department of Motor Vehicles to collect that surcharge if requested by the district, and

requires the department, after deducting its administrative costs, to distribute the revenues to the district. Beginning January 1, 2024, existing law returns the surcharge limit to its previous amount of \$4. This bill would extend the authorization to increase the surcharge to \$6 until January 1, 2034. This bill is scheduled to be heard in the Senate Standing Committee on Appropriations on August 1.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed whether an air district's hearing board may determine civil penalties, and which entity determines fine amounts.

Committee Action

None; receive and file.

7. STATE LEGISLATIVE UPDATE

Mr. Abbs reported the following:

- **California Proposition 30, Tax on Income Above \$2 Million for Zero-Emissions Vehicles and Wildfire Prevention Initiative**, made the ballot deadline for November. It would increase the tax on personal income above \$2 million by 1.75% and dedicate the revenue to zero-emission vehicle subsidies, zero-emission vehicle infrastructure, and wildfire suppression and prevention programs. As the Air District was asked to take a position on this, the Board will be asked to consider doing so.
- **AB 2910 (Santiago): Nonvehicular air pollution: civil penalties**. Existing law generally designates air pollution control and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources. Existing law establishes maximum civil penalties for any person for violations of air pollution laws from nonvehicular sources. A person who violates these laws and who acts negligently is liable for a civil penalty in a greater amount, as specified. Existing law annually adjusts the maximum penalties for violations of these laws based on the California Consumer Price Index. This bill would increase the maximum amount of those civil penalties and would subject those maximum amounts to the annual adjustment based on the California Consumer Price Index, as specified. This bill would also require any moneys, above the costs of prosecution and other specified costs, collected from penalties assessed by specified air pollution control districts and air quality management districts in excess of \$10,000 for violations of air pollution control laws from nonvehicular sources that occurred in disadvantaged communities to be used to mitigate air pollution in the community or communities affected by the violation. This is a companion bill to AB 1897. This bill made its way through the Assembly committee process and was voted on the Assembly Floor on May 26, 2022, where it received a vote in favor of 52:17. In the Senate, AB 2910 was double-referred to the Senate Environmental Quality Committee and the Senate Judiciary Committee and made it out

of each committee favorably with a vote of 5:2 and 9:1, respectively. AB 2910 has since been referred to the Senate Appropriations Committee and is scheduled to be heard on August 1, 2022.

- **Senate Bill (SB) 1382 (Gonzalez and Becker): Air pollution: Clean Cars 4 All Program: Sales and Use Tax Law: zero emissions vehicle exemption.** Existing law establishes the Clean Cars 4 All Program, which is administered by the State Air Resources Board, to focus on achieving reductions in the emissions of greenhouse gases, improvements in air quality, and benefits to low-income state residents through the replacement of high-polluter motor vehicles with cleaner and more efficient motor vehicles or a mobility option. Existing law requires the implementing regulations to ensure, among other things, that there is improved coordination, integration, and partnerships with other specified programs that target disadvantaged communities. Existing law creates the enhanced fleet modernization program to provide compensation for the retirement and replacement of passenger vehicles and light-duty and medium-duty trucks that are high polluters. Existing law requires the state board to annually post on its internet website a performance analysis of the replacement and mobility options component of the programs that includes information regarding how incentive levels can be modified to maximize participation and emissions reductions. This bill would require the implementing regulations for the Clean Cars 4 All Program to additionally ensure that the state board coordinates with local air districts and local nonprofit and community organizations, as provided, to identify barriers to accessing the Clean Cars 4 All Program and to develop outreach protocols and metrics to assess the success of outreach across the districts. The bill would additionally require that the performance analysis include an assessment identifying populations that are eligible for, but underserved by the Clean Cars 4 All Program, as provided, and would require the assessment to identify barriers preventing the underserved populations from participating in the program and to propose strategies to overcome those barriers. The bill would require the state board to consider specified metrics in allocating funding to districts participating in the Clean Cars 4 All Program. The bill would authorize up to 10% of the moneys allocated by the state board for the Clean Cars 4 All Program to be used for outreach programs in accordance with specified requirements. 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, 2023, and until January 1, 2028, 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, 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. Existing law requires a bill authorizing a new tax expenditure to contain, among other things, specific goals, purposes, and objectives that the tax expenditure will achieve, detailed performance indicators, and data collection requirements. This bill would include additional information required for a bill authorizing a new tax credit. This bill would specify that this exemption does not apply to local sales and use taxes or transactions and use taxes. This bill made its way through the Senate committee process and was voted on the Senate Floor on May 26, 2022, where it received a vote in favor of 33:5. In the Assembly, SB

1382 was doubly referred to the Assembly Transportation Committee and the Assembly Revenue and Taxation Committee and made it out of each committee favorably with a vote of 13:0 and 9:1, respectively. SB 1382 has since been ordered to the Assembly Appropriations Committee, hearing date pending. Assembly Member Jim Cooper, the author of the program’s original bill, asked Mr. Abbs to be a witness.

Public Comments

None; receive and file.

Committee Comments

The Committee and staff discussed California Proposition 30, and the motivation of its supporters.

Committee Action

None; receive and file.

8. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

9. COMMITTEE MEMBERS’ COMMENTS

Director Hudson reminded Board members that Board and committee meetings will be fully remote, without a hybrid option, until further notice.

10. TIME AND PLACE OF NEXT MEETING

Monday, October 3, 2022, at 1:00 p.m., via webcast, teleconference, or Zoom, pursuant to procedures in accordance with Assembly Bill 361 (Rivas 2021).

11. ADJOURNMENT

The meeting adjourned at 1:58 p.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Pauline Russo Cutter and Members
of the Legislative Committee

From: Sharon L. Landers
Interim Executive Officer/APCO

Date: October 3, 2022

Re: State Legislative Budget Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

- January 10, 2022 – Governor Newsom released his initial proposal for the fiscal year (FY) 2022-23 Budget.
- May 13, 2022 – Governor released the May Revision (May Revise) to the proposed 2022-23 Budget.
- June 13, 2022 – Budget bill Senate Bill (SB) 154 (Skinner) was passed by the Legislature and sent to the Governor.
- June 27, 2022 – SB 154 (Skinner) was approved by the Governor.
- June 30, 2022
 - Assembly Bill (AB) 178 (Ting) – Budget Bill Jr., which amends SB 154 – approved by the Governor.
 - AB 180 (Ting) – Budget Bill Jr., which amends the FY 2021-22 budget to make current year allocations – approved by the Governor.

Since the July 11, 2022, Legislative Committee (Committee) meeting the Legislature amended and passed AB 179 (Ting), another Budget Bill Jr. which makes changes to the adopted June budget and provides additional funding, and in some cases new language, for various items of interest, AB 209 (Committee on Budget), the Energy and Climate Change trailer bill, and AB 211 (Committee on Budget), the Public Resources trailer bill. AB 179 and AB 209 were approved by the Governor on September 6, 2022. AB 211 is currently on the Governor's desk. September 30, 2022, is the last day for the Governor to sign AB 211.

DISCUSSION

Staff will provide an update to the Committee on activities related to the budget.

Attached is a table of programs significant to the Air District, along with budget data from the previous year.

AB 179 (Ting) – Budget Act of 2022 (Budget Bill Jr.)

- \$2M General Fund for local air district prescribed fire grant program (like last year, it's identified in the budget bill as being for "enhanced permitting of prescribed burns").
- \$5M Greenhouse Gas Reduction Fund (GGRF) for Woodsmoke Reduction Program - Includes the following language: In awarding the funding, the board shall promote switching to lower carbon, clean heating powered by renewable energy by offering incentives only for electric heating and the cleanest wood-burning devices. The board may allocate a portion of the funding for stove testing designed to identify the cleanest wood-burning devices. The board shall offer higher incentives, up to the full cost of device and installation, to low-income households and households located in disadvantaged and low-income communities.
- \$130M additional General Fund for a suite of equity transportation programs established under the Charge Ahead California Initiative, including, but not limited to, the Clean Cars 4 All Program. (\$125M was in the June budget; this adds another \$130M, bringing the total General Fund appropriation to \$255M)
 - \$125M of this is to establish the Clean Cars 4 All Program statewide.
 - \$80M minimum shall be allocated among the following air districts that are currently operating their own Clean Cars 4 All programs: South Coast Air Quality Management District, San Joaquin Air Pollution Control District, Bay Area Air Quality Management District, Sacramento Metropolitan Air Quality Management District, and San Diego Air Pollution Control District.
 - \$10M shall be used to help low-income Californians replace degraded batteries.
 - CARB shall consider increased incentive levels to accommodate increased costs associated with adaptive equipment for eligible Californians with physical disabilities. The State Board shall phase out conventional hybrids from eligibility as a replacement vehicle under the Clean Cars for All program by November 2024, consistent with the adoption of that year's funding plan.
- \$50M GGRF for a suite of equity transportation programs established under the Charge Ahead California Initiative, including, but not limited to, the Clean Cars 4 All Program. (\$76M was in the June budget; this adds another \$50M, bringing the total to \$126M). CARB will determine how much of the \$50M goes to CC4A and it appears that if some or all of the funding goes to CC4A, CARB will also determine the split between CARB's statewide program and the districts.
- \$60M General Fund and GGRF for commercial harbor craft
- \$10M GGRF for Fluorinated Gasses Emission Reduction Incentive Program
- \$5M GGRF Woodsmoke Reduction Program
- \$5M GGRF for technical assistance grants to community-based organizations to support

community engagement informed by the AB 617 Consultation Group, Environmental Justice Advisory Committee, and other environmental justice stakeholders to distribute methane monitoring data. This methane data shall be made publicly accessible on an internet web-based portal, and all methane data and data practices shall remain public and open source.

- \$20M General Fund for accelerating the adoption of ultra-low-global-warming-potential refrigerants through the Equitable Building Decarbonization Program (program in AB 209, the Energy and Climate Change trailer bill).
- \$30M GGRF going to support CARB under stationary source. This is likely for mobile monitoring services.
- \$110M for grants and incentives to create and expand resilience centers.

Other CEC funding (Section 65)

- \$90M General Fund to provide climate innovation research and development grants to companies headquartered in California.
- \$45M General Fund to support carbon removal applied research and development grants, carbon removal prototype and pilot research centers, and carbon removal technology and demonstration grants.
- \$10M for financial incentives to reduce mobile and stationary sources of criteria air pollutants or toxic air contaminants consistent with community emissions reduction programs developed pursuant to Section 44391.2 of the Health and Safety Code. (This is in addition to the \$300M for AB 617 incentives, implementation, and community grants)
 - Up to \$10,000,000 may be used for the development of new community emissions reduction programs.

AB 209 (Committee on Budget) – Energy and Climate Change Trailer Bill

Creates and provides funding for new clean energy programs. Sections 11,12,13 (air districts have a consultative role in Sec. 13) and 30 are of particular interest.

Section 63 of AB 179 provides funding for the new clean energy programs.

- \$126M General Fund to provide incentives for long-duration storage projects.
- \$90M General Fund to provide incentives for the Hydrogen Program.
- \$90M General Fund to provide incentives for the Industrial Grid Support and Decarbonization Program.
- \$23.75M General Fund to provide incentives for the Food Production Investment Program.
- \$112M General Fund to provide incentives for the Equitable Building Decarbonization Program (there's another \$20M GGRF listed above)
- \$42.75M General Fund to provide incentives to support offshore wind infrastructure improvements.

AB 211 (Committee on Budget) – Public Resources Trailer Bill (Not signed as of September 21, 2022)

Hexavalent Chromium – Funding and CARB Rulemaking

Includes the following language:

- It is the intent of the Legislature, upon an appropriation in the Budget Act for the 2023–24 fiscal year for these purposes, to enact future legislation that would make ten million dollars (\$10,000,000) available to the State Air Resources Board to assist with the necessary transition away from the use of hexavalent chromium. It is the further intent of the Legislature to enact future legislation that would do all of the following:
 - (a) Make this funding available upon the board’s adoption of an air emission rule to fully eliminate hexavalent chromium at all decorative and functional chromium plating facilities and chromic acid anodizing facilities statewide.
 - (b) Make at least 50 percent of the funding potentially available to create a program, or utilize an existing program, to provide incentives for chromium plating services in California operated by small businesses, based on annual gross receipts, to convert to trivalent chromium plating and chromic acid anodizing processes and technologies, as defined by the board, for use in their chromium plating services, or an alternative that is at least equally health protective. Priority would be given to facilities that are located in close proximity to sensitive receptors.
 - (c) Allocate funds to further customer awareness and acceptance of trivalent chromium plated projects, to further technology through demonstration or other trivalent chromium plated projects, and to further technology through other suitable projects.

- States the intent of the Legislature that \$2.415B be allocated to ZEV investments, including \$1.25B in the 2023–24 fiscal year, \$781M in the 2024–25 fiscal year, and \$384M in the 2025–26 fiscal year should be appropriated in the budget acts for those respective fiscal years from fund sources to be determined based on future analyses concerning the availability of state and federal funds for these purposes. Allocations to be determined.
- States the intent of the Legislature that based on the fiscal analysis of funding availability, and subject to a determination by the Director of Finance that sufficient resources are available, makes \$500M available in the 2023–24 fiscal year and \$500M in the 2024–25 fiscal year to support various climate initiatives (to be determined).
- Includes requirement for CARB to phase out funding for plug-in hybrid electric vehicles in the Clean Vehicle Rebate Project no later than January 1, 2025.
- Makes CARB solely responsible for the development and implementation of the Medium- and Heavy-Duty Zero-Emission Vehicle Fleet Purchasing Assistance Program, rather than requiring CARB to designate the California Pollution Control Financing Authority as the agency responsible for administering the program.
- Creates the Community Resilience Center Program, to be administered by the Strategic Growth Council, in coordination with the Office of Planning and Research, to provide funding for the construction of new, or the retrofitting of existing, facilities that will serve as community resilience centers. Community resilience centers shall serve as community emergency response facilities and aid in building long-term resilience, preparedness, and

recovery operations for local communities. The purpose of the centers is to mitigate the public health impacts of extreme heat and other emergency situations exacerbated by climate change, such as wildfire, poor air quality, power outages, or flooding, on local populations.

- Provides that, upon appropriation by the Legislature, the sum of fifty million dollars, \$50M shall be available in the 2023–24 fiscal year to the Office of Planning and Research for the Community Resilience and Heat Program (requires future action).

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Sharon L. Landers
Interim Executive Officer/APCO

Prepared by: Alan Abbs
Reviewed by: Sharon L. Landers

ATTACHMENTS:

1. 2022-23 State Budget vs. Previous Year

Program	FY 21/22 Approved Budget	FY 22/23 Approved Budget and Trailer Bills (As of 9/20/2022)
AB 617 – Implementation	\$50M	\$50M
AB 617 – Incentives	\$260M	\$240M
AB 617 – Community Grants	\$10M	\$10M
AB 617 - Additional Incentives (CERP)		\$10M
Clean Vehicle Rebate	\$525M*	(see note below)
Clean Truck & Bus	\$315M	\$600M
Ag Diesel Engine Replacement	\$213M	\$150M
Clean Cars For All/ School Bus/Equity	\$150M	\$381M
Resilience Centers	\$25M	\$110M
Prescribed Fire	\$2M	\$2M
Carl Moyer Program	\$247M	\$130M
Zero-Emission Lawn and Garden	\$30M	\$0
Woodstove Replacement	\$5M	\$5M
Port and Freight Goods Movement Infrastructure		\$1.2B**
ZEV Drayage/Transit Bus/School Bus		\$280M
Long-Duration Energy Storage		\$140M
Residential Decarbonization		\$112M
Commercial Harbor craft		\$60M

* FY 21/22 was for 3-year budget

** Over the next 4 years

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Pauline Russo Cutter and Members
of the Legislative Committee

From: Sharon L. Landers
Interim Executive Officer/APCO

Date: October 3, 2022

Re: Air District-Sponsored Bills

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

This year, the Air District is sponsoring the following three bills:

- Assembly Bill (AB) 1897 (Wicks) – Nonvehicular air pollution control: civil penalties: refineries.*
- AB 2214 (C. Garcia and Lee) – California Environmental Quality Act: schoolsites: acquisition of property: school districts, charter schools, and private schools.
- AB 2721 (Lee) – Bay Area Air Quality Management District: district board: compensation.

*This bill was gut and amended the week before the 2022 Legislative Session ended, as noted in the discussion section below.

The Air District is also co-sponsoring the following bills:

- AB 2836 (E. Garcia) – Carl Moyer Memorial Air Quality Standards Attainment Program: vehicle registration fees: California tire fee.

DISCUSSION

Staff will provide the Legislative Committee with a summary and status of the three Air District-sponsored bills and one co-sponsored bill.

AB 1897 (Boerner Horvath) Solid waste: reporting, packaging, and plastic food service ware. (~~Wicks) Nonvehicular air pollution control: civil penalties: refineries.~~

AB 1897 was introduced by Assemblymember Wicks and sponsored by the Air District. The bill made its way through the Assembly committee process and passed the Assembly Floor on May 26, 2022. In the Senate, AB 1897 was double-referred and made it out of the Committees on Environmental Quality and Judiciary favorably. AB 1897 was then referred to the Senate Appropriations Committee, where it was placed on the Suspense File, and passed with a vote of 5:2. Unfortunately, Senate Appropriations made several amendments to the bill that made it not worth moving forward with, including requiring hospitalization to trigger penalties, and limiting penalties for multiple events. Staff attempted to contact Senate Appropriations staff multiple times about the bill and reasoning behind the amendments, but did not receive a response. AB 1897 was then gut and amended to become an entirely different bill with a new author, as noted in the bill's title above.

Current Status: Dead

AB 2214 (C. Garcia and Lee) - California Environmental Quality Act: schoolsites: acquisition of property: school districts, charter schools, and private schools.

AB 2214 was introduced by Assembly Members Cristina Garcia and Alex Lee and sponsored by the Air District. The bill made its way through the Assembly committee process and passed the Assembly Floor on May 23, 2022. In the Senate, AB 2214 was double-referred and made it out of the Committees on Environmental Quality and Education favorably. AB 2214 was then referred to the Senate Appropriations Committee where it was placed on the Suspense File, and subsequently held under submission on August 11, 2022. This is similar to what happened with the 2021 version of the bill.

Current Status: Dead

AB 2721 (Lee) - Bay Area Air Quality Management District: district board: compensation.

AB 2721 was introduced by Assemblymember Lee and sponsored by the Air District. This bill made its way through the Assembly committee process and passed the Assembly Floor on April 18, 2022. In the Senate, AB 2721 was double-referred and made it out of the Committees on Environmental Quality and Governance and Finance favorably. AB 2721 passed the Senate Floor with a 37:0 vote on August 22, 2022, and was sent back to the Assembly where the Senate amendments were concurred in with a 73:0 vote the following day.

Current Status: Signed by the Governor on September 23, 2022.

AB 2836 (E. Garcia) - Carl Moyer Memorial Air Quality Standards Attainment Program: vehicle registration fees: California tire fee.

AB 2836 was introduced by Assemblymember Eduardo Garcia and co-sponsored by the Air District. This bill made its way through the Assembly committee process and passed the Assembly Floor on May 25, 2022. In the Senate, AB 2836 was double-referred and made it out of the Committees on Transportation and Environmental Quality favorably. AB 2836 was then referred to the Senate Appropriations Committee where it was placed on the Suspense File, and

passed with a vote of 7:0. AB 2836 passed the Senate Floor with a 39:0 vote on August 25, 2022.

Current Status: Signed by the Governor on September 16, 2022.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Sharon L. Landers
Interim Executive Officer/APCO

Prepared by: Alan Abbs
Reviewed by: Sharon L. Landers

ATTACHMENTS:

1. AB 2721 (Lee) - Bill Text - As Enrolled on August 25, 2022
2. AB 2836 (E. Garcia) - Bill Text - As Enrolled on August 29, 2022

Assembly Bill No. 2721

Passed the Assembly August 23, 2022

Chief Clerk of the Assembly

Passed the Senate August 22, 2022

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2022, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 40227 of the Health and Safety Code, relating to the Bay Area Air Quality Management District.

LEGISLATIVE COUNSEL'S DIGEST

AB 2721, Lee. Bay Area Air Quality Management District: district board: compensation.

Existing law establishes the Bay Area Air Quality Management District, which is vested with the authority to regulate air emissions located in the boundaries of the Counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara and portions of the Counties of Solano and Sonoma. Existing law establishes a district board to govern the district and prescribes the membership of the district board. Existing law authorizes the district board to provide, by ordinance, compensation not to exceed \$100 per day for board members for attending meetings of the board or committees of the board or while on official business of the district and not to exceed \$6,000 per year. Existing law also requires board members to receive actual and necessary expenses incurred in the performance of their duties.

This bill would revise the amount of compensation that a member of the board may receive for attending a meeting of the board or attending a meeting while on official business of the district to an amount not to exceed \$100 per meeting and \$200 per day. The bill would also authorize a member of the board to receive compensation for active transportation travel to one of these meetings and would subject this compensation to the \$6,000 total annual compensation limit.

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

SECTION 1. Section 40227 of the Health and Safety Code is amended to read:

40227. (a) Each member of the bay district board shall receive actual and necessary expenses incurred in the performance of board duties.

(b) Each member of the bay district board may receive compensation, to be determined by the bay district board subject to subdivision (c), for any of the following:

(1) Attending a meeting of the bay district board or a committee of the bay district board.

(2) Attending a meeting, upon authorization of the bay district board, while on official business of the bay district.

(3) Active transportation travel to a meeting described in paragraph (1) or (2).

(c) (1) The compensation provided for attending a meeting pursuant to paragraph (1) or (2) of subdivision (b) shall not exceed one hundred dollars (\$100) for each meeting and shall not exceed two hundred dollars (\$200) per day.

(2) The compensation provided for active transportation travel pursuant to paragraph (3) of subdivision (b) may be calculated on a per mile basis or at a fixed daily, weekly, monthly, or annual rate, and may consider benefits to using active transportation travel, including, but not limited to, reduced traffic, improved health outcomes, and reduced air pollution.

(3) The compensation provided pursuant to subdivision (b) shall not exceed six thousand dollars (\$6,000) in any one year.

(d) Compensation pursuant to this section shall be fixed by ordinance. Any change to this ordinance shall be adopted at an open regular meeting of the bay district board.

(e) For the purposes of this section, “active transportation travel” means walking, bicycling, and other forms of transportation that the bay district board has found reduce traffic, improve health outcomes, and reduce air pollution.

Approved _____, 2022

Governor

Assembly Bill No. 2836

Passed the Assembly May 25, 2022

Chief Clerk of the Assembly

Passed the Senate August 25, 2022

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2022, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 41081, 44225, 44229, 44275, 44280, 44281, 44282, 44283, and 44287 of, and to amend and repeal Section 40612 of, the Health and Safety Code, to amend Sections 42885 and 42889 of the Public Resources Code, and to amend Section 9250.2 of the Vehicle Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 2836, Eduardo Garcia. Carl Moyer Memorial Air Quality Standards Attainment Program: vehicle registration fees: California tire fee.

(1) Existing law establishes the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program), which is administered by the State Air Resources Board, to provide grants to offset the incremental cost of eligible projects that reduce emissions of air pollutants from sources in the state and for funding a fueling infrastructure demonstration program and technology development efforts. Existing law, beginning January 1, 2024, limits the Carl Moyer Program to funding projects that reduce emissions of oxides of nitrogen (NOx) from covered sources. Existing law, until January 1, 2024, defines covered source for purposes of the Carl Moyer Program to include any marine vessel and any other category necessary for the state and air districts to meet air quality goals.

This bill would extend the current authorization for the Carl Moyer Program to fund a broader range of projects that reduce emissions from covered sources until January 1, 2034.

(2) Existing law authorizes the Sacramento Metropolitan Air Quality Management District to adopt a surcharge on motor vehicle registration fees applicable to all motor vehicles registered in counties within the district. Existing law, until January 1, 2024, raises the limit on the amount of that surcharge from \$4 to \$6 and requires that \$2 of the surcharge be used to implement the Carl Moyer Program, among other programs. Existing law requires the Department of Motor Vehicles to collect that surcharge if requested by the district, and requires the department, after deducting its administrative costs, to distribute the revenues to the district.

Beginning January 1, 2024, existing law returns the surcharge limit to its previous amount of \$4.

This bill would extend the authorization to increase the surcharge to \$6 until January 1, 2034.

(3) Existing law authorizes an air pollution control or air quality management district, except the Sacramento district, to levy a surcharge on the registration fees for motor vehicles registered in the air district, as specified by the governing body of the air district. Existing law requires the Department of Motor Vehicles to collect that surcharge if requested by an air district, and requires the department, after deducting its administrative costs, to distribute the revenues to the air districts. Existing law, until January 1, 2024, raises the limit on the amount of that surcharge from \$4 to \$6 and requires that \$2 of the surcharge be used to implement the Carl Moyer Program, among other programs. Beginning January 1, 2024, existing law returns the surcharge limit to its previous amount of \$4. Existing law authorizes the San Joaquin Valley Unified Air Pollution Control District to increase the surcharge up to, but not exceeding, \$30 for incentive-based programs to achieve surplus emissions reductions, as specified, and authorizes an adopted increased surcharge to be charged in any fiscal years 2009–10 to 2023–24, inclusive.

This bill would extend the authorization to increase the surcharge to \$6 until January 1, 2034. The bill would also, until June 30, 2034, extend the authorization for the San Joaquin Valley Unified Air Pollution Control District to charge an adopted increased surcharge up to, but not exceeding, \$30, through fiscal year 2033–34.

(4) Existing law imposes, until January 1, 2024, a California tire fee of \$1.75 per tire on a person who purchases a new tire, with the revenues generated to be allocated for prescribed purposes related to disposal and use of used tires. Existing law requires that \$0.75 per tire on which the fee is imposed be deposited in the Air Pollution Control Fund with these moneys to be available upon appropriation by the Legislature for use by the state board and air districts for specified purposes. Existing law reduces the tire fee to \$0.75 per tire on and after January 1, 2024.

This bill would extend the collection of the tire fee at \$1.75 per tire until January 1, 2034, and would therefore impose a tax.

(5) This bill would include a change in state statute that would result in a taxpayer paying a higher tax within the meaning of Section 3 of Article XIII A of the California Constitution, and thus would require for passage the approval of $\frac{2}{3}$ of the membership of each house of the Legislature.

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

SECTION 1. Section 40612 of the Health and Safety Code is amended to read:

40612. (a) In order to provide funding for air pollution control programs needed to achieve and maintain state and federal air quality, the district may do both of the following:

(1) Notwithstanding the limits on the amount of the motor vehicle fee specified in Sections 44223 and 44225, increase the fee established pursuant to these sections to up to, but not exceeding, thirty dollars (\$30) per motor vehicle per year for the purposes of establishing and implementing incentive-based programs to achieve surplus emissions reductions that the district determines are needed to remediate air pollution harms created by motor vehicles on which the fee is imposed and that are intended to achieve and maintain state and federal ambient air quality standards required by the federal Clean Air Act (42 U.S.C. Sec. 7401 et seq.). Except for the amount of the fee, any increase shall be subject to Chapter 7 (commencing with Section 44220) of Part 5, including, but not limited to, the adoption of a resolution providing for both the fee increase and a corresponding program for expenditure of the moneys raised by the increased fees for the reduction of mobile source emissions.

(2) Notwithstanding Section 40717.9, adopt rules and regulations to reduce vehicle trips in order to reduce air pollution from vehicular sources.

(b) Fees adopted pursuant to this section are in addition to any other fees imposed by the district, and may be charged in any of fiscal years 2009–10 to 2033–34, inclusive. Fees may be assessed after the 2012–13 fiscal year only if the United States Environmental Protection Agency approves the district’s proposed reclassification of its nonattainment status for ozone from severe to extreme. The fees adopted pursuant to this section are for the district portion of the total amount needed to achieve and maintain

state and federal ambient air quality standards. At least ten million dollars (\$10,000,000) shall be used to mitigate the impacts of air pollution on public health and the environment in disproportionately impacted environmental justice communities in the San Joaquin Valley. The district board shall convene an environmental justice advisory committee, selected from a list given to the board by environmental justice groups from the San Joaquin Valley, to recommend the neighborhoods in the district that constitute environmental justice communities, and how to expend funds within these communities.

(c) (1) The fees adopted pursuant to this section shall become effective after the state board makes both of the following findings:

(A) The district has undertaken all feasible measures to reduce nonattainment air pollutants from sources within the district's jurisdiction and regulatory control.

(B) The district has notified the state board that fees have been adopted pursuant to this section and provided the state board with an estimate of the total funds that will be provided annually by each of those fees.

(2) The state board shall file a written copy of its findings made pursuant to this subdivision with the Secretary of State within two days of its determination.

(3) The fees adopted pursuant to this section shall be collected nine months after the requirements of paragraph (2) are met.

(d) This section shall remain in effect only until June 30, 2034, and as of that date is repealed.

SEC. 2. Section 41081 of the Health and Safety Code, as amended by Section 2 of Chapter 401 of the Statutes of 2013, is amended to read:

41081. (a) Subject to Article 3.7 (commencing with Section 53720) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code, or with the approval of the board of supervisors of each county included, in whole or in part, within the Sacramento district, the Sacramento district board may adopt a surcharge on the motor vehicle registration fees applicable to all motor vehicles registered in those counties within the Sacramento district whose boards of supervisors have adopted a resolution approving the surcharge. The surcharge shall be collected by the Department of Motor Vehicles and, after deducting the department's administrative costs, the remaining funds shall be transferred to

the Sacramento district. Before the adoption of any surcharge pursuant to this subdivision, the district board shall make a finding that any funds allocated to the district as a result of the adoption of a county transportation sales and use tax are insufficient to carry out the purposes of this chapter.

(b) The surcharge shall not exceed four dollars (\$4).

(c) After consulting with the Department of Motor Vehicles on the feasibility thereof, the Sacramento district board may provide, in the surcharge adopted pursuant to subdivision (a), to exempt from all or part of the surcharge any category of low-emission motor vehicle.

(d) Funds received by the Sacramento district pursuant to this section shall be used to implement the strategy with respect to the reduction in emissions from vehicular sources, including, but not limited to, a clean fuels program and motor vehicle use reduction measures. Not more than 5 percent of the funds collected pursuant to this section shall be used by the district for administrative expenses.

(e) This section shall become operative on January 1, 2034.

SEC. 3. Section 41081 of the Health and Safety Code, as amended by Section 1 of Chapter 610 of the Statutes of 2015, is amended to read:

41081. (a) Subject to Article 3.7 (commencing with Section 53720) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code, or with the approval of the board of supervisors of each county included, in whole or in part, within the Sacramento district, the Sacramento district board may adopt a surcharge on the motor vehicle registration fees applicable to all motor vehicles registered in those counties within the Sacramento district whose boards of supervisors have adopted a resolution approving the surcharge. The surcharge shall be collected by the Department of Motor Vehicles and, after deducting the department's administrative costs, the remaining funds shall be transferred to the Sacramento district. Before the adoption of any surcharge pursuant to this subdivision, the district board shall make a finding that any funds allocated to the district as a result of the adoption of a county transportation sales and use tax are insufficient to carry out the purposes of this chapter.

(b) The surcharge shall not exceed six dollars (\$6).

(c) After consulting with the Department of Motor Vehicles on the feasibility thereof, the Sacramento district board may provide, in the surcharge adopted pursuant to subdivision (a), to exempt from all or part of the surcharge any category of low-emission motor vehicle.

(d) Funds received by the Sacramento district pursuant to this section shall be used by that district as follows:

(1) The revenues resulting from the first four dollars (\$4) of each surcharge shall be used to implement reductions in emissions from vehicular sources, including, but not limited to, a clean fuels program and motor vehicle use reduction measures.

(2) The revenues resulting from the next two dollars (\$2) of each surcharge shall be used to implement the following programs that achieve emission reductions from vehicular sources and off-road engines, to the extent that the district determines the program remediates air pollution harms created by motor vehicles on which the surcharge is imposed:

(A) Projects eligible for grants under the Carl Moyer Memorial Air Quality Standards Attainment Program (Chapter 9 (commencing with Section 44275) of Part 5).

(B) The new purchase, retrofit, repower, or add-on of equipment for previously unregulated agricultural sources of air pollution, as defined in Section 39011.5, within the Sacramento district, for a minimum of three years from the date of adoption of an applicable rule or standard, or until the compliance date of that rule or standard, whichever is later, if the state board has determined that the rule or standard complies with Sections 40913, 40914, and 41503.1, after which period of time, a new purchase, retrofit, repower, or add-on of equipment shall not be funded pursuant to this chapter. The district shall follow any guidelines developed under subdivision (a) of Section 44287 for awarding grants under this program.

(C) The purchase of new schoolbuses or the repower or retrofit of emissions control equipment for existing schoolbuses pursuant to the Lower-Emission School Bus Program adopted by the state board.

(D) An accelerated vehicle retirement or repair program that is adopted by the state board pursuant to authority granted hereafter by the Legislature by statute.

(E) The replacement of onboard natural gas fuel tanks on schoolbuses that are 14 years or older or the enhancement of deteriorating natural gas fueling dispensers or fueling infrastructure, pursuant to the Lower-Emission School Bus Program adopted by the state board.

(F) The funding of alternative fuel and electric infrastructure projects solicited and selected through a competitive bid process.

(e) Not more than 6.25 percent of the funds collected pursuant to this section shall be used by the district for administrative expenses.

(f) A project funded by the program shall not be used for credit under any state or federal emissions averaging, banking, or trading program. An emission reduction generated by the program shall not be used as marketable emission reduction credits or to offset any emission reduction obligation of any person or entity. Projects involving new engines that would otherwise generate marketable credits under state or federal averaging, banking, and trading programs shall include transfer of credits to the engine end user and retirement of those credits toward reducing air emissions in order to qualify for funding under the program. A purchase of a low-emission vehicle or of equipment pursuant to a corporate or a controlling board's policy, but not otherwise required by law, shall generate surplus emissions reductions and may be funded by the program.

(g) This section shall remain in effect only until January 1, 2034, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2034, deletes or extends that date.

SEC. 4. Section 44225 of the Health and Safety Code, as amended by Section 7 of Chapter 401 of the Statutes of 2013, is amended to read:

44225. (a) A district may increase the fee established under Section 44223 to up to four dollars (\$4). A district may increase the fee only if both of the following conditions are met:

(1) A resolution providing for both the fee increase and a corresponding program for expenditure of the increased fees for the reduction of air pollution from motor vehicles pursuant to, and for related planning, monitoring, enforcement, and technical studies necessary for the implementation of, the California Clean Air Act of 1988 (Chapter 1568 of the Statutes of 1988) is adopted and approved by the governing board of the district.

(2) In districts with nonelected officials on their governing boards, the resolution shall be adopted and approved by both a majority of the governing board and a majority of the board members who are elected officials.

(b) An increase in fees established pursuant to this section shall become effective on either April 1 or October 1, as provided in the resolution adopted by the board pursuant to subdivision (a).

(c) This section shall become operative on January 1, 2034.

SEC. 5. Section 44225 of the Health and Safety Code, as amended by Section 3 of Chapter 610 of the Statutes of 2015, is amended to read:

44225. (a) A district may increase the fee established under Section 44223 to up to six dollars (\$6). A district may increase the fee only if both of the following conditions are met:

(1) A resolution providing for both the fee increase and a corresponding program for expenditure of the increased fees for the reduction of air pollution from motor vehicles pursuant to, and for related planning, monitoring, enforcement, and technical studies necessary for the implementation of, the California Clean Air Act of 1988 (Chapter 1568 of the Statutes of 1988), or for the attainment or maintenance of state or federal ambient air quality standards or the reduction of toxic air contaminant emissions from motor vehicles, is adopted and approved by the governing board of the district.

(2) In districts with nonelected officials on their governing boards, the resolution shall be adopted and approved by both a majority of the governing board and a majority of the board members who are elected officials.

(b) An increase in fees established pursuant to this section shall become effective on either April 1 or October 1, as provided in the resolution adopted by the board pursuant to subdivision (a).

(c) This section shall remain in effect only until January 1 2034, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2034, deletes or extends that date.

SEC. 6. Section 44229 of the Health and Safety Code, as amended by Section 9 of Chapter 401 of the Statutes of 2013, is amended to read:

44229. (a) After deducting all administrative costs it incurs through collection of fees pursuant to Section 44227, the Department of Motor Vehicles shall distribute the revenues to

districts, which shall use the fees to reduce air pollution from motor vehicles and to carry out related planning, monitoring, enforcement, and technical studies necessary for implementation of the California Clean Air Act of 1988 (Chapter 1568 of the Statutes of 1988). Fees collected by the Department of Motor Vehicles pursuant to this chapter shall be distributed to districts based upon the amount of fees collected from motor vehicles registered within each district.

(b) The Department of Motor Vehicles may annually expend not more than the following percentages of the fees collected pursuant to Section 44227 on administrative costs:

(1) During the first year after the operative date of this chapter, not more than 5 percent of the fees collected may be used for administrative costs.

(2) During the second year after the operative date of this chapter, not more than 3 percent of the fees collected may be used for administrative costs.

(3) During any year subsequent to the second year after the operative date of this chapter, not more than 1 percent of the fees collected may be used for administrative costs.

(c) This section shall become operative on January 1, 2034.

SEC. 7. Section 44229 of the Health and Safety Code, as amended by Section 4 of Chapter 610 of the Statutes of 2015, is amended to read:

44229. (a) After deducting all administrative costs it incurs through collection of fees pursuant to Section 44227, the Department of Motor Vehicles shall distribute the revenues to districts, which shall use the revenues resulting from the first four dollars (\$4) of each fee imposed to reduce air pollution from motor vehicles and to carry out related planning, monitoring, enforcement, and technical studies necessary for implementation of the California Clean Air Act of 1988 (Chapter 1568 of the Statutes of 1988). Fees collected by the Department of Motor Vehicles pursuant to this chapter shall be distributed to districts based upon the amount of fees collected from motor vehicles registered within each district.

(b) Notwithstanding Sections 44241 and 44243, a district shall use the revenues resulting from the next two dollars (\$2) of each fee imposed pursuant to Section 44227 to implement the following programs that the district determines remediate air pollution harms created by motor vehicles on which the surcharge is imposed:

(1) Projects eligible for grants under the Carl Moyer Memorial Air Quality Standards Attainment Program (Chapter 9 (commencing with Section 44275) of Part 5).

(2) The new purchase, retrofit, repower, or add-on equipment for previously unregulated agricultural sources of air pollution, as defined in Section 39011.5, for a minimum of three years from the date of adoption of an applicable rule or standard, or until the compliance date of that rule or standard, whichever is later, if the state board has determined that the rule or standard complies with Sections 40913, 40914, and 41503.1, after which period of time, a new purchase, retrofit, repower, or add-on of equipment shall not be funded pursuant to this chapter. The districts shall follow any guidelines developed under subdivision (a) of Section 44287 for awarding grants under this program.

(3) The purchase of new schoolbuses or the repower or retrofit of emissions control equipment for existing schoolbuses pursuant to the Lower-Emission School Bus Program adopted by the state board.

(4) An accelerated vehicle retirement or repair program that is adopted by the state board pursuant to authority granted hereafter by the Legislature by statute.

(5) The replacement of onboard natural gas fuel tanks on schoolbuses that are 14 years or older or the enhancement of deteriorating natural gas fueling dispensers or fueling infrastructure, pursuant to the Lower-Emission School Bus Program adopted by the state board.

(6) The funding of alternative fuel and electric infrastructure projects solicited and selected through a competitive bid process.

(c) The Department of Motor Vehicles may annually expend not more than 1 percent of the fees collected pursuant to Section 44227 on administrative costs.

(d) A project funded by the program shall not be used for credit under any state or federal emissions averaging, banking, or trading program. An emission reduction generated by the program shall not be used as marketable emission reduction credits or to offset any emission reduction obligation of any person or entity. Projects involving new engines that would otherwise generate marketable credits under state or federal averaging, banking, and trading programs shall include transfer of credits to the engine end user and retirement of those credits toward reducing air emissions in

order to qualify for funding under the program. A purchase of a low-emission vehicle or of equipment pursuant to a corporate or a controlling board's policy, but not otherwise required by law, shall generate surplus emissions reductions and may be funded by the program.

(e) This section shall remain in effect only until January 1, 2034, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2034, deletes or extends that date.

SEC. 8. Section 44275 of the Health and Safety Code, as amended by Section 1 of Chapter 634 of the Statutes of 2017, is amended to read:

44275. (a) As used in this chapter, the following terms have the following meanings:

(1) [Reserved]

(2) "Btu" means British thermal unit.

(3) "Commission" means the State Energy Resources Conservation and Development Commission.

(4) "Cost-effectiveness" means dollars provided to a project pursuant to subdivision (d) of Section 44283 for each ton of covered emission reduction attributed to a project or to the program as a whole. In calculating cost-effectiveness, one-time grants of funds made at the beginning of a project shall be annualized using a time value of public funds or discount rate determined for each project by the state board, taking into account the interest rate on bonds, interest earned by state funds, and other factors as determined appropriate by the state board. Cost-effectiveness shall be calculated by dividing annualized costs by average annual emissions reduction. The state board, in consultation with the districts and concerned members of the public, shall establish appropriate cost-effective limits for oxides of nitrogen, particulate matter, and reactive organic gases and a reasonable system for comparing the cost-effectiveness of proposed projects as described in subdivision (a) of Section 44283.

(5) "Covered emissions" include emissions of oxides of nitrogen, particulate matter, and reactive organic gases from any covered source.

(6) "Covered engine" includes any internal combustion engine or electric motor and drive powering a covered source.

(7) "Covered source" includes onroad vehicles, off-road nonrecreational equipment and vehicles, locomotives, marine

vessels, agricultural sources of air pollution, as defined in Section 39011.5, stationary irrigation or water conveyance engines, and, as determined by the state board, other categories necessary for the state and districts to meet air quality goals.

(8) “Covered vehicle” includes any vehicle or piece of equipment powered by a covered engine.

(9) “District” means a county air pollution control district or an air quality management district.

(10) “Fund” means the Air Pollution Control Fund established pursuant to Section 43015.

(11) “Incremental cost” means the cost of the project less a baseline cost that would otherwise be incurred by the applicant in the normal course of business. Incremental costs may include added lease, energy, or fuel costs pursuant to Section 44283 as well as incremental capital costs.

(12) “Liquidated” means that all moneys for a specified fiscal year have been spent by a district to reimburse grantees for valid and eligible project invoices and district administrative costs. Payments withheld from the grantee by a district until all contractual reporting requirements are met may be excluded from these amounts for purposes of liquidation.

(13) “Mobile Source Air Pollution Reduction Review Committee” means the Mobile Source Air Pollution Reduction Review Committee created by Section 44244.

(14) “New very low emission vehicle” means a heavy-duty vehicle that qualifies as a very low emission vehicle when it is a new vehicle, where new vehicle has the same meaning as defined in Section 430 of the Vehicle Code, or that is modified with the approval and warranty of the original equipment manufacturer to qualify as a very low emission vehicle within 12 months of delivery to an owner for private or commercial use.

(15) “NO_x” means oxides of nitrogen.

(16) “Program” means the Carl Moyer Memorial Air Quality Standards Attainment Program created by subdivision (a) of Section 44280.

(17) “Recaptured” means those moneys that are returned to a district or the state board by a grantee because that grantee did not meet contractual obligations.

(18) “Repower” means replacing an engine with a different engine. The term repower, as used in this chapter, generally refers

to replacing an older, uncontrolled engine with a new, emissions-certified engine, although replacing an older emissions-certified engine with a newer engine certified to lower emissions standards may be eligible for funding under this program.

(19) “Retrofit” means making modifications to the engine and fuel system so that the retrofitted engine does not have the same specifications as the original engine.

(20) “Returned” means those moneys sent by a district to the state board for reallocation because those moneys are not liquidated by a liquidation deadline.

(21) “Schoolbus project” means the purchase of new schoolbuses or the repower or retrofit of emissions control equipment for existing schoolbuses.

(22) “Very low emission vehicle” means a heavy-duty vehicle with emissions significantly lower than otherwise applicable baseline emission standards or uncontrolled emission levels pursuant to Section 44282.

(b) This section shall remain in effect only until January 1, 2034, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2034, deletes or extends that date.

SEC. 9. Section 44275 of the Health and Safety Code, as amended by Section 2 of Chapter 634 of the Statutes of 2017, is amended to read:

44275. (a) As used in this chapter, the following terms have the following meanings:

(1) [Reserved]

(2) “Btu” means British thermal unit.

(3) “Commission” means the State Energy Resources Conservation and Development Commission.

(4) “Cost-effectiveness” means dollars provided to a project pursuant to subdivision (d) of Section 44283 for each ton of NO_x reduction attributed to a project or to the program as a whole. In calculating cost-effectiveness, one-time grants of funds made at the beginning of a project shall be annualized using a time value of public funds or discount rate determined for each project by the state board, taking into account the interest rate on bonds, interest earned by state funds, and other factors as determined appropriate by the state board. Cost-effectiveness shall be calculated by dividing annualized costs by average annual emissions reduction of NO_x in this state.

(5) “Covered engine” includes any internal combustion engine or electric motor and drive powering a covered source.

(6) “Covered source” includes onroad vehicles of 14,000 pounds gross vehicle weight rating (GVWR) or greater, off-road nonrecreational equipment and vehicles, locomotives, diesel marine vessels, stationary agricultural engines, stationary irrigation or water conveyance engines, and, as determined by the state board, other high-emitting diesel engine categories.

(7) “Covered vehicle” includes any vehicle or piece of equipment powered by a covered engine.

(8) “District” means a county air pollution control district or an air quality management district.

(9) “Fund” means the Air Pollution Control Fund established pursuant to Section 43015.

(10) “Incremental cost” means the cost of the project less a baseline cost that would otherwise be incurred by the applicant in the normal course of business. Incremental costs may include added lease or fuel costs pursuant to Section 44283 as well as incremental capital costs.

(11) “Liquidated” means that all moneys for a specified fiscal year have been spent by a district to reimburse grantees for valid and eligible project invoices and district administrative costs. Payments withheld from the grantee by a district until all contractual reporting requirements are met may be excluded from these amounts for purposes of liquidation.

(12) “Mobile Source Air Pollution Reduction Review Committee” means the Mobile Source Air Pollution Reduction Review Committee created by Section 44244.

(13) “New very low emission vehicle” means a vehicle that qualifies as a very low emission vehicle when it is a new vehicle, where new vehicle has the same meaning as defined in Section 430 of the Vehicle Code, or that is modified with the approval and warranty of the original equipment manufacturer to qualify as a very low emission vehicle within 12 months of delivery to an owner for private or commercial use.

(14) “NO_x” means oxides of nitrogen.

(15) “Program” means the Carl Moyer Memorial Air Quality Standards Attainment Program created by subdivision (a) of Section 44280.

(16) “Recaptured” means those moneys that are returned to a district or the state board by a grantee because that grantee did not meet contractual obligations.

(17) “Repower” means replacing an engine with a different engine. The term repower, as used in this chapter, generally refers to replacing an older, uncontrolled engine with a new, emissions-certified engine, although replacing an older emissions-certified engine with a newer engine certified to lower emissions standards may be eligible for funding under this program.

(18) “Retrofit” means making modifications to the engine and fuel system such that the retrofitted engine does not have the same specifications as the original engine.

(19) “Returned” means those moneys sent by a district to the state board for reallocation because those moneys are not liquidated by a liquidation deadline.

(20) “Schoolbus project” means the purchase of new schoolbuses or the repower or retrofit of emissions control equipment for existing schoolbuses.

(21) “Very low emission vehicle” means a vehicle with emissions significantly lower than otherwise applicable baseline emission standards or uncontrolled emission levels pursuant to Section 44282.

(b) This section shall become operative on January 1, 2034.

SEC. 10. Section 44280 of the Health and Safety Code, as amended by Section 17 of Chapter 401 of the Statutes of 2013, is amended to read:

44280. (a) There is hereby created the Carl Moyer Memorial Air Quality Standards Attainment Program. The program shall be administered by the state board in accordance with this chapter. The administration of the program may be delegated to the districts.

(b) The program shall provide grants to offset the incremental cost of projects that reduce covered emissions from covered sources in the state. Eligibility for grant awards shall be determined by the state board, in consultation with the districts, in accordance with this chapter.

(c) The program shall also provide funding for a fueling infrastructure demonstration program and for technology development efforts that are expected to result in commercially available technologies in the near-term that would improve the ability of the program to achieve its goals. The infrastructure

demonstration and technology development portions of the program shall be managed by the commission, in consultation with the state board.

(d) This section shall remain in effect only until January 1, 2034, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2034, deletes or extends that date.

SEC. 11. Section 44280 of the Health and Safety Code, as amended by Section 18 of Chapter 401 of the Statutes of 2013, is amended to read:

44280. (a) There is hereby created the Carl Moyer Memorial Air Quality Standards Attainment Program. The program shall be administered by the state board in accordance with this chapter. The administration of the program may be delegated to the districts.

(b) The program shall provide grants to offset the incremental cost of projects that reduce emissions of NO_x from covered sources in the state. Eligibility for grant awards shall be determined by the state board, in consultation with the districts, in accordance with this chapter.

(c) The program shall also provide funding for a fueling infrastructure demonstration program and for technology development efforts that are expected to result in commercially available technologies in the near-term that would improve the ability of the program to achieve its goals. The infrastructure demonstration and technology development portions of the program shall be managed by the commission, in consultation with the state board.

(d) This section shall become operative on January 1, 2034.

SEC. 12. Section 44281 of the Health and Safety Code, as amended by Section 20 of Chapter 401 of the Statutes of 2013, is amended to read:

44281. (a) Eligible projects are any of the following:

(1) Purchase of new very low or zero-emission covered vehicles or covered engines.

(2) Emission-reducing retrofit of covered engines, or replacement of old engines powering covered sources with newer engines certified to more stringent emissions standards than the engine being replaced, or with electric motors or drives.

(3) Purchase and use of emission-reducing add-on equipment for covered vehicles.

(4) Development and demonstration of practical, low-emission retrofit technologies, repower options, and advanced technologies for covered engines and vehicles with very low emissions of NO_x.

(b) No new purchase, retrofit, repower, or add-on equipment shall be funded under this chapter if it is required by any local, state, or federal statute, rule, regulation, memoranda of agreement or understanding, or other legally binding document, except that an otherwise qualified project may be funded even if the state implementation plan assumes that the change in equipment, vehicles, or operations will occur, if the change is not required by a statute, regulation, or other legally binding document in effect as of the date the grant is awarded. No project funded by the program shall be used for credit under any state or federal emissions averaging, banking, or trading program. No emission reduction generated by the program shall be used as marketable emission reduction credits or to offset any emission reduction obligation of any entity. Projects involving new engines that would otherwise generate marketable credits under state or federal averaging, banking, and trading programs shall include transfer of credits to the engine end user and retirement of those credits toward reducing air emissions in order to qualify for funding under the program. A purchase of a low-emission vehicle or of equipment pursuant to a corporate or a controlling board's policy, but not otherwise required by law, shall generate surplus emissions reductions and may be funded by the program.

(c) The program may also provide funding toward installation of fueling or electrification infrastructure as provided in Section 44284.

(d) Eligible applicants may be any individual, company, or public agency that owns one or more covered vehicles that operate primarily in the state or otherwise contribute substantially to the NO_x emissions inventory in the state.

(e) It is the intent of the Legislature that all emission reductions generated by this chapter shall contribute to public health by reducing, for the life of the vehicle being funded, the total amount of emissions in the state.

(f) This section shall become operative on January 1, 2034.

SEC. 13. Section 44281 of the Health and Safety Code, as amended by Section 8 of Chapter 610 of the Statutes of 2015, is amended to read:

44281. (a) Eligible projects include, but are not limited to, any of the following:

(1) Purchase of new very low or zero-emission covered vehicles or covered heavy-duty engines.

(2) Emission-reducing retrofit of covered engines, or replacement of old engines powering covered sources with newer engines certified to more stringent emissions standards than the engine being replaced, or with electric motors or drives.

(3) Purchase and use of emission-reducing add-on equipment that has been verified by the state board for covered vehicles.

(4) Development and demonstration of practical, low-emission retrofit technologies, repower options, and advanced technologies for covered engines and vehicles with very low emissions of NO_x.

(5) Light- and medium-duty vehicle projects in compliance with guidelines adopted by the state board pursuant to Title 13 of the California Code of Regulations.

(b) No project shall be funded under this chapter after the compliance date required by any local, state, or federal statute, rule, regulation, memoranda of agreement or understanding, or other legally binding document, except that an otherwise qualified project may be funded even if the state implementation plan assumes that the change in equipment, vehicles, or operations will occur, if the change is not required by the compliance date of a statute, regulation, or other legally binding document in effect as of the date the grant is awarded. No project funded by the program shall be used for credit under any state or federal emissions averaging, banking, or trading program. No covered emission reduction generated by the program shall be used as marketable emission reduction credits or to offset any emission reduction obligation of any person or entity. Projects involving new engines that would otherwise generate marketable credits under state or federal averaging, banking, and trading programs shall include transfer of credits to the engine end user and retirement of those credits toward reducing air emissions in order to qualify for funding under the program. A purchase of a low-emission vehicle or of equipment pursuant to a corporate or a controlling board's policy, but not otherwise required by law, shall generate surplus emissions reductions and may be funded by the program.

(c) The program may also provide funding toward the installation of fueling or energy infrastructure to fuel or power covered sources.

(d) Eligible applicants may be any individual, company, or public agency that owns one or more covered vehicles that operate primarily in the state or otherwise contribute substantially to the NO_x, particulate matter (PM), or reactive organic gas (ROG) emissions inventory in the state.

(e) It is the intent of the Legislature that all emission reductions generated by this chapter shall contribute to public health by reducing, for the life of the vehicle being funded, the total amount of emissions in the state.

(f) This section shall remain in effect only until January 1, 2034, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2034, deletes or extends that date.

SEC. 14. Section 44282 of the Health and Safety Code, as amended by Section 8 of Chapter 748 of the Statutes of 2021, is amended to read:

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

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

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

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

(d) Retrofit technologies, new engines, and new vehicles shall be certified for sale or under experimental permit for operation in the state.

(e) Repower projects that replace older, uncontrolled engines with new, emissions-certified engines or that replace emissions-certified engines with new engines certified to a more stringent NO_x emissions standard are approvable subject to the

other applicable selection criteria. The state board shall determine appropriate baseline emission levels for the uncontrolled engines being replaced.

(f) For heavy-duty-vehicle projects, retrofit and add-on equipment projects shall document a NO_x or PM emission reduction of at least 25 percent and no increase in other covered emissions compared to the applicable baseline emissions accepted by the state board for that engine year and application. The state board shall determine appropriate baseline emission levels. Acceptable documentation shall be defined by the state board. After study of available emission reduction technologies and after public notice and comment, the state board may revise the minimum percentage emission reduction criterion for retrofits and add-on equipment provided for in this section to improve the ability of the program to achieve its goals.

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

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

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

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

(j) This section shall remain in effect only until January 1, 2034, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2034, deletes or extends that date.

SEC. 15. Section 44282 of the Health and Safety Code, as amended by Section 9 of Chapter 748 of the Statutes of 2021, is amended to read:

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

(a) Except for projects involving marine vessels, 75 percent or more of vehicle miles traveled or hours of operation shall be projected to be in the state for at least five years following the grant award. Projects involving marine vessels and engines shall be limited to those that spend enough time operating in air basins in the state over the lifetime of the project to meet the cost-effectiveness criteria based on NO_x reductions in the state, as provided in Section 44283.

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

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

(d) Retrofit technologies, new engines, and new vehicles shall be certified for sale or under experimental permit for operation in the state.

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

(f) Retrofit and add-on equipment projects shall document a NO_x emission reduction of at least 25 percent and no increase in particulate emissions compared to the applicable baseline emissions accepted by the state board for that engine year and application. The state board shall determine appropriate baseline emission levels. Acceptable documentation shall be defined by the state board. After study of available emission reduction technologies

and after public notice and comment, the state board may revise the minimum percentage NO_x reduction criterion for retrofits and add-on equipment provided for in this section to improve the ability of the program to achieve its goals.

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

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

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

(i) This section shall become operative on January 1, 2034.

SEC. 16. Section 44283 of the Health and Safety Code, as amended by Section 24 of Chapter 401 of the Statutes of 2013, is amended to read:

44283. (a) Grants shall not be made for projects with a cost-effectiveness, calculated in accordance with this section, of more than twelve thousand dollars (\$12,000) per ton of NO_x reduced in the state or a higher value that reflects state consumer price index adjustments on or after January 1, 2034, as determined by the state board.

(b) Only NO_x reductions occurring in this state shall be included in the cost-effectiveness determination. The extent to which emissions generated at sea contribute to air quality in nonattainment areas in the state shall be incorporated into these methodologies based on a reasonable assessment of currently available information and modeling assumptions.

(c) The state board shall develop protocols for calculating the surplus NO_x reductions in the state from representative project types over the life of the project.

(d) The cost of the NO_x reduction is the amount of the grant from the program, including matching funds provided pursuant to subdivision (e) of Section 44287, plus any other state funds, or funds under the district's budget authority or fiduciary control, provided toward the project, not including funds described in paragraphs (1) and (2) of subdivision (a) of Section 44287.2. The state board shall establish reasonable methodologies for evaluating project cost-effectiveness, consistent with the definition contained in paragraph (4) of subdivision (a) of Section 44275, and with accepted methods, taking into account a fair and reasonable discount rate or time value of public funds.

(e) A grant shall not be made that, net of taxes, provides the applicant with funds in excess of the incremental cost of the project. Incremental lease costs may be capitalized according to guidelines adopted by the state board so that these incremental costs may be offset by a one-time grant award.

(f) Funds under a district's budget authority or fiduciary control may be used to pay for the incremental cost of liquid or gaseous fuel, other than standard gasoline or diesel, which is integral to a NO_x reducing technology that is part of a project receiving grant funding under the program. The fuel shall be approved for sale by the state board. The incremental fuel cost over the expected lifetime of the vehicle may be offset by the district if the project as a whole, including the incremental fuel cost, meets all of the requirements of this chapter, including the maximum allowed cost-effectiveness. The state board shall develop an appropriate methodology for converting incremental fuel costs over the vehicle lifetime into an initial cost for purposes of determining project cost-effectiveness. Incremental fuel costs shall not be included in project costs for fuels dispensed from any facility that was funded, in whole or in part, from the fund.

(g) For purposes of determining any grant amount pursuant to this chapter, the incremental cost of any new purchase, retrofit, repower, or add-on equipment shall be reduced by the value of any current financial incentive that directly reduces the project price, including any tax credits or deductions, grants, or other public financial assistance, not including funds described in

paragraphs (1) and (2) of subdivision (a) of Section 44287.2. Project proponents applying for funding shall be required to state in their application any other public financial assistance to the project.

(h) For projects that would repower off-road equipment by replacing uncontrolled diesel engines with new, certified diesel engines, the state board may establish maximum grant award amounts per repower. A repower project shall also be subject to the incremental cost maximum pursuant to subdivision (e).

(i) After study of available emission reduction technologies and costs and after public notice and comment, the state board may reduce the values of the maximum grant award criteria stated in this section to improve the ability of the program to achieve its goals. Every year the state board shall adjust the maximum cost-effectiveness amount established in subdivision (a) and any per-project maximum set by the state board pursuant to subdivision (h) to account for inflation.

(j) This section shall become operative on January 1, 2034.

SEC. 17. Section 44283 of the Health and Safety Code, as amended by Section 10 of Chapter 610 of the Statutes of 2015, is amended to read:

44283. (a) (1) For all projects funded pursuant to this chapter, except for an infrastructure project described in subdivision (c) of Section 44281, the following cost-effectiveness criteria shall apply:

(A) (i) Project grants shall not be made that exceed cost-effectiveness values calculated in accordance with this section.

(ii) The state board, in collaboration with the districts, shall establish cost-effectiveness values in the guidelines issued pursuant to Section 44287, taking into consideration factors, including, but not limited to, the following:

(I) The cost of emission control technologies identified in Section 44281.

(II) The cost-effectiveness values for NO_x, particulate matter, or reactive organic gases for any adopted rule or control measure in any district's approved state implementation plan, or rule adopted by the state board.

(iii) A grant for a schoolbus project shall not exceed the cost caps established in the Lower-Emission School Bus Program and consistent with Section 44299.901. The cost-effectiveness value

for these projects shall be set forth in the guidelines issued pursuant to Section 44287.

(B) For projects obtaining reactive organic gas and particulate matter reductions, the state board shall determine appropriate adjustment factors to calculate a weighted cost-effectiveness value.

(2) When a district board approves funding for a project or project category, the district board shall include, in its agenda or supporting materials for the meeting approving funding for the project or project category, a brief statement of the rationale for funding that source category, including the basis for selection and the importance of that project type.

(b) Only covered emission reductions occurring in this state shall be included in the cost-effectiveness determination. The extent to which emissions generated at sea contribute to air quality in nonattainment areas in the state shall be incorporated into these methodologies based on a reasonable assessment of currently available information and modeling assumptions.

(c) The state board shall develop protocols for calculating the surplus covered emission reductions in the state from representative project types over the life of the project.

(d) The cost of the covered emission reduction is the amount of the grant from the program, including matching funds provided pursuant to subdivision (e) of Section 44287, or funding provided pursuant to paragraph (2) of subdivision (d) of Section 41081 or subdivision (b) of Section 44229, not including funds described in subdivision (a) of Section 44287.2. The state board shall establish reasonable methodologies for evaluating project cost-effectiveness, consistent with the definition contained in paragraph (4) of subdivision (a) of Section 44275, and with accepted methods, taking into account a fair and reasonable discount rate or time value of public funds.

(e) A grant shall not be made that, net of taxes, provides the applicant with funds in excess of the incremental cost of the project. Incremental lease costs may be capitalized according to guidelines adopted by the state board so that these incremental costs may be offset by a one-time grant award.

(f) Funds under a district's budget authority or fiduciary control may be used to pay for the incremental cost of energy or liquid or gaseous fuel, other than standard gasoline or diesel, which is integral to a covered emission reducing technology that is part of

a project receiving grant funding under the program. The fuel shall be approved for sale in the state. The incremental energy or fuel cost over the expected lifetime of the vehicle may be offset by the district if the project as a whole, including the incremental energy or fuel cost, meets all of the requirements of this chapter, including the maximum allowed cost-effectiveness. The state board shall develop an appropriate methodology for converting incremental energy or fuel costs over the vehicle lifetime into an initial cost for purposes of determining project cost-effectiveness. Incremental energy or fuel costs shall not be included in project costs for fuels dispensed from any facility that was funded, in whole or in part, from the fund.

(g) For purposes of determining any grant amount pursuant to this chapter, project proponents applying for funding shall be required to state in their application any other public financial assistance to the project.

(h) For projects that would repower off-road equipment by replacing uncontrolled diesel engines with new, certified diesel engines, the state board may establish maximum grant award amounts per repower. A repower project shall also be subject to the incremental cost maximum pursuant to subdivision (e).

(i) After study of available emission reduction technologies and costs and after public notice and comment, the state board may adjust the values of the maximum grant award criteria stated in this section to improve the ability of the program to achieve its goals. Every year the state board shall adjust the maximum cost-effectiveness amount established in subdivision (a) and any per-project maximum set by the state board pursuant to subdivision (h) to account for inflation and other factors as authorized by this section.

(j) This section shall remain in effect only until January 1, 2034, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2034, deletes or extends that date.

SEC. 18. Section 44287 of the Health and Safety Code, as amended by Section 26 of Chapter 401 of the Statutes of 2013, is amended to read:

44287. (a) The state board shall establish grant criteria and guidelines consistent with this chapter for covered vehicle projects as soon as practicable, but not later than January 1, 2000. The adoption of guidelines is exempt from the rulemaking provisions

of the Administrative Procedure Act, Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The state board shall solicit input and comment from the districts during the development of the criteria and guidelines and shall make every effort to develop criteria and guidelines that are compatible with existing district programs that are also consistent with this chapter. Guidelines shall include protocols to calculate project cost-effectiveness. The grant criteria and guidelines shall include safeguards to ensure that the project generates surplus emissions reductions. Guidelines shall enable and encourage districts to cofund projects that provide emissions reductions in more than one district. The state board shall make draft criteria and guidelines available to the public 45 days before final adoption, and shall hold at least one public meeting to consider public comments before final adoption.

(b) The state board, in consultation with the participating districts, may propose revisions to the criteria and guidelines established pursuant to subdivision (a) as necessary to improve the ability of the program to achieve its goals. A proposed revision shall be made available to the public 45 days before final adoption of the revision and the state board shall hold at least one public meeting to consider public comments before final adoption of the revision.

(c) The state board shall reserve funds for, and disburse funds to, districts from the fund for administration pursuant to this section and Section 44299.1.

(d) The state board shall develop guidelines for a district to follow in applying for the reservation of funds, in accordance with this chapter. It is the intent of the Legislature that district administration of any reserved funds be in accordance with the project selection criteria specified in Sections 44281, 44282, and 44283 and all other provisions of this chapter. The guidelines shall be established and published by the state board as soon as practicable, but not later than January 1, 2000.

(e) Funds shall be reserved by the state board for administration by a district that adopts an eligible program pursuant to this chapter and offers matching funds at a ratio of one dollar (\$1) of matching funds committed by the district or the Mobile Source Air Pollution Reduction Review Committee for every two dollars (\$2) committed from the fund. Funds available to the Mobile Source Air Pollution

Reduction Review Committee may be counted as matching funds for projects in the South Coast Air Basin only if the committee approves the use of these funds for matching purposes. Matching funds may be any funds under the district's budget authority that are committed to be expended in accordance with the program. Funds committed by a port authority or a local government, in cooperation with a district, to be expended in accordance with the program may also be counted as district matching funds. Matching funds provided by a port authority or a local government may not exceed 30 percent of the total required matching funds in any district that applies for more than three hundred thousand dollars (\$300,000) of the state board funds. Only a district, or a port authority or a local government teamed with a district, may provide matching funds.

(f) The state board may adjust the ratio of matching funds described in subdivision (e), if it determines that an adjustment is necessary in order to maximize the use of, or the air quality benefits provided by, the program, based on a consideration of the financial resources of the district.

(g) Notwithstanding subdivision (e), a district need not provide matching funds for state board funds allocated to the district for program outreach activities pursuant to paragraph (4) of subdivision (a) of Section 44299.1.

(h) A district may include within its matching funds a reasonable estimate of direct or in-kind costs for assistance in providing program outreach and application evaluation. In-kind and direct matching funds shall not exceed 15 percent of the total matching funds offered by a district. A district may also include within its matching funds any money spent on or after February 25, 1999, that would have qualified as matching funds but were not previously claimed as matching funds.

(i) A district desiring a reservation of funds shall apply to the state board following the application guidelines established pursuant to this section. The state board shall approve or disapprove a district application not later than 60 days after receipt. Upon approval of any district application, the state board shall simultaneously approve a reservation of funding for that district to administer. Reserved funds shall be disbursed to the district so that funding of a district-approved project is not impeded.

(j) Notwithstanding any other provision of this chapter, districts and the Mobile Source Air Pollution Reduction Review Committee shall not use funds collected pursuant to Section 41081 or Chapter 7 (commencing with Section 44220), or pursuant to Section 9250.11 of the Vehicle Code, as matching funds to fund a project with stationary or portable engines, locomotives, or marine vessels.

(k) Any funds reserved for a district pursuant to this section are available to the district for a period of not more than two years from the time of reservation. Funds not expended by June 30 of the second calendar year following the date of the reservation shall revert back to the state board as of that June 30, and shall be deposited in the fund for use by the program. The funds may then be redirected based on applications to the fund. Regardless of any reversion of funds back to the state board, the district may continue to request other reservations of funds for local administration. Each reservation of funds shall be accounted for separately, and unused funds from each application shall revert back to the state board as specified in this subdivision.

(l) The state board shall specify a date each year when district applications are due. If the eligible applications received in any year oversubscribe the available funds, the state board shall reserve funds on an allocation basis, pursuant to subdivision (b) of Section 44299.1. The state board may accept a district application after the due date for a period of months specified by the state board. Funds may be reserved in response to those applications, in accordance with this chapter, out of funds remaining after the original reservation of funds for the year.

(m) Guidelines for a district application shall require information from an applicant district to the extent necessary to meet the requirements of this chapter, but shall otherwise minimize the information required of a district.

(n) A district application shall be reviewed by the state board immediately upon receipt. If the state board determines that an application is incomplete, the applicant shall be notified within 10 working days with an explanation of what is missing from the application. A completed application fulfilling the criteria shall be approved as soon as practicable, but not later than 60 working days after receipt.

(o) The state board, in consultation with the districts, shall establish project approval criteria and guidelines for infrastructure

projects consistent with Section 44284 as soon as practicable, but not later than February 15, 2000. The commission shall make draft criteria and guidelines available to the public 45 days before final adoption, and shall hold at least one public meeting to consider public comments before final adoption.

(p) The state board, in consultation with the participating districts, may propose revisions to the criteria and guidelines established pursuant to subdivision (o) as necessary to improve the ability of the program to achieve its goals. A revision may be proposed at any time, or may be proposed in response to a finding made in the annual report on the program published by the state board pursuant to Section 44295. A proposed revision shall be made available to the public 45 days before final adoption of the revision and the commission shall hold at least one public meeting to consider public comments before final adoption of the revision.

(q) This section shall become operative on January 1, 2034.

SEC. 19. Section 44287 of the Health and Safety Code, as amended by Section 12 of Chapter 610 of the Statutes of 2015, is amended to read:

44287. (a) The state board shall establish or update grant criteria and guidelines consistent with this chapter for covered vehicle and infrastructure projects as soon as practicable, but not later than July 1, 2017. The adoption of guidelines is exempt from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The state board shall solicit input and comment from the districts during the development of the criteria and guidelines and shall make every effort to develop criteria and guidelines that are compatible with existing district programs that are also consistent with this chapter. Guidelines shall include protocols to calculate project cost-effectiveness. The grant criteria and guidelines shall include safeguards to ensure that the project generates surplus emissions reductions. Guidelines shall enable and encourage districts to cofund projects that provide emissions reductions in more than one district. The state board shall make draft criteria and guidelines available to the public 45 days before final adoption, and shall hold at least one public meeting to consider public comments before final adoption. The state board may develop separate

guidelines and criteria for the different types of eligible projects described in subdivision (a) of Section 44281.

(b) The state board, in consultation with the participating districts, may propose revisions to the criteria and guidelines established pursuant to subdivision (a) as necessary to improve the ability of the program to achieve its goals. A proposed revision shall be made available to the public 45 days before final adoption of the revision and the state board shall hold at least one public meeting to consider public comments before final adoption of the revision.

(c) The state board shall reserve funds for, and disburse funds to, districts from the fund for administration pursuant to this section and Section 44299.1.

(d) The state board shall develop guidelines for a district to follow in applying for the reservation of funds, in accordance with this chapter. It is the intent of the Legislature that district administration of any reserved funds be in accordance with the project selection criteria specified in Sections 44281, 44282, and 44283 and all other provisions of this chapter. The guidelines shall be established and published by the state board as soon as practicable, but not later than January 1, 2006.

(e) Funds shall be reserved by the state board for administration by a district that adopts an eligible program pursuant to this chapter and offers matching funds at a ratio of one dollar (\$1) of matching funds committed by the district or the Mobile Source Air Pollution Reduction Review Committee for every two dollars (\$2) committed from the fund. Funds available to the Mobile Source Air Pollution Reduction Review Committee may be counted as matching funds for projects in the South Coast Air Basin only if the committee approves the use of these funds for matching purposes. Matching funds may be any funds under the district's budget authority that are committed to be expended in accordance with the program. Funds committed by a port authority or a local government, in cooperation with a district, to be expended in accordance with the program may also be counted as district matching funds. Matching funds provided by a port authority or a local government shall not exceed 30 percent of the total required matching funds in any district that applies for more than three hundred thousand dollars (\$300,000) of the state board funds. Only a district, or a port

authority or a local government teamed with a district, may provide matching funds.

(f) The state board may adjust the ratio of matching funds described in subdivision (e), if it determines that an adjustment is necessary in order to maximize the use of, or the air quality benefits provided by, the program, based on a consideration of the financial resources of the district.

(g) Notwithstanding subdivision (e), a district need not provide matching funds for state board funds allocated to the district for program outreach activities pursuant to paragraph (4) of subdivision (a) of Section 44299.1.

(h) A district may include within its matching funds a reasonable estimate of direct or in-kind costs for assistance in providing program outreach and application evaluation. In-kind and direct matching funds shall not exceed 15 percent of the total matching funds offered by a district. A district may also include within its matching funds any money spent on or after February 25, 1999, that would have qualified as matching funds but were not previously claimed as matching funds.

(i) A district desiring a reservation of funds shall apply to the state board following the application guidelines established pursuant to this section. The state board shall approve or disapprove a district application not later than 60 days after receipt. Upon approval of any district application, the state board shall simultaneously approve a reservation of funding for that district to administer. Reserved funds shall be disbursed to the district so that funding of a district-approved project is not impeded.

(j) Any funds reserved for a district by the state board pursuant to this section are available for disbursement to the district for a period of not more than two years from the time of reservation. Funds not liquidated by a district by June 30 of the fourth calendar year following the date of the reservation shall be returned to the state board within 90 days for future allocation pursuant to this chapter. Each reservation of funds shall be accounted for separately, and unused funds from each application shall revert back to the state board for use pursuant to this chapter as specified in this subdivision.

(k) The state board shall specify a date each year when district applications are due. If the eligible applications received in any year oversubscribe the available funds, the state board shall reserve

funds on an allocation basis, pursuant to Section 44299.2. The state board may accept a district application after the due date for a period of months specified by the state board. Funds may be reserved in response to those applications, in accordance with this chapter, out of funds remaining after the original reservation of funds for the year.

(l) Guidelines for a district application shall require information from an applicant district to the extent necessary to meet the requirements of this chapter, but shall otherwise minimize the information required of a district.

(m) A district application shall be reviewed by the state board immediately upon receipt. If the state board determines that an application is incomplete, the applicant shall be notified within 10 working days with an explanation of what is missing from the application. A completed application fulfilling the criteria shall be approved as soon as practicable, but not later than 60 working days after receipt.

(n) The commission, in consultation with the districts, shall establish project approval criteria and guidelines for infrastructure projects consistent with Section 44284 as soon as practicable, but not later than February 15, 2000. The commission shall make draft criteria and guidelines available to the public 45 days before final adoption, and shall hold at least one public meeting to consider public comments before final adoption.

(o) The commission, in consultation with the participating districts, may propose revisions to the criteria and guidelines established pursuant to subdivision (n) as necessary to improve the ability of the program to achieve its goals. A revision may be proposed at any time, or may be proposed in response to a finding made in the annual report on the program published by the state board pursuant to Section 44295. A proposed revision shall be made available to the public 45 days before final adoption of the revision and the commission shall hold at least one public meeting to consider public comments before final adoption of the revision.

(p) Unclaimed funds will be allocated by the state board in accordance with Section 44299.2.

(q) This section shall remain in effect only until January 1, 2034, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2034, deletes or extends that date.

SEC. 20. Section 42885 of the Public Resources Code, as amended by Section 31 of Chapter 401 of the Statutes of 2013, is amended to read:

42885. (a) For purposes of this section, “California tire fee” means the fee imposed pursuant to this section.

(b) (1) A person who purchases a new tire, as defined in subdivision (g), shall pay a California tire fee of one dollar and seventy-five cents (\$1.75) per tire.

(2) The retail seller shall charge the retail purchaser the amount of the California tire fee as a charge that is separate from, and not included in, any other fee, charge, or other amount paid by the retail purchaser.

(3) The retail seller shall collect the California tire fee from the retail purchaser at the time of sale and may retain 1 ½ percent of the fee as reimbursement for any costs associated with the collection of the fee. The retail seller shall remit the remainder to the state on a quarterly schedule for deposit in the California Tire Recycling Management Fund, which is hereby created in the State Treasury.

(c) The department, or its agent authorized pursuant to Section 42882, shall be reimbursed for its costs of collection, auditing, and making refunds associated with the California Tire Recycling Management Fund, but not to exceed 3 percent of the total annual revenue deposited in the fund.

(d) The California tire fee imposed pursuant to subdivision (b) shall be separately stated by the retail seller on the invoice given to the customer at the time of sale. Any other disposal or transaction fee charged by the retail seller related to the tire purchase shall be identified separately from the California tire fee.

(e) A person or business who knowingly, or with reckless disregard, makes a false statement or representation in a document used to comply with this section is liable for a civil penalty for each violation or, for continuing violations, for each day that the violation continues. Liability under this section may be imposed in a civil action and shall not exceed twenty-five thousand dollars (\$25,000) for each violation.

(f) In addition to the civil penalty that may be imposed pursuant to subdivision (e), the department may impose an administrative penalty in an amount not to exceed five thousand dollars (\$5,000) for each violation of a separate provision or, for continuing

violations, for each day that the violation continues, on a person who intentionally or negligently violates a permit, rule, regulation, standard, or requirement issued or adopted pursuant to this chapter. The department shall adopt regulations that specify the amount of the administrative penalty and the procedure for imposing an administrative penalty pursuant to this subdivision.

(g) For purposes of this section, “new tire” means a pneumatic or solid tire intended for use with onroad or off-road motor vehicles, motorized equipment, construction equipment, or farm equipment that is sold separately from the motorized equipment, or a new tire sold with a new or used motor vehicle, as defined in Section 42803.5, including the spare tire, construction equipment, or farm equipment. “New tire” does not include retreaded, reused, or recycled tires.

(h) The California tire fee shall not be imposed on a tire sold with, or sold separately for use on, any of the following:

- (1) A self-propelled wheelchair.
- (2) A motorized tricycle or motorized quadricycle, as defined in Section 407 of the Vehicle Code.
- (3) A vehicle that is similar to a motorized tricycle or motorized quadricycle and is designed to be operated by a person who, by reason of the person’s physical disability, is otherwise unable to move about as a pedestrian.

(i) This section shall remain in effect only until January 1, 2034, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2034, deletes or extends that date.

SEC. 21. Section 42885 of the Public Resources Code, as amended by Section 32 of Chapter 401 of the Statutes of 2013, is amended to read:

42885. (a) For purposes of this section, “California tire fee” means the fee imposed pursuant to this section.

(b) (1) Every person who purchases a new tire, as defined in subdivision (g), shall pay a California tire fee of seventy-five cents (\$0.75) per tire.

(2) The retail seller shall charge the retail purchaser the amount of the California tire fee as a charge that is separate from, and not included in, any other fee, charge, or other amount paid by the retail purchaser.

(3) The retail seller shall collect the California tire fee from the retail purchaser at the time of sale and may retain 3 percent of the

fee as reimbursement for any costs associated with the collection of the fee. The retail seller shall remit the remainder to the state on a quarterly schedule for deposit in the California Tire Recycling Management Fund, which is hereby created in the State Treasury.

(c) The department, or its agent authorized pursuant to Section 42882, shall be reimbursed for its costs of collection, auditing, and making refunds associated with the California Tire Recycling Management Fund, but not to exceed 3 percent of the total annual revenue deposited in the fund.

(d) The California tire fee imposed pursuant to subdivision (b) shall be separately stated by the retail seller on the invoice given to the customer at the time of sale. Any other disposal or transaction fee charged by the retail seller related to the tire purchase shall be identified separately from the California tire fee.

(e) Any person or business who knowingly, or with reckless disregard, makes any false statement or representation in any document used to comply with this section is liable for a civil penalty for each violation or, for continuing violations, for each day that the violation continues. Liability under this section may be imposed in a civil action and shall not exceed twenty-five thousand dollars (\$25,000) for each violation.

(f) In addition to the civil penalty that may be imposed pursuant to subdivision (e), the department may impose an administrative penalty in an amount not to exceed five thousand dollars (\$5,000) for each violation of a separate provision or, for continuing violations, for each day that the violation continues, on any person who intentionally or negligently violates any permit, rule, regulation, standard, or requirement issued or adopted pursuant to this chapter. The department shall adopt regulations that specify the amount of the administrative penalty and the procedure for imposing an administrative penalty pursuant to this subdivision.

(g) For purposes of this section, “new tire” means a pneumatic or solid tire intended for use with onroad or off-road motor vehicles, motorized equipment, construction equipment, or farm equipment that is sold separately from the motorized equipment, or a new tire sold with a new or used motor vehicle, as defined in Section 42803.5, including the spare tire, construction equipment, or farm equipment. “New tire” does not include retreaded, reused, or recycled tires.

(h) The California tire fee may not be imposed on any tire sold with, or sold separately for use on, any of the following:

- (1) Any self-propelled wheelchair.
- (2) Any motorized tricycle or motorized quadricycle, as defined in Section 407 of the Vehicle Code.
- (3) Any vehicle that is similar to a motorized tricycle or motorized quadricycle and is designed to be operated by a person who, by reason of the person's physical disability, is otherwise unable to move about as a pedestrian.

(i) This section shall become operative on January 1, 2034.

SEC. 22. Section 42889 of the Public Resources Code, as amended by Section 152 of Chapter 35 of the Statutes of 2014, is amended to read:

42889. (a) Of the moneys collected pursuant to Section 42885, an amount equal to seventy-five cents (\$0.75) per tire on which the fee is imposed shall be transferred by the State Board of Equalization to the Air Pollution Control Fund. The state board shall expend those moneys, or allocate those moneys to the districts for expenditure, to fund programs and projects that mitigate or remediate air pollution caused by tires in the state, to the extent that the state board or the applicable district determines that the program or project remediates air pollution harms created by tires upon which the fee described in Section 42885 is imposed.

(b) The remaining moneys collected pursuant to Section 42885 shall be used to fund the waste tire program, and shall be appropriated to the department in the annual Budget Act in a manner consistent with the five-year plan adopted and updated by the department. These moneys shall be expended for the payment of refunds under this chapter and for the following purposes:

(1) To pay the administrative overhead cost of this chapter, not to exceed 6 percent of the total revenue deposited in the fund annually, or an amount otherwise specified in the annual Budget Act.

(2) To pay the costs of administration associated with collection, making refunds, and auditing revenues in the fund, not to exceed 3 percent of the total revenue deposited in the fund, as provided in subdivision (c) of Section 42885.

(3) To pay the costs associated with operating the tire recycling program specified in Article 3 (commencing with Section 42870).

(4) To pay the costs associated with the development and enforcement of regulations relating to the storage of waste tires and used tires. The department shall consider designating a city, county, or city and county as the enforcement authority of regulations relating to the storage of waste tires and used tires, as provided in subdivision (c) of Section 42850, and regulations relating to the hauling of waste and used tires, as provided in subdivision (b) of Section 42963. If the department designates a local entity for that purpose, the department shall provide sufficient, stable, and noncompetitive funding to that entity for that purpose, based on available resources, as provided in the five-year plan adopted and updated as provided in subdivision (a) of Section 42885.5. The department may consider and create, as appropriate, financial incentives for citizens who report the illegal hauling or disposal of waste tires as a means of enhancing local and statewide waste tire and used tire enforcement programs.

(5) To pay the costs of cleanup, abatement, removal, or other remedial action related to waste tire stockpiles throughout the state, including all approved costs incurred by other public agencies involved in these activities by contract with the department. Not less than six million five hundred thousand dollars (\$6,500,000) shall be expended by the department during each of the following fiscal years for this purpose: 2001–02 to 2006–07, inclusive.

(6) To make studies and conduct research directed at promoting and developing alternatives to the landfill disposal of waste tires.

(7) To assist in developing markets and new technologies for used tires and waste tires. The department's expenditure of funds for purposes of this subdivision shall reflect the priorities for waste management practices specified in subdivision (a) of Section 40051.

(8) To pay the costs associated with implementing and operating a waste tire and used tire hauler program and manifest system pursuant to Chapter 19 (commencing with Section 42950).

(9) To pay the costs to create and maintain an emergency reserve, which shall not exceed one million dollars (\$1,000,000).

(10) To pay the costs of cleanup, abatement, or other remedial action related to the disposal of waste tires in implementing and operating the Farm and Ranch Solid Waste Cleanup and Abatement Grant Program established pursuant to Chapter 2.5 (commencing with Section 48100) of Part 7.

(11) To fund border region activities specified in paragraph (8) of subdivision (b) of Section 42885.5.

(12) For expenditure pursuant to paragraph (3) of subdivision (a) of, and paragraph (3) of subdivision (b) of, Section 17001.

(c) This section shall remain in effect only until January 1, 2034, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2034, deletes or extends that date.

SEC. 23. Section 42889 of the Public Resources Code, as amended by Section 153 of Chapter 35 of the Statutes of 2014, is amended to read:

42889. Funding for the waste tire program shall be appropriated to the department in the annual Budget Act. The moneys in the fund shall be expended for the payment of refunds under this chapter and for the following purposes:

(a) To pay the administrative overhead cost of this chapter, not to exceed 5 percent of the total revenue deposited in the fund annually, or an amount otherwise specified in the annual Budget Act.

(b) To pay the costs of administration associated with collection, making refunds, and auditing revenues in the fund, not to exceed 3 percent of the total revenue deposited in the fund, as provided in subdivision (b) of Section 42885.

(c) To pay the costs associated with operating the tire recycling program specified in Article 3 (commencing with Section 42870).

(d) To pay the costs associated with the development and enforcement of regulations relating to the storage of waste tires and used tires. The department shall consider designating a city, county, or city and county as the enforcement authority of regulations relating to the storage of waste tires and used tires, as provided in subdivision (c) of Section 42850, and regulations relating to the hauling of waste and used tires, as provided in subdivision (b) of Section 42963. If the department designates a local entity for that purpose, the department shall provide sufficient, stable, and noncompetitive funding to that entity for that purpose, based on available resources, as provided in the five-year plan adopted and updated as provided in subdivision (a) of Section 42885.5. The department may consider and create, as appropriate, financial incentives for citizens who report the illegal hauling or disposal of waste tires as a means of enhancing local and statewide waste tire and used tire enforcement programs.

(e) To pay the costs of cleanup, abatement, removal, or other remedial action related to waste tire stockpiles throughout the state, including all approved costs incurred by other public agencies involved in these activities by contract with the department. Not less than six million five hundred thousand dollars (\$6,500,000) shall be expended by the department during each of the following fiscal years for this purpose: 2001–02 to 2006–07, inclusive.

(f) To fund border region activities specified in paragraph (8) of subdivision (b) of Section 42885.5.

(g) For expenditure pursuant to paragraph (3) of subdivision (a) of, and paragraph (3) of subdivision (b) of, Section 17001.

(h) This section shall become operative on January 1, 2034.

SEC. 24. Section 9250.2 of the Vehicle Code, as amended by Section 36 of Chapter 401 of the Statutes of 2013, is amended to read:

9250.2. (a) The department, if requested by the Sacramento Metropolitan Air Quality Management District pursuant to Section 41081 of the Health and Safety Code, shall impose and collect a surcharge on the registration fees for every motor vehicle registered in that district, not to exceed the amount of six dollars (\$6), as specified by the governing body of that district.

(b) This section shall remain in effect only until January 1, 2034, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2034, deletes or extends that date.

SEC. 25. Section 9250.2 of the Vehicle Code, as amended by Section 37 of Chapter 401 of the Statutes of 2013, is amended to read:

9250.2. (a) The department, if requested by the Sacramento Metropolitan Air Quality Management District pursuant to Section 41081 of the Health and Safety Code, shall impose and collect a surcharge on the registration fees for every motor vehicle registered in that district, not to exceed four dollars (\$4).

(b) This section shall become operative on January 1, 2034.

Approved _____, 2022

Governor

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Pauline Russo Cutter and Members
of the Legislative Committee

From: Sharon L. Landers
Interim Executive Officer/APCO

Date: October 3, 2022

Re: State Legislative Update

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

As of the date of this Legislative Committee (Committee) meeting, the 2021-2022 Legislative Session has concluded, and all bills have been signed or vetoed by the Governor. This year, the Air District was tracking over 150 bills and less than half of those bills made it to the Governor's desk.

DISCUSSION

Staff will provide the Committee with a brief summary and status of bills listed on the attached list. Specifically, staff will discuss the following bills:

AB 1749 (C. Garcia) – Community emissions reduction programs: toxic air contaminants and criteria air pollutants.

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

measures, as specified. Current law also requires an air district to submit the community emissions reduction program to the state board for review and approval as prescribed, and to prepare an annual report summarizing the results and actions taken to further reduce emissions pursuant to the community emissions reduction program, among other things. *This bill would require the state board to additionally identify in each statewide strategy update measures to reduce criteria air pollutants and toxic air contaminants. The bill would authorize an air district that is required to adopt a community emissions reduction program to take up to one additional year to adopt the program, if the state board and a majority of the persons who are designated by the district to participate in the development and adoption of the program agree.*

Current Status: Signed by the Governor on September 16, 2022.

AB 2206 (Lee) – Nonattainment basins: employee parking: parking cash-out program.

CapitolTrack Summary: Current law requires, in any air basin designated as nonattainment for certain air quality standards, an employer, defined as an employer of 50 persons or more that provides a parking subsidy to employees, to also offer a parking cash-out program. Current law defines “parking cash-out program” as an employer-funded program under which an employer offers to provide a cash allowance to an employee equivalent to the parking subsidy that the employer would otherwise pay to provide the employee with a parking space. Current law defines a “parking subsidy” as the difference between the out-of-pocket amount paid by an employer on a regular basis in order to secure the availability of an employee parking space not owned by the employer and the price, if any, charged to an employee for use of that space. *This bill would revise the definitions of “employer,” “parking cash-out program,” and “parking subsidy.” The bill would require an employer to maintain a record of communication with each employee who receives a parking subsidy that those employees have been informed of their right to receive the cash equivalent of the parking subsidy.*

Current Status: Governor’s Desk

AB 2232 (McCarty) – School facilities: heating, ventilation, and air conditioning systems.

CapitolTrack Summary: The Leroy F. Greene School Facilities Act of 1998 provides for the adoption of rules, regulations, and procedures, under the administration of the Director of General Services, for the allocation of state funds by the State Allocation Board for the construction and modernization of public school facilities. *This bill would require a covered school, defined as a school district, a county office of education, a charter school, a private school, the California Community Colleges, or the California State University, and would request the University of California, to ensure that facilities have heating, ventilation, and air conditioning (HVAC) systems that meet specified minimum ventilation rate requirements, unless the existing HVAC system is not capable of safely and efficiently providing the minimum ventilation rate, in which case the bill would require a covered school, and request the University of California, to ensure that its HVAC system meets the minimum ventilation rates in effect at the time the building permit for installation of that HVAC system was issued. The bill would also require a covered school, and request the University of California, to install filtration that achieves specified minimum efficiency reporting values (MERV) levels, determined by the*

school to be feasible with the existing HVAC system, as provided.

Current Status: Governor's Desk

AB 2449 (Rubio) – Open meetings: local agencies: teleconferences.

CapitolTrack Summary: Current law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act generally requires posting an agenda at least 72 hours before a regular meeting that contains a brief general description of each item of business to be transacted or discussed at the meeting, and prohibits any action or discussion from being undertaken on any item not appearing on the posted agenda. *This bill would revise and recast those teleconferencing provisions and, until January 1, 2026, would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements that each teleconference location be identified in the notice and agenda and that each teleconference location be accessible to the public if at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the local agency's jurisdiction.*

Current Status: Signed by the Governor on September 13, 2022.

AB 2550 (Arambula) – State Air Resources Board: San Joaquin Valley Air Pollution Control District: nonattainment.

CapitolTrack Summary: *Would require the State Air Resources Board, if the San Joaquin Valley Air Pollution Control District does not receive a determination of attainment from the United States Environmental Protection Agency for a national ambient air quality standard established by the agency pursuant to the federal Clean Air Act by the applicable attainment date for that standard, to undertake certain activities, including coordinating with the district and community-based organizations in the district and conducting outreach to under-resourced communities in the district to identify gaps in the state implementation plan and the district's attainment plan, rules, regulations, programs, and enforcement practices that impact the district's ability to attain and maintain that ambient air quality standard.*

Current Status: Vetoed by the Governor on September 22, 2022.

AB 2910 (Santiago) – Nonvehicular air pollution: civil penalties.

CapitolTrack Summary: Current law generally designates air pollution control and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources. Current law establishes maximum civil penalties for any person for violations of air pollution laws from nonvehicular sources. A person who violates these laws and who acts negligently is liable for a civil penalty in a greater amount, as specified. Current law annually adjusts the maximum penalties for violations of these laws based on the California Consumer Price Index. *This bill would increase the maximum amount of those civil*

penalties and would subject those maximum amounts to the annual adjustment based on the California Consumer Price Index, as specified.

Current Status: Dead

SB 45 (Portantino) – Short-lived climate pollutants: organic waste reduction goals: local jurisdiction assistance.

CapitolTrack Summary: Current law requires that the methane emissions reduction goals include a 50% reduction in the level of statewide disposal of organic waste from the 2014 level by 2020 and a 75% reduction in the level of statewide disposal of organic waste from the 2014 level by 2025. Current law requires the Department of Resources Recycling and Recovery, in consultation with the State Air Resources Board, to adopt regulations to achieve the organic waste reduction goals established by the state board for 2020 and 2025, as provided. Current law requires the department, no later than July 1, 2020, and in consultation with the state board, to analyze the progress that the waste sector, state government, and local governments have made in achieving these organic waste reduction goals. Current law authorizes the department, if it determines that significant progress has not been made toward achieving the organic waste reduction goals established by the state board, to include incentives or additional requirements in its regulations to facilitate progress towards achieving the goals. *This bill would require the department, in consultation with the state board, to assist local jurisdictions in complying with these provisions, including any regulations adopted by the department.*

Current Status: Signed by the Governor on September 19, 2022.

SB 1382 (Gonzalez) – Air pollution: Clean Cars 4 All Program: Sales and Use Tax Law: zero emissions vehicle exemption.

CapitolTrack Summary: *Would require the implementing regulations for the Clean Cars 4 All Program to additionally ensure that the State Air Resources Board coordinates with local air districts and local nonprofit and community organizations, as provided, to identify barriers to accessing the Clean Cars 4 All Program and to develop outreach protocols and metrics to assess the success of outreach across the districts. The bill would additionally require that the performance analysis include an assessment identifying populations that are eligible for, but underserved by the Clean Cars 4 All Program, as provided, and would require the assessment to identify barriers preventing the underserved populations from participating in the program and to propose strategies to overcome those barriers. The bill would require the state board to consider specified metrics in allocating funding to districts participating in the Clean Cars 4 All Program. The bill would authorize up to 10% of the moneys allocated by the state board for the Clean Cars 4 All Program to be used for outreach programs in accordance with specified requirements.*

Current Status: Signed by the Governor on September 16, 2022.

The following bills were amended late in the Legislative Session as a Climate Package deal between the Governor, Assembly, and Senate.

AB 1279 (Muratsuchi) – The California Climate Crisis Act.

CapitolTrack Summary: The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. *This bill, the California Climate Crisis Act, would declare the policy of the state both to achieve net zero greenhouse gas emissions as soon as possible, but no later than 2045, and achieve and maintain net negative greenhouse gas emissions thereafter, and to ensure that by 2045, statewide anthropogenic greenhouse gas emissions are reduced to at least 85% below the 1990 levels. The bill would require the state board to work with relevant state agencies to ensure that updates to the scoping plan identify and recommend measures to achieve these policy goals and to identify and implement a variety of policies and strategies that enable carbon dioxide removal solutions and carbon capture, utilization, and storage technologies in California, as specified. The bill would require the state board to submit an annual report, as specified.*

Current Status: Signed by the Governor on September 16, 2022.

AB 1757 (C. Garcia) – California Global Warming Solutions Act of 2006: climate goal: natural and working lands.

CapitolTrack Summary: The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases. The act requires the state board to approve a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020 and to ensure that statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level no later than December 31, 2030. The act requires the state board to prepare and approve a scoping plan for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions and to update the scoping plan at least once every 5 years. *This bill would require the Natural Resources Agency, in collaboration with specified entities including the state board and the expert advisory committee as specified, to determine on or before January 1, 2024, an ambitious range of targets for natural carbon sequestration, and for nature-based climate solutions, that reduce greenhouse gas emissions for 2030, 2038, and 2045 to support state goals to achieve carbon neutrality and foster climate adaptation and resilience. The bill would require these targets to be integrated into the above-described scoping plan and other state policies. The bill would require the Natural Resources Agency, in consultation with specified agencies including the state board, to review and update the Natural and Working Lands Climate Smart Strategy to achieve these targets.*

Current Status: Signed by the Governor on September 16, 2022.

AB 2133 (Quirk) – California Global Warming Solutions Act of 2006: emissions limit.

CapitolTrack Summary: The California Global Warming Solutions Act of 2006, the State Air Resources Board is required to approve a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020 and to ensure that

statewide greenhouse gas emissions are reduced to at least 40% below the 1990 level by no later than December 31, 2030. Under the act, a violation of a rule, regulation, order, emission limitation, emission reduction measure, or other measure adopted by the state board under the act is a crime. *This bill instead would require the state board to ensure that statewide greenhouse gas emissions are reduced to at least 55% below the 1990 level by no later than December 31, 2030.*

Current Status: Dead

SB 905 (Caballero and Skinner) – Carbon sequestration: Carbon Capture, Removal, Utilization, and Storage Program.

CapitolTrack Summary: *Would require the State Air Resources Board to establish a Carbon Capture, Removal, Utilization, and Storage Program, as provided, to evaluate the efficacy, safety, and viability of carbon capture, utilization, or storage (CCUS) technologies and carbon dioxide removal (CDR) technologies and facilitate the capture and sequestration of carbon dioxide from those technologies, where appropriate. The bill would require the program to ensure that carbon dioxide capture, removal, and sequestration projects include specified components including, among others, certain monitoring activities. In carrying out the program’s objectives, the bill would require the state board to prioritize, among other priorities, reducing the emissions of greenhouses gases and reducing fossil fuel production in the state. The bill would require the state board to adopt regulations to implement the program and, in developing the program, to consult with the Geologic Carbon Sequestration Group as specified.*

Current Status: Signed by the Governor on September 16, 2022.

SB 846 (Dodd) – Diablo Canyon powerplant: extension of operations.

CapitolTrack Summary: The Diablo Canyon nuclear powerplant, composed of Reactor Units 1 and 2, is operated by the Pacific Gas and Electric Company, an electrical corporation, in the County of San Luis Obispo. On January 11, 2018, the Public Utilities Commission (PUC) approved the Pacific Gas and Electric Company’s proposal to retire Unit 1 in 2024 and Unit 2 in 2025. *This bill would invalidate the PUC’s approval of that proposal and would require the PUC to set new retirement dates for the Diablo Canyon powerplant, as provided, conditioned upon the United States Nuclear Regulatory Commission extending the powerplant’s operating licenses, as specified. The bill would require the PUC to take certain actions to enable the operator of the Diablo Canyon powerplant to recover the reasonable costs and expenses of operating the Diablo Canyon powerplant, as provided, including the imposition of a fully nonbypassable charge on all customers of electrical corporations, electric service providers, and community choice aggregators, and would require the PUC to authorize the operator to recover in rates an operating fee for each megawatthour generated by the powerplant, as specified.*

Current Status: Signed by the Governor on September 2, 2022.

SB 1020 (Laird) – Clean Energy, Jobs, and Affordability Act of 2022.

CapitolTrack Summary: The California Global Warming Solutions Act of 2006 requires the state board to prepare and approve a scoping plan for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions and to update the scoping plan at least once every 5 years. The act requires the state board to conduct a series of public workshops to give interested parties an opportunity to comment on the plan and requires a portion of those workshops to be conducted in regions of the state that have the most significant exposure to pollutants. The act specifically includes as regions for these workshops communities with minority populations, communities with low-income populations, or both. *This bill would instead include as regions for these workshops federal extreme nonattainment areas that have communities with minority populations, communities with low-income populations, or both.*

Current Status: Signed by the Governor on September 16, 2022.

SB 1137 (Gonzalez) – Oil and gas: operations: location restrictions: notice of intention: health protection zone: sensitive receptors.

CapitolTrack Summary: Current law requires an operator proposing to perform a well stimulation treatment to apply to the supervisor or district deputy for a permit to perform the well stimulation treatment and imposes other requirements and conditions on the use of well stimulation treatments. Under current law, a person who fails to comply with this and other requirements relating to the regulation of oil or gas operations is guilty of a misdemeanor. *This bill would prohibit, commencing January 1, 2023, the Geologic Energy Management Division from approving any notice of intention within a health protection zone, as defined, except for reasons related to preventing or responding to a threat to public health, safety, or the environment, complying with a court order, or to plug and abandon or reabandon a well, as provided. The bill would also explicitly authorize the division to approve notices of intention to public and private entities who own, purchase, or lease land containing idle-deserted or previously plugged and abandoned wells for the purposes of those public and private entities plugging and abandoning, or replugging and abandoning, those oil and gas wells so development of nonfossil fuel production and injection and related uses can proceed, as provided. The bill would require an operator who submits a notice of intention, except for certain notices of intention, to also submit either a sensitive receptor inventory and map of the area within the 3,200 feet radius of the wellhead or proposed wellhead location to the division, or a statement certifying that the operator has confirmed that there are no sensitive receptors, as defined, located within 3,200-foot of the wellhead location, as provided. If a notice of intention is approved pursuant to compliance with a court order, the bill would require the operator of the oil or gas well to provide an individual indemnity bond sufficient to pay the full cost of properly plugging and abandoning the operator's well or wells, and decommissioning any attendant production facilities in the health protection zone, as provided.*

Current Status: Signed by the Governor on September 16, 2022.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Sharon L. Landers
Interim Executive Officer/APCO

Prepared by: Alan Abbs
Reviewed by: Sharon L. Landers

ATTACHMENTS:

1. Bill Matrix - Bills of Interest - As of September 27, 2022

Bill #	Author	Subject	Last Amended	Last Status - As of 9/27/2022	Location	Notes	Position	Priority (Low/Medium/High)	Category
AB 1749	Garcia, Cristina	Community emissions reduction programs: toxic air contaminants and criteria air pollutants.	8/25/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 340, Statutes of 2022.	9/16/2022-A. CHAPTERED			Medium	AB 617
AB 1279	Muratsuchi	The California Climate Crisis Act.	8/28/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 337, Statutes of 2022.	9/16/2022-A. CHAPTERED			Low	Climate Change
AB 1757	Garcia, Cristina	California Global Warming Solutions Act of 2006: climate goal: natural and working lands.	8/28/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 341, Statutes of 2022.	9/16/2022-A. CHAPTERED			Low	Climate Change
AB 2446	Holden	Embodied carbon emissions: construction materials.	8/11/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 352, Statutes of 2022.	9/16/2022-A. CHAPTERED			Low	Climate Change
AB 2700	McCarty	Transportation electrification: electrical distribution grid upgrades.	8/2/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 354, Statutes of 2022.	9/16/2022-A. CHAPTERED			Low	Climate Change
SB 846	Dodd	Diablo Canyon powerplant: extension of operations.	8/28/2022	9/2/2022-Chaptered by Secretary of State- Chapter 239, Statutes of 2022	9/2/2022-S. CHAPTERED			Low	Climate Change
SB 852	Dodd	Climate resilience districts: formation: funding mechanisms.	8/8/2022	9/9/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 266, Statutes of 2022.	9/9/2022-S. CHAPTERED			Low	Climate Change
SB 905	Caballero	Carbon sequestration: Carbon Capture, Removal, Utilization, and Storage Program.	8/28/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 359, Statutes of 2022.	9/16/2022-S. CHAPTERED			Low	Climate Change
SB 1020	Laird	Clean Energy, Jobs, and Affordability Act of 2022.	8/29/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 361, Statutes of 2022.	9/16/2022-S. CHAPTERED			Low	Climate Change
SB 1075	Skinner	Hydrogen: green hydrogen: emissions of greenhouse gases.	8/23/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 363, Statutes of 2022.	9/16/2022-S. CHAPTERED			Low	Climate Change
SB 1136	Portantino	California Environmental Quality Act: expedited environmental review: climate change regulations.	6/27/2022	9/13/2022-Enrolled and presented to the Governor at 3 p.m.	9/13/2022-S. ENROLLED			Low	Climate Change
SB 1137	Gonzalez	Oil and gas: operations: location restrictions: notice of intention: health protection zone: sensitive receptors.	8/27/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 365, Statutes of 2022.	9/16/2022-S. CHAPTERED			Low	Climate Change
SB 1145	Laird	California Global Warming Solutions Act of 2006: greenhouse gas emissions: dashboard.	5/19/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 366, Statutes of 2022.	9/16/2022-S. CHAPTERED			Low	Climate Change
SB 1206	Skinner	Hydrofluorocarbon gases: sale or distribution.	8/11/2022	8/26/2022-Enrolled and presented to the Governor at 2 p.m.	8/26/2022-S. ENROLLED			Low	Climate Change
SB 1230	Limón	Zero-emission and near-zero-emission vehicle incentive programs: requirements.	8/22/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 371, Statutes of 2022.	9/16/2022-S. CHAPTERED			Low	Climate Change
AB 2075	Ting	Energy: electric vehicle charging standards.	5/2/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 346, Statutes of 2022.	9/16/2022-A. CHAPTERED			Low	Energy
AB 2204	Boerner Horvath	Clean energy: Labor and Workforce Development Agency: Deputy Secretary for Climate.	8/22/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 348, Statutes of 2022.	9/16/2022-A. CHAPTERED			Low	Energy
AB 2316	Ward	Public Utilities Commission: customer renewable energy subscription programs and the community renewable energy program.	8/24/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 350, Statutes of 2022.	9/16/2022-A. CHAPTERED			Low	Energy
SB 1063	Skinner	Energy: appliance standards and cost-effective measures.	8/4/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 362, Statutes of 2022.	9/16/2022-S. CHAPTERED			Low	Energy
SB 1112	Becker	Energy: building decarbonization: notice and recordation of a decarbonization charge.	8/18/2022	9/6/2022-Enrolled and presented to the Governor at 3:30 p.m.	9/6/2022-S. ENROLLED			Low	Energy
SB 1291	Archuleta	Hydrogen-fueling stations: administrative approval.	8/18/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 373, Statutes of 2022.	9/16/2022-S. CHAPTERED			Low	Energy
AB 2721	Lee	Bay Area Air Quality Management District: district board: compensation.	8/1/2022	9/23/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 501, Statutes of 2022.	9/23/2022-A. CHAPTERED		Air District-Sponsored	High	General-Air District
AB 2836	Garcia, Eduardo	Carl Moyer Memorial Air Quality Standards Attainment Program: vehicle registration fees: California tire fee.	5/19/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 355, Statutes of 2022.	9/16/2022-A. CHAPTERED		Air-District Co-Sponsor	High	General-Air District
AB 117	Boerner Horvath	Air Quality Improvement Program: electric bicycles.	8/11/2022	8/31/2022-Enrolled and presented to the Governor at 4 p.m.	8/25/2022-A. ENROLLED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 1322	Rivas, Robert	California Global Warming Solutions Act of 2006: aviation greenhouse gas emissions reduction plan.	8/25/2022	9/13/2022-Enrolled and presented to the Governor at 4 p.m.	9/13/2022-A. ENROLLED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 1389	Reyes	Clean Transportation Program: project funding preferences.	8/25/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 339, Statutes of 2022.	9/16/2022-A. CHAPTERED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 1644	Flora	Greenhouse Gas Reduction Fund: California Jobs Plan Act of 2021.	6/21/2022	8/29/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 202, Statutes of 2022.	8/29/2022-A. CHAPTERED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 1738	Boerner Horvath	Building standards: installation of electric vehicle charging stations: existing buildings.	8/11/2022	8/31/2022-Enrolled and presented to the Governor at 4 p.m.	8/25/2022-A. ENROLLED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2061	Ting	Transportation electrification: electric vehicle charging infrastructure.	8/23/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 345, Statutes of 2022.	9/16/2022-A. CHAPTERED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2101	Flora	California Carbon Sequestration and Climate Resiliency Project Registry: whole orchard recycling projects.	4/5/2022	7/19/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 117, Statutes of 2022.	7/19/2022-A. CHAPTERED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2622	Mullin	Sales and use taxes: exemptions: California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project: transit buses.	6/9/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 353, Statutes of 2022.	9/16/2022-A. CHAPTERED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2737	Carrillo	Air pollution: purchase of new drayage and short-haul trucks: incentive programs: lessees: labor standards.	4/7/2022	8/29/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 213, Statutes of 2022.	8/29/2022-A. CHAPTERED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2798	Fong	Freight: development projects.	8/24/2022	9/25/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 535, Statutes of 2022.	9/25/2022-A. CHAPTERED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 45	Portantino	Short-lived climate pollutants: organic waste reduction goals: local jurisdiction assistance.	8/15/2022	9/19/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 445, Statutes of 2022.	9/19/2022-S. CHAPTERED			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 457	Portantino	Personal income taxes: credit: reduction in vehicles.	8/25/2022	9/9/2022-Enrolled and presented to the Governor at 3 p.m.	9/9/2022-S. ENROLLED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 922	Wiener	California Environmental Quality Act: exemptions: transportation-related projects.	8/4/2022	8/23/2022-Enrolled and presented to the Governor at 12:30 p.m.	8/23/2022-S. ENROLLED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 932	Portantino	General plans: circulation element: bicycle and pedestrian plans and traffic calming plans.	8/25/2022	9/6/2022-Enrolled and presented to the Governor at 3:30 p.m.	9/6/2022-S. ENROLLED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 942	Newman	Low Carbon Transit Operations Program: free or reduced fare transit program.	6/29/2022	8/30/2022-Enrolled and presented to the Governor at 3 p.m.	8/30/2022-S. ENROLLED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade

Bill #	Author	Subject	Last Amended	Last Status - As of 9/27/2022	Location	Notes	Position	Priority (Low/Medium/High)	Category
SB 1010	Skinner	Air pollution: state vehicle fleet.	8/24/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 360, Statutes of 2022.	9/16/2022-S. CHAPTERED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 1203	Becker	Net-zero emissions of greenhouse gases: state agency operations.	8/15/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 368, Statutes of 2022.	9/16/2022-S. CHAPTERED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 1251	Gonzalez	Governor's Office of Business and Economic Development: Zero-Emission Vehicle Market Development Office: Zero-Emission Vehicle Equity Advocate.	8/23/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 372, Statutes of 2022.	9/16/2022-S. CHAPTERED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 1305	Laird	State vehicle fleet: alternative fuel vehicles.	4/19/2022	8/15/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 152, Statutes of 2022.	8/15/2022-S. CHAPTERED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 1382	Gonzalez	Air pollution: Clean Cars 4 All Program: Sales and Use Tax Law: zero emissions vehicle exemption.	8/18/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 375, Statutes of 2022.	9/16/2022-S. CHAPTERED		Support	Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 1482	Allen	Building standards: electric vehicle charging infrastructure.	8/23/2022	9/13/2022-Enrolled and presented to the Governor at 3 p.m.	9/13/2022-S. ENROLLED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 178	Ting	Budget Act of 2022.	6/26/2022	6/30/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 45, Statutes of 2022.	6/30/2022-A. CHAPTERED			High	Other
AB 179	Ting	Budget Act of 2022.	8/28/2022	9/6/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 249, Statutes of 2022.	9/6/2022-A. CHAPTERED			High	Other
AB 180	Ting	Budget Act of 2021.	6/26/2022	6/30/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 44, Statutes of 2022.	6/30/2022-A. CHAPTERED			High	Other
AB 209	Committee on Budget	Energy and climate change.	8/28/2022	9/6/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 251, Statutes of 2022.	9/6/2022-A. CHAPTERED			High	Other
AB 211	Committee on Budget	Public resources trailer bill.	8/28/2022	8/31/2022-Read third time. Passed. Ordered to the Assembly. (Ayes 31. Noes 0.). In Assembly. Concurrence in Senate amendments pending. Assembly Rule 63 suspended. Senate amendments concurred in. To Engrossing and Enrolling. Enrolled and presented to the Governor at 9:30 p.m.	8/31/2022-A. ENROLLED			Low	Other
AB 1717	Aguar-Curry	Public works: definition.	8/24/2022	9/12/2022-Enrolled and presented to the Governor at 4 p.m.	9/12/2022-A. ENROLLED			Low	Other
AB 1857	Garcia, Cristina	Solid waste.	8/23/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 342, Statutes of 2022.	9/16/2022-A. CHAPTERED			Low	Other
AB 2056	Grayson	Bar pilots: pilotage rates.	8/22/2022	9/13/2022-Enrolled and presented to the Governor at 4 p.m.	9/13/2022-A. ENROLLED			Low	Other
AB 2057	Carrillo	Department of Transportation: goods movement data.	8/25/2022	9/22/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 458, Statutes of 2022.	9/22/2022-A. CHAPTERED			Low	Other
AB 2206	Lee	Nonattainment basins: employee parking: parking cash-out program.	8/22/2022	9/12/2022-Enrolled and presented to the Governor at 4 p.m.	9/12/2022-A. ENROLLED		Support	Medium	Other
AB 2449	Rubio, Blanca	Open meetings: local agencies: teleconferences.	8/8/2022	9/13/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 285, Statutes of 2022.	9/13/2022-A. CHAPTERED		Oppose	High	Other
AB 2647	Levine	Local government: open meetings.	8/4/2022	8/29/2022-Enrolled and presented to the Governor at 3:30 p.m.	8/29/2022-A. ENROLLED			Low	Other
SB 154	Skinner	Budget Act of 2022.	6/8/2022	6/27/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 43, Statutes of 2022.	6/27/2022-S. CHAPTERED			High	Other
SB 717	Dodd	Department of Technology: broadband communications: report.	8/22/2022	9/9/2022-Enrolled and presented to the Governor at 3 p.m.	9/9/2022-S. ENROLLED			Low	Other
SB 1100	Cortese	Open meetings: orderly conduct.	6/6/2022	8/22/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 171, Statutes of 2022.	8/22/2022-S. CHAPTERED			Low	Other
SB 1314	Limón	Oil and gas: Class II injection wells: enhanced oil recovery.	3/16/2022	9/16/2022-Approved by the Governor. Chaptered by Secretary of State. Chapter 336, Statutes of 2022.	9/16/2022-S. CHAPTERED			Low	Other
AB 2232	McCarty	School facilities: heating, ventilation, and air conditioning systems.	6/28/2022	9/13/2022-Enrolled and presented to the Governor at 4 p.m.	9/13/2022-A. ENROLLED			Medium	Wildfire/PSPS
AB 2243	Garcia, Eduardo	Occupational safety and health standards: heat illness: wildfire smoke.	8/25/2022	9/8/2022-Enrolled and presented to the Governor at 1 p.m.	9/8/2022-A. ENROLLED			Low	Wildfire/PSPS
AB 2645	Rodriguez	Local emergency plans: integration of access and functional needs: community resilience centers.	8/11/2022	9/6/2022-Approved by the Governor. Chaptered by Secretary of State - Chapter 247, Statutes of 2022.	9/6/2022-A. CHAPTERED			Low	Wildfire/PSPS
AB 284	Rivas, Robert	California Global Warming Solutions Act of 2006: climate goal: natural and working lands.	7/14/2021	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was INACTIVE FILE on 9/2/2021)	8/31/2022-S. DEAD			Low	Climate Change
AB 1369	Bennett	Buy Clean California Act: eligible materials: product-specific global warming potential emissions.	6/8/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was INACTIVE FILE on 8/29/2022)	8/31/2022-S. DEAD			Low	Climate Change
AB 1395	Muratsuchi	The California Climate Crisis Act.	9/3/2021	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was THIRD READING on 8/23/2022)	8/31/2022-S. DEAD			Low	Climate Change
AB 1676	Grayson	Pipeline safety: carbon dioxide.	4/18/2022	4/29/2022-Failed Deadline pursuant to Rule 61(b)(5). (Last location was NAT. RES. on 4/6/2022)	4/29/2022-A. DEAD			Low	Climate Change
AB 2133	Quirk	California Global Warming Solutions Act of 2006: emissions limit.	8/23/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was CONCURRENCE on 8/31/2022)	8/31/2022-A. DEAD			Medium	Climate Change
AB 2360	Arambula	Climate change and public health funding working group. Emergency response advisory working group.	6/8/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 6/27/2022)	8/12/2022-S. DEAD			Low	Climate Change
AB 2442	Rivas, Robert	California Disaster Assistance Act: climate change.	8/11/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was INACTIVE FILE on 8/30/2022)	8/31/2022-S. DEAD			Low	Climate Change
AB 2532	Bennett	Scoping plan: state agency, board, and department compliance and implementation: reports.	4/19/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/8/2022)	8/12/2022-S. DEAD			Low	Climate Change

Bill #	Author	Subject	Last Amended	Last Status - As of 9/27/2022	Location	Notes	Position	Priority (Low/Medium/High)	Category
AB 2578	Cunningham	State Energy Resources Conservation and Development Commission: integrated energy policy report: carbon capture, utilization, and sequestration.	5/19/2022	7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was S. E. U., & C. on 6/8/2022)	7/5/2022-S. DEAD			Low	Climate Change
AB 2674	Villapudua	California Global Warming Solutions Act of 2006: Low Carbon Fuel Standard regulations.	4/18/2022	4/29/2022-Failed Deadline pursuant to Rule 61(b)(5). (Last location was NAT. RES. on 3/10/2022)	4/29/2022-A. DEAD			Low	Climate Change
AB 2722	Grayson	Greenhouse gases: work-from-home option.	4/6/2022	5/20/2022-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/4/2022)	5/20/2022-A. DEAD			Low	Climate Change
AB 2809	Carrillo	Greenhouse gases: refrigerants.		5/6/2022-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. PRINT on 2/18/2022)	5/6/2022-A. DEAD			Low	Climate Change
AB 2944	Petrie-Norris	Greenhouse gases: carbon capture, utilization, and sequestration.	6/16/2022	7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was S. JUD. on 6/15/2022)	7/5/2022-S. DEAD			Low	Climate Change
SB 260	Wiener	Climate Corporate Accountability Act.	8/15/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was THIRD READING on 8/16/2022)	8/31/2022-A. DEAD			Medium	Climate Change
SB 582	Stern	Climate Emergency Mitigation, Safe Restoration, and Just Resilience Act of 2021.	5/20/2021	1/31/2022-Died on file pursuant to Joint Rule 56.	1/31/2022-S. DEAD			Low	Climate Change
SB 989	Hertzberg	Property taxation: taxable value transfers: disclosure and deferment.	8/15/2022	9/13/2022-Enrolled and presented to the Governor at 3 p.m.	9/13/2022-S. ENROLLED			Low	Climate Change
SB 1068	Laird	Governor's Office of Business and Economic Development: Climate change.	3/15/2022	5/20/2022-Failed Deadline pursuant to Rule 61(b)(8). (Last location was S. APPR. SUSPENSE FILE on 4/18/2022)	5/20/2022-S. DEAD			Low	Climate Change
SB 1101	Caballero	Carbon sequestration: Geologic Carbon Sequestration Group.	6/23/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was THIRD READING on 8/15/2022)	8/31/2022-A. DEAD			Low	Climate Change
SB 1297	Cortese	Low-embodied carbon building materials: carbon sequestration.	6/23/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/3/2022)	8/12/2022-A. DEAD			Low	Climate Change
SB 1301	Becker	Corporation Tax Law: Personal Income Tax Law: credits: green energy: manufacturing.	6/9/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was REV. & TAX on 6/2/2022)	8/31/2022-A. DEAD			Low	Climate Change
SB 1347	Hueso	California Global Warming Solutions Act of 2006: renewable hydrogen production assessment.	6/29/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/3/2022)	8/12/2022-A. DEAD			Low	Climate Change
SB 1399	Wieckowski	Carbon Capture Technology Demonstration Project Grant Program.	6/14/2022	7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was A. NAT. RES. on 6/2/2022)	7/5/2022-A. DEAD			Low	Climate Change
AB 1814	Grayson	Transportation electrification: community choice aggregators.	3/28/2022	4/29/2022-Failed Deadline pursuant to Rule 61(b)(5). (Last location was U. & E. on 2/18/2022)	4/29/2022-A. DEAD			Low	Energy
AB 2587	Garcia, Eduardo	Energy: firm renewable energy resources and firm zero-carbon resources: procurement.	5/19/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/2/2022)	8/12/2022-S. DEAD			Low	Energy
AB 2724	Bennett Arambula	Green hydrogen. Medi-Cal: alternate health care service plan.	6/23/2022	6/30/2022-Chaptered by Secretary of State- Chapter 73, Statutes of 2022	6/30/2022-A. CHAPTERED			Low	Energy
AB 2892	Bigelow	Income taxes: credits: backup electricity generators.	4/18/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was REV. & TAX on 3/17/2022)	8/31/2022-A. DEAD			Low	Energy
SB 1039	Wieckowski	Clean energy and pollution reduction objectives.		8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was RLS. on 2/15/2022)	8/31/2022-S. DEAD			Low	Energy
SB 1156	Grove	Motor Vehicle Fuel Tax: Diesel Fuel Tax: inflation adjustment.		8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was GOV. & F. on 3/17/2022)	8/31/2022-S. DEAD			Low	Energy
SB 1164	Stern	Energy: building energy efficiency: heating, ventilation, and air conditioning equipment: sale registry and compliance tracking system: compliance document data registry.	6/29/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/3/2022)	8/12/2022-A. DEAD			Low	Energy
SB 1261	Stern	Energy: low-emissions buildings.	6/15/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was RLS. on 6/27/2022)	8/31/2022-A. DEAD			Low	Energy
SB 1332	Becker	Building performance standards.	3/16/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was RLS. on 2/18/2022)	8/31/2022-S. DEAD			Low	Energy
SB 1393	Archuleta	Energy: appliances: local requirements.	6/30/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/10/2022)	8/12/2022-A. DEAD		Oppose	Medium	Energy
AB 1001	Garcia, Cristina	Environment: mitigation measures for air quality impacts: environmental justice.	3/22/2022	7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was S. E.Q. on 5/4/2022)	7/5/2022-S. DEAD			Medium	Environmental Justice
AB 1218	McCarty	Zero-emission new passenger vehicle and light-duty truck goals.	1/6/2022	2/1/2022-Died on third reading file.	2/1/2022-A. DEAD			Low	Environmental Justice
AB 1966	Muratsuchi	Fossil fuel-dependent workers: California Equitable Just Transition Fund.		5/6/2022-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. PRINT on 2/10/2022)	5/6/2022-A. DEAD			Low	Environmental Justice
AB 2419	Bryan	Environmental justice: federal Infrastructure Investment and Jobs Act: Justice40 Advisory Committee.	6/9/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/2/2022)	8/12/2022-S. DEAD			Low	Environmental Justice
SB 342	Gonzalez	South Coast Air Quality Management District: board membership.	5/26/2021	1/31/2022-Failed Deadline pursuant to Rule 61(b)(3). (Last location was THIRD READING on 1/27/2022)	1/31/2022-S. DEAD			Low	Environmental Justice
AB 1897	Wicks Boerner Horvath	Nonvehicular air pollution control: civil penalties: refineries. Solid waste: reporting, packaging, and plastic food service ware.	8/25/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was CONCURRENCE on 8/31/2022)	8/31/2022-A. DEAD		Air-District-Sponsored	High	General-Air District
AB 2141	Garcia, Eduardo	Greenhouse Gas Reduction Fund: community projects: funding.	4/18/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was E.Q. on 6/1/2022)	8/31/2022-S. DEAD		Support	Medium	General-Air District
AB 2563	Quirk	Air pollution: permits: mobile fueling on-demand tank vehicles.	4/27/2022	5/20/2022-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/20/2022)	5/20/2022-A. DEAD		Oppose	Medium	General-Air District
AB 2649	Garcia, Cristina	Natural Carbon Sequestration and Resilience Act of 2022.	6/16/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/2/2022)	8/12/2022-S. DEAD			Medium	General-Air District

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AB 2840	Reyes	Sacramento Metropolitan Air Quality Management District: air quality improvement strategy.	6/13/2022	7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was S. GOV. & F. on 6/8/2022)	7/5/2022-S. DEAD			Low	General-Air District
AB 2852	Bloom	Air pollution control districts and air quality management districts: independent special districts: funding.	3/24/2022	4/29/2022-Failed Deadline pursuant to Rule 61(b)(5). (Last location was L. GOV. on 3/24/2022)	4/29/2022-A. DEAD		Support	Medium	General-Air District
AB 2910	Santiago	Nonvehicular air pollution: civil penalties.	8/25/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was THIRD READING on 8/15/2022)	8/31/2022-S. DEAD		Support	Medium	General-Air District
SB 1095	Durazo	Air quality: rules and regulations: socioeconomic impacts assessment.	3/29/2022	5/20/2022-Failed Deadline pursuant to Rule 61(b)(8). (Last location was S. APPR. SUSPENSE FILE on 4/18/2022)	5/20/2022-S. DEAD			Medium	General-Air District
SB 1235	Borgeas	Air pollution: portable equipment: emergency events.		4/29/2022-Failed Deadline pursuant to Rule 61(b)(5). (Last location was E.Q. on 3/2/2022)	4/29/2022-S. DEAD		Oppose	Medium	General-Air District
AB 113	Boerner Horvath	Income taxes: credits: electric vehicles.	4/7/2021	2/1/2022-From committee: Filed with the Chief Clerk pursuant to Joint Rule 56.	1/31/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 363	Medina	Carl Moyer Memorial Air Quality Standards Attainment Program.	7/5/2021	7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was S. 2 YEAR on 7/14/2021)	7/5/2022-S. DEAD			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 365	O'Donnell	Sales and use taxes: exemption: zero-emission and near-zero-emission drainage trucks.	1/12/2022	2/1/2022-From committee: Filed with the Chief Clerk pursuant to Joint Rule 56.	1/31/2022-A. DEAD			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 648	Fong	Greenhouse Gas Reduction Fund: healthy forest and fire prevention: appropriation.		2/1/2022-From committee: Filed with the Chief Clerk pursuant to Joint Rule 56.	1/31/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 965	Levine	Building standards: electric vehicle charging infrastructure. Gambling: licenses: gambling establishments.	8/25/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was RLS. on 8/29/2022)	8/31/2022-S. DEAD			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	2/1/2022-From committee: Filed with the Chief Clerk pursuant to Joint Rule 56.	1/31/2022-A. DEAD			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 1771	Ward	Zero-emission vehicles: grants. The California Housing Speculation Act: income taxes: capital gains: sale or exchange of qualified asset: housing.	3/22/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was REV. & TAX on 3/3/2022)	8/31/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 1778	Garcia, Cristina	State transportation funding: freeway projects: poverty and pollution: Department of Transportation.	6/20/2022	7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was S. TRANS. on 6/1/2022)	7/5/2022-S. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 1873	Boerner Horvath	Personal Income Tax Law: Corporation Tax Law: credits: electric vehicle charging stations.		8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was REV. & TAX on 2/18/2022)	8/31/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2074	Gipson	Air Quality Improvement Program: micromobility devices.		5/20/2022-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 4/6/2022)	5/20/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2111	Bigelow	Motor vehicles: air pollution.		5/6/2022-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. PRINT on 2/14/2022)	5/6/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2197	Mullin	Caltrain electrification project: funding.		8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was TRANS. on 2/24/2022)	8/31/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2350	Wilson	Vehicular air pollution: Zero-Emission Aftermarket Conversion Project.	8/1/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/8/2022)	8/12/2022-S. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2358	O'Donnell	Alternative vehicle and vessel technologies: funding programs: commercial harbor craft.	4/18/2022	7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was S. TRANS. on 6/1/2022)	7/5/2022-S. DEAD			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2554	O'Donnell	Air pollution: assistance program: drayage vehicles.		5/20/2022-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/11/2022)	5/20/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2562	Bennett	Clean Transportation Program: hydrogen-fueling stations.	3/21/2022	5/20/2022-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 4/27/2022)	5/20/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2690	Boerner Horvath	Small passenger vessels: emissions reductions: state funding.	3/24/2022	4/29/2022-Failed Deadline pursuant to Rule 61(b)(5). (Last location was TRANS. on 3/24/2022)	4/29/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2703	Muratsuchi	Electric vehicle charging stations: reliability standards: low-income and disadvantaged community financial assistance.	8/2/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/8/2022)	8/12/2022-S. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2793	Muratsuchi	Greenhouse gases: market-based compliance mechanism.	3/24/2022	5/27/2022-Failed Deadline pursuant to Rule 61(b)(11). (Last location was A. THIRD READING on 5/19/2022)	5/27/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2802	Muratsuchi	Air pollution: carbon tax and dividend.		5/6/2022-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. PRINT on 2/18/2022)	5/6/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2807	Bonta, Mia	Transportation funding programs: eligibility: commercial harbor craft: public transportation ferries.	6/21/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/2/2022)	8/12/2022-S. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2862	Muratsuchi	California Global Warming Solutions Act of 2006: offset credits.		5/6/2022-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. PRINT on 2/18/2022)	5/6/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2928	Cooper	Personal income taxes: Clean Cars 4 All Program: retirement and replacement.	3/17/2022	4/29/2022-Failed Deadline pursuant to Rule 61(b)(5). (Last location was TRANS. on 3/17/2022)	4/29/2022-A. DEAD			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade

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AB 2953	Salas	Air pollution: drayage vehicles: registry. Department of Transportation and local agencies: streets and highways: recycled materials.	8/18/2022	9/6/2022-Enrolled and presented to the Governor at 4 p.m.	9/6/2022-A. ENROLLED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 2954	Cunningham	Vehicle air pollution: State Air Resources Board: regulations.		5/6/2022-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. PRINT on 2/18/2022)	5/6/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 542	Limón	Sales and use taxes: exemption: medium- or heavy-duty zero-emission trucks.	6/22/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was APPR. SUSPENSE FILE on 8/3/2022)	8/31/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 726	Gonzalez	Alternative fuel and vehicle technologies: sustainable transportation.	8/30/2021	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was INACTIVE FILE on 8/25/2022)	8/31/2022-A. DEAD			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 771	Becker	Sales and Use Tax Law: zero emissions vehicle exemption. Prenatal screening program.	6/8/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/3/2022)	8/12/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 894	Jones	Off-highway vehicles.	8/24/2022	9/25/2022-Vetoed by the Governor. In Senate. Consideration of Governor's veto pending.	9/26/2022-S. VETOED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 1086	Melendez	Greenhouse Gas Reduction Fund: Salton Sea restoration.	3/14/2022	5/6/2022-Failed Deadline pursuant to Rule 61(b)(6). (Last location was S. E.Q. on 3/23/2022)	5/6/2022-S. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 1104	Gonzalez	Governor's Office of Business and Economic Development: Office of Freight.	6/14/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/3/2022)	8/12/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 1217	Allen	State-Regional Collaborative for Climate, Equity, and Resilience.		7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was A. NAT. RES. on 6/2/2022)	7/5/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 1258	Allen	Energy Commission: electric vehicle charging infrastructure: assessment.	6/29/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/3/2022)	8/12/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 1294	Cortese	Air pollution: purchase of new drayage and short-haul trucks: incentive programs: eligibility. Workforce wellness center: Santa Clara Valley Transportation Authority.	8/15/2022	9/13/2022-Approved by the Governor. Chapered by Secretary of State. Chapter 305, Statutes of 2022.	9/13/2022-S. CHAPTERED			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 1329	Newman	Publicly available hydrogen-fueling stations: electric vehicle charging stations.	6/13/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/3/2022)	8/12/2022-A. DEAD			Low	GGRF, Incentive Programs, Mobile Source, Cap and Trade
SB 1391	Kamlager	greenhouse gases: market-based compliance mechanism.	6/14/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was RECONSIDERATION on 8/15/2022)	8/31/2022-A. DEAD			Medium	GGRF, Incentive Programs, Mobile Source, Cap and Trade
AB 154	Ting	Budget Act of 2022.	6/8/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was INACTIVE FILE on 8/15/2022)	8/31/2022-S. DEAD			High	Other
AB 983	E. Garcia Kalra	Public contracts: construction projects: community workforce agreements. Employee obligations: exclusivity options.	6/14/2022	7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was S. JUD. on 6/23/2022)	7/5/2022-S. DEAD			Low	Other
AB 1240	Ting	Indoor air pollution.	1/24/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was INACTIVE FILE on 8/22/2022)	8/31/2022-S. DEAD			Medium	Other
AB 1624	Ting	Budget Act of 2022.		8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was BUDGET on 1/10/2022)	8/31/2022-A. DEAD			High	Other
AB 1935	Grayson	California Environmental Quality Act: redevelopment: Concord Naval Weapons Station.	4/19/2022	7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was S. E.Q. on 6/1/2022)	7/5/2022-S. DEAD			Low	Other
AB 1944	Lee	Local government: open and public meetings.	5/25/2022	7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was S. GOV. & F. on 6/8/2022)	7/5/2022-S. DEAD		Support	Medium	Other
AB 1957	Medina Wilson	San Joaquin Valley Unified Air Pollution Control District: fees: assessments. Disparities within the developmental services system.	8/1/2022	9/13/2022-Approved by the Governor. Chapered by Secretary of State - Chapter 314, Statutes of 2022.	9/13/2022-A. CHAPTERED			Low	Other
AB 2076	Rivas, Luz	Extreme Heat and Community Resilience Program: Extreme Heat and Health Reporting System.	6/13/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/2/2022)	8/12/2022-S. DEAD			Low	Other
AB 2086	Kiley	Air pollution: small off-road engines.	3/24/2022	4/29/2022-Failed Deadline pursuant to Rule 61(b)(5). (Last location was NAT. RES. on 3/24/2022)	4/29/2022-A. DEAD			Low	Other
AB 2214	Garcia, Cristina	California Environmental Quality Act: schoolsites: acquisition of property: school districts, charter schools, and private schools.	4/25/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/2/2022)	8/12/2022-S. DEAD		Air District-Sponsored	High	Other
AB 2219	Smith	State Air Resources Board: members.		4/29/2022-Failed Deadline pursuant to Rule 61(b)(5). (Last location was NAT. RES. on 2/24/2022)	4/29/2022-A. DEAD			Low	Other
AB 2237	Friedman	Transportation planning: regional transportation improvement plan: sustainable communities strategies: alternative planning strategy: state transportation funding.	6/13/2022	7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was S. TRANS. on 6/16/2022)	7/5/2022-S. DEAD			Low	Other
AB 2550	Arambula	State Air Resources Board: San Joaquin Valley Air Pollution Control District: nonattainment.	8/16/2022	9/22/2022-Vetoed by Governor.	9/22/2022-A. VETOED			Medium	Other

Bill #	Author	Subject	Last Amended	Last Status - As of 9/27/2022	Location	Notes	Position	Priority (Low/Medium/High)	Category
AB 2620	Valladares	Income taxes: credits: telecommuting: transfer of funds.		4/29/2022-Failed Deadline pursuant to Rule 61(b)(5). (Last location was REV. & TAX on 3/10/2022)	4/29/2022-A. DEAD			Low	Other
AB 2770	Villapudua	Local government finance. Income tax: credits: Export Investment Act of 2022.	4/25/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was APPR. SUSPENSE FILE on 5/18/2022)	8/31/2022-A. DEAD			Low	Other
AB 2816	Ting	State Air Resources Board: zero-emission incentive programs: requirements.	4/27/2022	5/20/2022-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/11/2022)	5/20/2022-A. DEAD		Oppose unless amended	Medium	Other
AB 2878	Aguiar-Curry	California Environmental Quality Act. Forest Biomass Waste Utilization Program.	8/1/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/8/2022)	8/12/2022-S. DEAD			Low	Other
SB 33	Cortese	California Environmental Quality Act: judicial and administrative proceedings: limitations.	6/9/2022	7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was A. NAT. RES. on 6/9/2022)	7/5/2022-A. DEAD			Low	Other
SB 126	Committee on Budget and Fiscal Review	Energy and climate change.	8/28/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was THIRD READING on 8/29/2022)	8/31/2022-A. DEAD			High	Other
SB 179	Skinner	Budget Act of 2022.	8/28/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was INACTIVE FILE on 8/31/2022)	8/31/2022-S. DEAD			High	Other
SB 560	Rubio	Climate Pollution Reduction in Homes Initiative: grants.	5/20/2021	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/3/2022)	8/12/2022-A. DEAD			Medium	Other
SB 778	Becker	Buy Clean California Act: Environmental Product Declarations: concrete.	5/24/2022	7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was A. A. & A.R. on 5/24/2022)	7/5/2022-A. DEAD			Low	Other
SB 833	Dodd	Community Energy Resilience Act of 2022.	6/30/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/3/2022)	8/12/2022-A. DEAD			Low	Other
SB 840	Skinner	Budget Act of 2022.		8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was BUDGET & F.R. on 1/10/2022)	8/31/2022-S. DEAD			High	Other
SB 1117	Becker	State Public Defender: grants.	3/3/2022	9/6/2022-Enrolled and presented to the Governor at 3:30 p.m.	9/6/2022-S. ENROLLED			Low	Other
SB 1118	Borgeas	California Environmental Quality Act: judicial relief.	5/5/2022	5/27/2022-Failed Deadline pursuant to Rule 61(b)(11). (Last location was S. APPR. SUSPENSE FILE on 5/16/2022)	5/27/2022-S. DEAD			Low	Other
SB 1132	Wieckowski	Air quality health planning.		8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was RLS. on 2/16/2022)	8/31/2022-S. DEAD			Low	Other
SB 1319	Grove	Oil imports: air quality emissions data.	5/2/2022	8/12/2022-Failed Deadline pursuant to Rule 61(b)(15). (Last location was APPR. SUSPENSE FILE on 8/3/2022)	8/12/2022-A. DEAD			Low	Other
SB 1372	Stern	Regulations. Sustainable Groundwater Management Act: groundwater sustainability plans: groundwater rights.	3/16/2022	8/23/2022-Enrolled and presented to the Governor at 12:30 p.m.	8/23/2022-S. ENROLLED			Low	Other
AB 297	Gallagher	Fire prevention.	4/21/2021	2/1/2022-From committee: Filed with the Chief Clerk pursuant to Joint Rule 56.	1/31/2022-A. DEAD			Low	Wildfire/PSPS
AB 2070	Bauer-Kahan	Fire protection districts: electrical corporations and local publicly owned electric utilities: wildfire mitigation: notice requirements.	5/19/2022	7/5/2022-Failed Deadline pursuant to Rule 61(b)(14). (Last location was S. E. U., & C. on 6/8/2022)	7/5/2022-S. DEAD			Low	Wildfire/PSPS
AB 2258	Wood	Local government: wildfire safety improvements.	4/21/2022	5/6/2022-Failed Deadline pursuant to Rule 61(b)(6). (Last location was A. B. & F. on 4/20/2022)	5/6/2022-A. DEAD			Low	Wildfire/PSPS
AB 2387	Garcia, Eduardo	Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022.	3/21/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was APPR. SUSPENSE FILE on 5/11/2022)	8/31/2022-A. DEAD			Low	Wildfire/PSPS
AB 2538	Rivas, Robert	State Warning Center: wildfire smoke notification.	3/28/2022	5/20/2022-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/4/2022)	5/20/2022-A. DEAD			Low	Wildfire/PSPS
SB 1264	Dahle	Property Assessed Clean Energy program: wildfire safety improvements.		5/6/2022-Failed Deadline pursuant to Rule 61(b)(6). (Last location was S. GOV. & F. on 3/2/2022)	5/6/2022-S. DEAD			Low	Wildfire/PSPS
SB 1266	Borgeas	Income taxes: credits: designated wildfire zones.	6/13/2022	8/31/2022-Failed Deadline pursuant to Rule 61(b)(18). (Last location was REV. & TAX on 6/2/2022)	8/31/2022-A. DEAD			Low	Wildfire/PSPS
Total Active Bills	63							Low: 51 Medium: 6 High: 8	

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Pauline Russo Cutter and Members
of the Legislative Committee

From: Sharon L. Landers
Interim Executive Officer/APCO

Date: October 3, 2022

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, including the Inflation Reduction Act of 2022, that was signed into law on August 16, 2022 (Public Law No: 117-169).

Attached is a summary of the Inflation Reduction Act for clean air agencies developed by the National Association of Clean Air Agencies (NACAA).

DISCUSSION

Below is a breakout of programs included in the Environment and Public Works section, attached. Several of the items we've advocated for the California delegation. Of note though, are the following:

Sec. 60101. Clean Heavy-Duty Vehicles.

This section provides a total of \$1 billion to the Environmental Protection Agency (EPA) to award grants and rebates to help replace dirty medium and heavy-duty vehicles with zeroemitting vehicles. Class 6 and class 7 vehicles are vehicles weighing between 19,501 and 33,000 pounds, and include the millions of garbage trucks, beverage trucks, tow trucks, school buses, and single-axle trucks on the road today. Of that funding, \$400 million is provided for eligible vehicles that would serve communities located in areas designated as nonattainment for air pollution. Of amounts made available in this section, 3 percent is reserved for administrative costs.

Sec. 60102. Grants to Reduce Air Pollution at Ports.

This section provides \$3 billion to EPA to award rebates and grants on a competitive basis for the purchase or installation of zero-emissions port equipment and technology and the development of climate action plans to reduce air pollutants at ports. Funding for zero-emission equipment or technology shall not be used for automation. Of that funding, \$750 million is provided for ports located in areas designated as nonattainment for air pollution. Of amounts made available in this section, 2 percent is reserved for administrative costs.

Sec. 60103. Greenhouse Gas Reduction Fund.

This section provides \$27 billion in funding to EPA to help leverage private investments in projects that combat climate change. Over 40% of these investments will go to low-income and disadvantaged communities, who often struggle to find financing for clean energy projects that reduce greenhouse gas emissions. These funds are available until September 30, 2024. Funding is not technology specific. \$30 million is designated for administrative costs.

Sec. 60114. Climate Pollution Reduction Grants.

This section provides \$5 billion for a competitive grant program for state planning and implementation of greenhouse gas reduction programs. Specifically, this section provides EPA with \$250 million for planning grants and \$4.75 billion for implementation grants for programs, policies, measures, and other investments that will achieve or facilitate greenhouse gas emission reductions. Entities eligible to receive grants include States, air pollution control agencies, municipalities, Indian tribes, and groups of one or more such entities. Of amounts made available in this section, 3 percent is reserved for administrative costs. This provision is similar to the Carbon Reduction Program within the Bipartisan Infrastructure Law.

Sec. 60201. Environmental and Climate Justice Block Grants.

This section provides \$3 billion to EPA to award grants and provide technical assistance for environmentally-related activities that benefit disadvantaged communities. Of these funds, \$2.8 billion is provided for grants to support eligible activities, \$200 million is provided for technical assistance grants, and 7 percent is reserved for administrative costs. Eligible activities fall into five categories:

1. pollution monitoring, prevention and environmental remediation; investments in low- and zero-emission and resilient technologies and related infrastructure; and workforce development that help reduce greenhouse gas emissions and other air pollutants;
2. mitigating climate and health risks from urban heat islands, extreme heat, wood heater emissions, and wildfire events;
3. climate resiliency and adaptation;
4. reducing indoor toxics and indoor air pollution; and
5. facilitating engagement of disadvantaged communities in State and Federal public processes, including facilitating such engagement in advisory groups, workshops, and rulemakings.

Sec. 60501. Neighborhood Access and Equity Grant Program.

This section amends title 23 of the United States Code to provide \$3 billion for a new program that provides competitive grants to States, local governments, Tribal governments, Territories and metropolitan planning organizations to improve transportation equity and accessibility and mitigate environmental impacts from transportation facilities. \$1.893 billion is provided for grants in three categories.

1. Construction of projects to remove, improve, or replace a transportation facility that is an obstacle to neighborhood connectivity, or projects to restore walkability and access in disadvantaged communities, or to improve access for bicyclists and pedestrians.
2. Projects to mitigate the effects of existing surface transportation facilities on safety and the environment, including air pollution, noise pollution, and stormwater runoff, and;
3. Predevelopment projects to conduct transportation-related planning, monitoring, community engagement, technical assistance, and capacity building.

Additionally, \$1.1 billion is provided for grants for economically disadvantaged communities, including communities located in areas of persistent poverty. This section would also provide \$42 million for local technical assistance costs and administrative costs.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Sharon L. Landers
Interim Executive Officer/APCO

Prepared by: Alan Abbs
Reviewed by: Sharon L. Landers

ATTACHMENTS:

1. NACAA Reference Summary for Clean Air Agencies
2. Environment and Public Works – Inflation Reduction Act of 2022 – Section-by-Section
3. Inflation Reduction Act - Fact Sheet - California

A large, stylized graphic of a blue arrow pointing to the left, composed of two parallel lines, is positioned on the right side of the page. It overlaps the dark blue background and the white dome of the building.

THE 2022 IRA: A Reference Summary for Clean Air Agencies

www.4cleanair.org | August 15, 2022

The 2022 IRA: A Reference Summary for Clean Air Agencies

August 15, 2022

The U.S. House of Representatives and U. S. Senate have passed the “Inflation Reduction Act of 2022” (“The IRA”), (H.R. 5376). The U.S. Senate passed the IRA on August 7, 2022 and the U.S. House passed the bill on August 12, 2022 using the budget reconciliation process, and it now awaits signature by President Biden. In total it includes \$450 billion in spending investments and tax expenditures to tackle climate change, promote domestic energy production, and reduce the price of health care. It contains \$369 billion in climate and clean energy investments.

The IRA includes tax credits and funding for systems that will reduce greenhouse gas emissions from power plants and other industrial sources, as well as tens of billions of dollars to help state and local governments reduce greenhouse gas emissions, purchase low emission or zero-emission equipment, and improve their compliance with federal emission standards. It mandates a fee paid by the oil and gas industry on excess releases of methane. It provides a variety of energy efficiency, electrification, carbon capture, and clean energy tax credits and funding. It greatly expands existing tax incentives for the U.S. manufacture and sale of zero-emission electric vehicles, and tax incentives to increase the U.S. supply chain for other clean energy technologies. Finally, it provides tax credits and funding for projects in disadvantaged communities to address disproportionate environmental and public health harms caused by pollution and climate change.

This brief provides a summary of provisions that are of highest interest to state, city and county clean air agencies. It then includes a by-page list of funding and programs that affect air pollution and climate change that are included in the bill, first those that will be administered through the U.S. Environmental Protection agency (EPA); and then those administered through other federal agencies including the Department of Transportation, (DOT), Department of Agriculture (USDA), Department of Energy (DOE), and others.

A pre-signature copy of the bill can be located at <https://www.congress.gov/bill/117th-congress/house-bill/5376>

For more information contact Miles Keogh, Executive Director of NACAA, mkeogh@4cleanair.org.

Summary of Key Clean Air and Climate Provisions

The law provides funding for state and local governments under Clean Air Act (CAA) §103, §105, and a new §137, to reduce greenhouse gas emissions, purchase low-emission or zero-emission equipment, and improve their compliance with federal emission standards. Among the provisions, it creates a new §137 of the CAA and appropriates \$5 billion to EPA for grants to state, tribal, and municipal governments and air pollution control agencies to develop and implement greenhouse gas reduction plans in all 50 states. Of the total, \$250 million is for planning grants that can be spent over 5 years by state and local air pollution control agencies. The bill also offers \$25 million for grants to support and implement clean air agency programs, and \$5 million for grants to help states adopt greenhouse gas and zero-emission standards for vehicles under §177 of the CAA.

Note on the law's Sec. 60114. "Climate Pollution Reduction Grants" (Pages 687-690). This section of the law creates a new "Sec. 137. Greenhouse Gas Air Pollution Plans And Implementation Grants" in the CAA, and may be useful for this and future funding to go to eligible entities to engage in GHG planning and implementation efforts. It appropriates "in addition to amounts otherwise available" \$250 million available until September 30, 2031 for state, local and tribal agencies to develop greenhouse gas emission reduction plans, and creates a \$4.75 billion pool of funds for implementation of those plans by those agencies, to be competitively awarded.

In addition, the Inflation Reduction Act provides a separate \$27.0 billion for a new EPA "Greenhouse Gas Reduction Fund" to help communities rapidly acquire and deploy low- and zero-emission products, technologies and services including \$20.0 billion for competitive grants to nonprofit organizations and for projects in low income and disadvantaged areas. The remaining \$7 billion is for competitive grants to states, municipal governments, Tribes, and nonprofits to provide financial aid and technical assistance to help low-income and disadvantaged communities deploy or benefit from zero-emission technologies.

The IRA appropriates \$206 million for EPA monitoring programs, including \$117.5 million under §103 and §105 of the CAA to deploy and maintain fence-line air monitoring, screening air monitoring, national air toxics trend stations, and other air toxics community monitoring. That total includes \$50 million for multipollutant monitoring stations and to replace, repair, operate and maintain existing monitors; \$20 million for state and local agencies to monitor for methane emissions; \$15 million to address emissions from wood heaters; and \$3 million to deploy, integrate and operate air quality sensors in low-income and disadvantaged communities. It provides \$18 million to update EPA's Integrated Compliance Information System (ICIS) and an additional \$3 million to help states, localities, and Tribes improve their ICIS submissions. It also provides \$40 million for EPA to improve its permitting and approval review process.

It provides EPA with \$3.0 billion aid to help port authorities install zero-emission port equipment, conduct planning and permitting activities, and to develop and implement climate action plans. Of the total, \$750 million is allocated for grants and rebates in non-attainment areas.

The IRA provides \$60 million for grants, rebates and loans under the Diesel Emissions Reduction Act (DERA) program and appropriates \$1.0 billion for EPA grants and rebates to help state and local governments replace heavy-duty commercial vehicles (such as transit buses, school buses, garbage

trucks and street sweepers) with zero-emission vehicles. Of the total, \$400 million must be used for grants and rebates in non-attainment areas.

It provides \$37.5 million for grants to help reduce air pollution and greenhouse gas emissions at schools in low-income and disadvantaged communities, and \$12.5 million for technical assistance to help low-income and disadvantaged school districts address air pollution and develop school environmental quality plans. It also provides \$87 million for EPA education and outreach to consumers and industry about reductions in greenhouse gas emissions related to domestic electricity generation and use, including \$68 million for technical assistance to industry and state and local governments and to educate consumers.

The IRA provides \$3.0 billion for EPA environmental and climate justice block grants to nonprofit organizations in disadvantaged communities for pollution monitoring, prevention and remediation, as well as investments in low- and zero-emissions technologies and infrastructure; mitigating climate and health risks from urban heat islands, extreme heat, wood heater emissions and wildfires; reducing indoor toxins and indoor air pollution; facilitating engagement of disadvantaged communities; and other activities and projects to promote climate resilience.

The law extends and expands the tax credit for carbon capture systems at power plants and other industrial facilities (the current tax credit expires at the end of 2025), as well as credits and incentives for direct air capture facilities. The bill gives \$5.8 billion to the U.S. Department of Energy to subsidize industrial investments in emission reduction technologies and processes.

The IRA imposes a new federal fee on excess methane emissions from onshore and offshore oil and natural gas production, natural gas processing and storage facilities, pipelines, and liquefied natural gas export terminals. The fee would start in 2024 at \$900 for every ton of methane in excess of certain thresholds, increasing to \$1,200 a ton in 2025 and then \$1,500 a ton in 2026 and subsequent years. The bill also appropriates \$1.6 billion for EPA grants for emissions monitoring, reporting and methane-reduction projects at oil and gas facilities.

Numerous other agencies and programs would be funded, including to engage in long-term climate modeling, agricultural and forest conservation programs, and tax and spending provisions to promote the development and use of clean fuels for industrial and transportation uses.

For further information: <https://www.congress.gov/bill/117th-congress/house-bill/5376>

IRA Provisions Providing Funding or Programs the Environmental Protection Agency (EPA)

1. EPA: Clean Heavy-Duty Vehicles pp. 650 - 653
 - \$600M FY22 through Sep. 30, 2031
 - \$400M FY22 through Sep. 30, 2031 FOR NONATTAINMENT AREAS
 - BEGINNING NO LATER THAN 180 DAYS AFTER ENACTMENT
 - Grants and rebates for up to 100% of costs:
 - Incremental costs of replacing an eligible vehicle that is not a zero-emission vehicle with a zero-emission vehicle, based on the market value of the vehicles
 - Purchasing, installing, operating, and maintaining infrastructure needed to charge, fuel, or maintain zero-emission vehicles
 - Workforce development and training to support maintenance, charging, fueling, and operation of zero-emission vehicles
 - Planning and technical activities to support the adoption and deployment of zero-emission vehicles
 - Eligible Contractor: has the capacity to sell, lease, license, or contract for service zero-emission vehicles, or charging or other equipment; able to arrange for financing a sale, lease, or contract for service
 - Eligible recipient: State, municipality, Indian tribe, a nonprofit school transportation authority

2. EPA: Grants to Reduce Air Pollution at Ports pp. 653 - 657
 - \$2.25B FY22 through Sep. 30, 2027
 - Rebates and grants on a competitive basis to purchase or install zero-emission port equipment or technology; conduct relevant planning or permitting in connection with installation of zero-emission equipment or technology; develop qualified climate action plans
 - \$750M FY22 through Sep. 30, 2027
 - FOR NONATTIANMENT AREAS: Rebates and grants to purchase or install zero-emission port equipment or technology; conduct relevant planning or permitting in connection with installation of zero-emission equipment or technology; develop qualified climate action plans
 - Eligible recipients: port authority; State, regional, local, or Tribal agency that has jurisdiction over a port authority or a port; an air pollution control agency; a private entity that applies in partnership with one of the prior entities and owns, operates, or uses facilities, cargo-handling equipment, transportation equipment, or related technology of a port
 - Qualified Climate Action Plan: establishes goals, implementation strategies, and accounting and inventory practices to reduce emissions of GHGs, criteria air pollutants; HAPs; includes strategies to collaborate and communicate with, and address potential effects on stakeholders impacted by implementation of the plan, including low-income and disadvantaged communities

3. EPA: GHG Reduction Fund pp. 658 - 663

- \$7B FY22 through Sep. 30, 2024
 - Grants beginning NO LATER 180 DAYS OF ENACTMENT
 - Competitive grants to States, municipalities, Tribal governments, and eligible recipients
 - To provide grants, loans, and other forms of financial assistance, including technical assistance to enable low-income and disadvantaged communities to deploy or benefit from zero-emission technologies, including distributed technologies on residential rooftops, and to carry out other GHG emission reduction activities
- \$11.97B FY22 through Sep. 30, 2024
 - Grants beginning NO LATER 180 DAYS OF ENACTMENT
 - Competitive grants for financial and technical assistance for direct investment and indirect investments
- \$8B FY22 through Sep. 30, 2024
 - Grants beginning NO LATER 180 DAYS OF ENACTMENT
 - Competitive grants to provide financial and technical assistance in low-income and disadvantaged communities
- \$30M FY22 through Sep. 30, 2031
 - Administrative costs to carry out section
- Direct Investments: the recipient shall provide financial assistance to qualified projects at national, regional, State and local levels; prioritize investments that would difficulty receiving other funding; retain, manage, recycle, and monetize all repayments and other revenue to ensure continued operability
- Indirect Investments: providing funding and technical assistance to establish new or support existing public, quasi-public, non-for-profit, or nonprofit entities that provide financial assistance to qualified projects at the state, local, territorial, or Tribal level, including community- and low-income focused lenders and capital providers
- Eligible entity: in addition to states, municipalities, and Tribal governments; nonprofit org that is designed to provide capital, leverage private capital, other forms of financial assistance for the rapid deployment of low- and zero-emission products, technologies and services; does not take deposits other than deposits for repayments and other revenue from financial assistance provided by these grants; is funded by public or charitable contributions

4. EPA: Diesel Emission Reductions p. 663

- \$60M FY22 through Sep. 30, 2031
- Identify and reduce diesel emissions resulting from goods movement facilities, and vehicles servicing goods movement facilities, in low-income and disadvantaged communities to address the health impacts of such emissions and such communities

5. EPA: Funding to Address Air Pollution pp. 663 - 667

- \$117.5M FY22 through Sep. 30, 2031
 - Grants under §§103 & 105 to deploy, integrate, support, and maintain fence line air monitoring, screening air monitoring, national air toxics trends stations, and other air toxics and community monitoring
- \$50M FY22 through Sep. 30, 2031

- Grants under §§103 & 105 to expand NAAQS network with new multipollutant monitoring stations; replace, repair, operate, and maintain existing monitors
- \$3M FY22 through Sep. 30, 2031
 - Grants under §§103 & 105 to deploy, integrate, and operate air quality sensors in low-income and disadvantaged communities
- \$15M FY22 through Sep. 30, 2031
 - Grants under §§103 & 105 for testing and other EPA activities to address emissions from wood heaters
- \$20M FY22 through Sep. 30, 2031
 - Grants under §§103 & 105 for monitoring of methane emissions
- \$25M FY22 through Sep. 30, 2031
 - Grants under §§103 & 105
- \$45M FY22 through Sep. 30, 2031
 - Grants to carry out GHG emissions work under §§111, 115, 165, 177, 202, 211, 213, 231, & 612
- \$5M FY22 through Sep. 30, 2031
 - Grants to States to adopt and implement GHG and zero-emissions standards for mobile sources pursuant to §177

6. EPA: Funding to Address Air Pollution at Schools pp. 667 - 668

- \$37.5M FY22 through Sep. 30, 2031
 - Grants and activities to monitor and reduce air pollution and GHG emissions at schools in low-income and disadvantaged communities
- \$12.5M FY22 through Sep. 30, 2031
 - Providing technical assistance to schools in low-income and disadvantaged communities to address environmental issues, develop school environmental quality plans that include standards for school building, design, construction, and renovation; identify and mitigate ongoing air pollution hazards

7. EPA: Low Emissions Electricity Program pp. 668 - 670

- \$17M FY22 through Sep. 30, 2031 consumer-related education with respect to reductions in GHG emissions from domestic electricity generation and use
- \$17M FY22 through Sep. 30, 2031 education, technical assistance, and partnerships with low-income and disadvantaged communities with respect to reductions in GHGs emissions that results from domestic electricity generation and use
- \$17M FY22 through Sep. 30, 2031 industry-related outreach and technical assistance with respect to reductions in GHG emissions that result from domestic electricity generation and use
- \$17M FY22 through Sep. 30, 2031 outreach and technical assistance to State, Tribal, and local governments (including partnerships) with respect to reductions in GHG emissions that result from domestic electricity generation and use
- \$1M FY22 through FY23 to estimate the amount of GHG reductions on an annual basis that result from domestic electricity generation and use through FY2031
- \$18M FY22 through Sep. 30, 2031 to ensure that reductions in GHGs from domestic energy generation and use are achieved using the authorities of the Act

8. EPA: Funding for Section 211(O) of Clean Air Act (emissions and fuel testing) pp. 670 - 672
 - \$5M FY22 through Sep. 30, 2031
 - Development and establishment of tests and protocols regarding environmental and public health effects of a fuel or fuel additives
 - Data collection and analyses to regularly update regulations, guidance, and procedures for determining lifecycle GHG emissions of a fuel
 - Review, analyze, and evaluate impacts of all transportation fuels, including fuel lifecycle implications on the general public and low-income and disadvantaged communities

9. EPA: Funding Implementation of the American Innovation and Manufacturing (AIM) Act pp. 672 - 673
 - \$20M FY22 through Sep. 30, 2026
 - EPA to develop new implementation and compliance tools to carry out AIM
 - \$15M FY22 through Sep. 30, 2026
 - Competitive grants for reclaim and innovation destruction technologies

10. EPA: Environmental Product Declaration Assistance pp. 676 - 678
 - \$250M FY22 through Sep. 30, 2031
 - Support development and enhanced standardization and transparency of environmental product declarations for construction materials and products
 - Grants to businesses that manufacture construction materials and products for developing and verifying environmental product declarations
 - Grants to States, Indian Tribes, and nonprofit orgs to support such businesses
 - Grants to businesses to provide technical assistance to develop and verify environmental product declarations
 - Grants to States, Indian Tribes, and nonprofit orgs to support such businesses
 - Activities to assist in measuring, reporting, and steadily reducing the embodied carbon of construction materials and products

11. EPA: Methane emissions reduction program pp. 678 - 687
 - \$850M FY22 through Sep 30, 2028, Clean Air Act after §136
 - Grants, contracts, loans from EPA to owners and operators of facilities for financial and technical assistance to report methane emissions to EPA
 - Grants, rebates, contracts, loans, under Section 103 of CAA for methane emissions monitoring
 - Grants, rebates, contracts, loans from EPA to improve climate resiliency of communities and petroleum and natural gas systems
 - Improving deployment of methane and other GHGs and waste
 - Supporting innovation in reducing methane and other GHGs
 - Mitigating health effects of methane and other GHGs and legacy air pollution from petroleum and NG systems in low-income and disadvantaged communities

12. GHG Air Pollution Plans & Implementation Grants pp. 687 - 690

- \$250M for at least one eligible entity in each state to develop a plan for FY22 - Sep 30, 2026; Clean Air Act §137
 - Cover costs of developing a plan for the reduction of GHG to be submitted with application for the implementation funds
- \$4.75B for GHG implementation grants, FY22 available through Sep. 30 2026
 - Predicted amount of GHG reductions, including with respect to low-income and disadvantaged communities
 - Quantifiable, specific, additional, permanent reductions of GHGs
- Eligible entities: a State, an air pollution control agency, a municipality, an Indian Tribe, or a group of these entities

13. EPA: Efficient, Accurate, and Timely Reviews p. 691

- \$40B FY22 through Sep 30, 2026
- Provide for development of efficient, accurate and timely reviews for permitting and approval processes through the hiring and training of personnel, documents and guidance, scientific information, environmental data or information systems, stakeholder and community engagement, new equipment for environmental analysis, development of GIS

14. EPA: Low-embodied carbon labeling for construction materials pp. 691 - 693

- \$100M FY22 through Sep. 30, 2026
- In consultation with FHWA for construction materials used in transportation, and GSA for construction materials used for federal buildings
- Identify and label low-embodied carbon construction materials and products

15. EPA: Environmental and Climate Justice Block Grants pp. 694 - 696

- \$2.8B for grants through Sep. 30, 2026
- \$200M for technical assistance through Sep. 30, 2026
- Community-led air and other pollution monitoring, prevention, and remediation, and investments in low- and zero-emission and resilient technologies and related infrastructure and workforce development
- Mitigating climate and health risks from urban heat islands, extreme heat, wood heater emissions, and wildfire events
- Climate resiliency and adaptation
- Reducing indoor toxics and indoor air pollution
- Facilitating engagement of disadvantaged communities in state and federal public processes
- Eligible entities: partnerships of Indian tribes, local governments, higher ed institutions, community-based nonprofit orgs

IRA Provisions Addressing Non-EPA Federal Funds and Programs

16. IRS: Clean Vehicle Credit pp. 366 - 392

- Runs through Dec. 31, 2032
- New Clean Vehicle Rebate: 2 rebates of \$3750 each, based on 1) content of critical materials in the battery (seeking to increase content recycled in the US); and 2) the content of battery that was manufactured in the US (seeking to increase the amount of the battery manufactured or assembled in the US); limitations based adjusted gross income
- Manufacturer limits on rebates repealed
- Used Clean Vehicle Rebate: \$4k or 30% of purchase prices; limitations on adjusted gross income to receive the credit; can't have received a credit under the section 3 years prior;

17. USDA: Commodity Credit Corporation: pp 527-537

Environmental quality incentives program:

- \$250M FY23; \$1.75B FY24; \$3.0B FY25; \$3.45B FY26
- Ag conservation practices that improve soil carbon, reduce N losses or GHG emissions, or capture or sequester GHG assoc. with Ag production
- Prioritize projects and activities that address climate through ag management production, including by GHG reductions or GHG emission avoidances
- Includes prioritization of diet and feed management to reduce enteric methane emissions from ruminants (\$50B?)

Conservation stewardship program:

- \$250M FY23; \$500M FY24; \$1.0B FY25; \$1.5B FY26
- Ag conservation practices that improve soil carbon, reduce N losses or GHG emissions, or capture or sequester GHG assoc. with Ag production
- State or region specific bundles of ag conservation practices for cropland, pastureland, rangeland, nonindustrial private forest land, and transitions to organic or perennial production
- Prioritize projects and activities that address climate through ag management production, including by GHG reductions or GHG emission avoidances

Ag conservation easement program

- \$100M FY23; \$200M FY24; \$500M FY25; \$600M FY26
- Prioritize projects and activities that address climate through ag management production, including by GHG reductions or GHG emission avoidances

Regional conservation partnership program

- \$250M FY23; \$1.2B FY24; \$2.25B FY25; \$3.05B FY26
- Prioritize projects and activities that address climate through ag management production, including by GHG reductions or GHG emission avoidances

NRCS technical assistance

- FY22 funding available through Sep. 30, 2031
- \$1B to NRCS for technical assistance;
- \$300M for carbon sequestration, GHG emissions quantification, including field-based data for C sequestration and GHG emissions reductions
- Use the data to track GHG emissions and C sequestration through the GHG Inventory & Assessment Program at USDA

18. USDA: Farm Security & Rural Investment Act pp. 538-539

- Additional Funding for Electric Loans for Renewable Energy
- \$1.0B from FY22 and available until Sep. 30, 2031
- Loans under Rural Electrification Act
- Includes loans for electricity storage
- Loan forgiveness available, up to 50%

19. USDA: Rural Energy for America Program pp. 539-540

- \$820,250,000 for FY22, available until Sep 31, 2031
- \$180,276,500 each year for FY23-FY27, available until Sep 31, 2031
- Includes provisions for underutilized renewable energy technologies
- Provide technical assistance for applying to the program
- 50% fed share

20. USDA: Biofuel Infrastructure pp. 541-542

- \$500M from FY22, available through Sep 30, 2031
- 75% fed share
- Increase sale and use of ag commodity-based fuels through infrastructure improvements for blending, storing, supplying, or distributing biofuels
- Installing, retrofitting, upgrading fuel dispensers or pumps and related equipment, storage tank system components to increase sales of high levels of commodity-based ethanol and biodiesel
- Building and retrofitting home heating oil distribution centers for ethanol and biodiesel blends

21. USDA: Assistance for Rural Electrification Coops pp. 543-545

- \$9.7B FY22, available through Sep. 30, 2031
- Long-term resiliency, reliability, and affordability of rural electric systems
- Financial assistance, including loans and costs of loans, to purchase renewable energy systems, zero-emission systems, and carbon-capture systems (including deployment), and make energy efficiency improvements to generation and transmission systems
- Goal of achieving the greatest reduction of GHGs associated with rural electric systems

- 25% fed contribution limit to grants

22. USDA/USFS: Competitive Grants for Non-Federal Forest Landowners pp. 552-555

Cooperative Forestry Assistance Act:

- \$150M FY22, available through Sep 30, 2031
- Carry out climate mitigation and forest resilience practices of underserved forest landowners

- \$150M FY22, available through Sep 30, 2031
- Support participation of underserved forest landowners in emerging private markets for climate mitigation or forest resiliency

- \$100M FY22, available through Sep 30, 2031
- Support participation of forest landowners who own less than 2,500 acres in emerging private markets for climate mitigation or forest resiliency

- \$50M FY22, available through Sep. 30, 2031
- Competitive grant to states and other entities
- Provide payments to private forest land owners for implementation forestry practices on private forest lands that provide measurable increases in carbon sequestration and storage beyond customary practices

Non-Federal cost-share of no less than 20% is required, but also waivable

23. USDA/USFS: State and Private Forestry Conservation Programs pp. 555-557

Forest Legacy Program

- \$700M FY22, available through Sep. 30, 2031
- Competitive grants to states to acquire land and interests in land
- Priority given to applications that offer significant natural carbon sequestration benefits

Urban and Community Forestry Assistance program

- \$1.5B FY22, available through Sep. 30, 2031
- Competitive grants to State agency, local government, Indian Tribe, or non-profit org
- Tree planting and related activities
- Priority for benefits to underserved populations and areas
- Non-federal cost-share requirement may be waived

24. HUD: Improving Energy Efficiency or Water Efficiency or Climate Resilience of Affordable Housing pp. 557-561

- \$837.5M FY22, available through Sep. 30, 2028
- Direct loans and grants
- Projects that improve energy or water efficiency, indoor air quality or sustainability, implement low-emissions technologies, materials, or processes, including zero-emission electricity generation, energy storage, or building electrification, or address climate resilience

- \$60M FY22, available through Sep. 30, 2029
- Carry out property climate risk, energy, or water assessments, due diligence, and underwriting functions

- \$42.5M FY22, available through Sep. 30, 20328
- Energy and water benchmarking of properties eligible to receive grants or loans
- Associated data analysis and evaluation at the property and portfolio level and IT systems necessary for the collection, evaluation, and analysis of such data

25. NOAA: Investing in Coastal Communities Climate Resilience pp. 561-562

- \$2.6B FY22, available through Sep. 30, 2026
- Direct expenditures, contracts, grant, cooperative agreements, technical assistance to coastal state through Coastal Zone Management Act
- States, Tribal Governments, nonprofit organizations, local governments, higher ed institutions
- Conservation, restoration, protection of coastal and marine habitats and resources, fisheries, and enable coastal communities to prepare for extreme storms and other changing climate conditions

26. NOAA: Research and Forecasting for Weather and Climate p. 546

- \$150M FY22, available through Sep. 30, 2026
- Accelerate advances and improvements in research, observation systems, modeling, forecasting, assessments, and dissemination of information
- Focus on ocean and atmospheric processes related to weather, coasts, oceans, and climate

27. NOAA: Computing Capacity and Research for Weather, Oceans, and Climate p. 565

- \$190M FY22, available through Sep. 30, 2026
- Procurement of additional high-performance computing, data processing capacity, data management, and storage assets

28. NOAA: Alternative Fuel and Low-Emission Aviation Technology Program pp. 556-572

- Funds for FY22, available through Sep. 30, 2026
- \$244,530,000 for projects related to production, transportation, blending, or storage of sustainable aviation fuel (SAF)
- \$46,530,000 for projects related to low-emissions aviation technologies
- \$5,940,000 for grant awards in this area
- Includes assessment of lifecycle analysis of sustainable and low-emission aviation fuel, including feedstock and fuel production and potential direct and indirect GHG emissions from land use changes
- Study of use of waste carbon oxides and direct air capture
- At least 1 methodology for testing the lifecycle GHG emissions for sustainable aviation fuel must be adopted within 2 years
- Eligible entities: states, local governments, an air carrier, an airport sponsor, higher ed institution, entity engaged in the production, transportation, blending, or storage of SAF, entity engaged in development, demonstration, or application of low emission aviation technologies, nonprofit organizations with experience in SAF, low-emission aviation technologies, or other clean transportation research programs
- Defines SAF as a fuel that achieves at least a 50% lifecycle GHG emission reduction compared to petroleum-based jet fuel
- 75% federal share for projects
- 90% federal share for projects available for projects at small hub airports and nonhub airports

29. DOE: Home Energy Performance-based, Whole-house Rebates pp. 573

- \$4.3B FY22, available through Sep. 30, 2031
- Grants to state energy offices to develop a HOMES rebate program

30. DOE: High-efficiency Electric Home Rebate Program pp 583 - 595

- \$4.275B FY22, available through Sep. 30, 2031 for State energy offices
- \$225M FY22, available through Sep. 30, 2031 for Indian Tribes
- Funds to develop and implement a high-efficiency electric home rebate program
- State funds based on allocation formula for State Energy Programs in effect on Jan. 1, 2022
- Indian Tribes must apply for funding
- Provides for redistribution of unspent funds after 2 years to state operating a high-efficiency electric home rebate program
- Rebates allowed for heat pump water heater; heat pump space heating or cooling; electric stove, cooktop, or oven; electric heat pump clothes dryer
- Uses area median income for income-based grant allowances
- State energy office or Indian Tribe may use up to 20% of a grant for administrative purposes

31. DOE: State-based Home Energy Efficiency Contractor Training Grant pp. 595 -

- \$200M FY22, available through Sep. 30, 2031
- Provide training and education to contractors involved in installation of home energy efficiency and electrification improvements, including eligible rebates under a HOMES rebate program

32. DOE: Assistance for Latest and Zero Building Energy Code Adoption pp. 597 - 599
- \$330M FY22, through Sep. 30, 2029
 - Assist states to adopt a building energy code for residential buildings that meets or exceeds the 2021 International Energy Conservation Code, or achieved equivalent or greater energy savings; building energy code(s) for commercial buildings that meet or exceeds ANSI/ASHRAE/IES Standard 90.1-2019, or achieves equivalent or greater energy savings;
 - State match required in Dept of Interior and Related Agencies Appropriation Act of 1985 (Dept of Energy - Energy Conservation item, specifically) DOES NOT APPLY
33. DOE: Advanced Technology Vehicle Manufacturing
- \$3B FY22 through Sep. 30, 2028
 - Direct loans under Energy Independence and Security Act for reequipping, expanding, or establishing a manufacturing facility in the US to produce or for engineering integration performance in the US of advanced technology vehicles that have low- or zero-emissions at the tailpipe for GHGs
34. DOE: Domestic Manufacturing Conversion Grants pp. 604 - 605
- \$2B FY22 through Sep. 30, 2031
 - Grants for domestic production of efficient hybrid, plug-in electric hybrid, plug-in electric drive, and hydrogen fuel cell electric vehicles
 - COST SHARE: grant recipient must provide for not less than 50% project cost
35. DOE: Energy Infrastructure Reinvestment Financing pp. 605 - 608
- \$5B FY22 through Sep. 30, 2026
36. DOE: Tribal Energy Loan Guarantee Program p. 608
- \$75B FY22 through Sep. 30, 2028
37. DOE: Transmission Facility Financing pp. 609 - 610
- \$2B FY22 through Sep. 30, 2030
38. DOE: Grants to Facilitate the Siting of Interstate Electricity Transmission Lines pp. 610 - 615
- \$760M FY22 through Sep. 30, 2029
39. DOE: Interregional and Offshore Wind Electricity Transmission Planning, Modeling, and Analysis pp. 615 - 617

- \$100M FY22 through Sep. 30, 2031

40. DOE: Advanced Industrial Facilities Deployment Program pp. 618 - 620

- \$5.812B FY22 through Sep. 30, 2026
- Provide financial assistance (grant, rebate, direct loan, or cooperative agreement) on a competitive basis to
 - Purchase, install, or implement advanced industrial technology
 - Retrofit, upgrade, or operational improvements to implement advanced industrial technology
 - Engineering studies and other work to prepare an eligible facility
- Prioritization of funds: expected GHG reductions; projects that would provide the greatest benefit for the greatest number of people where the facility is located; whether the eligible facility would partner with purchasers of the facility's output
- COST SHARE: a recipient must provide no less than 50% of costs of the project
- ELIGIBLE ENTITY: owner or operator of an eligible facility
- Eligible facility: domestic, non-Federal, nonpower industrial or manufacturing facility engaged in energy intensive industrial processes, including production processes for iron, steel, steel mill products, aluminum, cement, concrete, glass, pulp, paper, industrial ceramics, chemicals, other energy intensive industrial processes

41. USFWS: Address Climate-induced Weather Events p. 697

- \$121.250M FY22 through Sep. 30, 2026
- Direct expenditures, award grants, enter into contracts, and cooperative agreements
 - Address the threat of invasive species
 - Increase resiliency and capacity of habitats and infrastructure to withstand climate-induced weather events
 - Reducing the amount of damage caused by climate-induced weather events

42. CEQ: Environmental and Climate Data Collection pp. 698 - 699

- \$32.5M FY22 through Sep. 30, 2026
- Support data collection efforts related to:
 - Disproportionate negative environmental harms and climate impacts
 - Cumulative impacts of pollution and temperature rise
 - Establish, expand, maintain efforts to track disproportionate burdens and cumulative impacts, including academic and workforce support for analytics and informatics infrastructure and data collection systems
 - Ensure any mapping or screening tool is accessible to community-based organizations and community members

43. FHWA: Neighborhood Access and Equity Grant Program

- \$1.893B FY22 through Sep. 30, 2026
- Competitive grants to

- Improve walkability, safety and affordable transportation access
- Mitigate or remediate negative impacts on the human or natural environment in disadvantaged or unserved communities

INFLATION REDUCTION ACT (H.R. 5376, as amended by the Senate)
ENVIRONMENT AND PUBLIC WORKS COMMITTEE TITLE (Title VI)
SECTION BY SECTION

Subtitle A—Air Pollution

Sec. 60101. Clean Heavy-Duty Vehicles.

This section provides a total of \$1 billion to the Environmental Protection Agency (EPA) to award grants and rebates to help replace dirty medium and heavy-duty vehicles with zero-emitting vehicles. Class 6 and class 7 vehicles are vehicles weighing between 19,501 and 33,000 pounds, and include the millions of garbage trucks, beverage trucks, tow trucks, school buses, and single-axle trucks on the road today. Of that funding, \$400 million is provided for eligible vehicles that would serve communities located in areas designated as nonattainment for air pollution. Of amounts made available in this section, 3 percent is reserved for administrative costs.

Sec. 60102. Grants to Reduce Air Pollution at Ports.

This section provides \$3 billion to EPA to award rebates and grants on a competitive basis for the purchase or installation of zero-emissions port equipment and technology and the development of climate action plans to reduce air pollutants at ports. Funding for zero-emission equipment or technology shall not be used for automation. Of that funding, \$750 million is provided for ports located in areas designated as nonattainment for air pollution. Of amounts made available in this section, 2 percent is reserved for administrative costs.

Sec. 60103. Greenhouse Gas Reduction Fund.

This section provides \$27 billion in funding to EPA to help leverage private investments in projects that combat climate change. Over 40% of these investments will go to low-income and disadvantaged communities, who often struggle to find financing for clean energy projects that reduce greenhouse gas emissions. These funds are available until September 30, 2024. Funding is not technology specific. \$30 million is designated for administrative costs.

Sec. 60104. Diesel Emissions Reductions.

This section provides \$60 million in funding to EPA to address diesel emissions through the Diesel Emissions Reduction Act (DERA) program. This money can be used for grants, rebates, and loans to identify and reduce diesel emissions resulting from goods movement facilities and vehicles servicing such facilities in low-income and disadvantaged communities to address the health impacts of these emissions in these communities. Of amounts made available in this section, 2 percent is reserved for administrative costs.

Sec. 60105. Funding to Address Air Pollution.

This section provides \$235.5 million to fund climate and clean air activities, including:

1. \$117.5 million for grants and other activities for air toxics and community air quality monitoring systems pursuant to subsections (a) through (c) of section 103 of the Clean Air Act and section 105 of that Act.
2. \$50 million for grants and other activities to expand, replace, repair, operate and maintain the national ambient air quality multipollutant monitoring network pursuant to

subsections (a) through (c) of section 103 of the Clean Air Act and section 105 of that Act.

3. \$3 million for grants and other activities to deploy, integrate, and operate air quality sensors in low-income and disadvantaged communities, pursuant to subsections (a) through (c) of section 103 of the Clean Air Act and section 105 of that Act.
4. \$15 million for grants and other activities for testing and other agency activities related to reducing pollution from wood heaters under subsections (a) through (c) of section 103 of the Clean Air Act and section 105 of that Act.
5. \$20 million for grants and other activities for methane emissions monitoring pursuant to subsections (a) through (c) of section 103 of the Clean Air Act and section 105 of that Act.
6. \$25 million for grants and other activities pursuant to subsections (a) through (c) of section 103 of the Clean Air Act and section 105 of that Act.
7. \$5 million for grants to States to adopt and implement greenhouse gas and zero emission standards for mobile sources pursuant to section 177 of the Clean Air Act.

Sec. 60106. Funding to Address Air Pollution at Schools.

This section provides EPA with \$50 million for grants and other activities to monitor and reduce air pollution and greenhouse gas emissions at schools pursuant to sections 103 and 105 of the Clean Air Act. Of those funds, \$37.5 million is provided for grants to monitor and reduce air pollution and greenhouse gas emissions at schools in low-income and disadvantaged communities, and \$12.5 million is provided for technical assistance to help schools address environmental issues, identify and mitigate ongoing air pollution hazards, and develop school environmental quality plans that include standards for school building design, construction, and renovation.

Sec. 60107 Low Emissions Electricity Program.

This section provides a total of \$87 million for the establishment of an EPA low emissions electricity program. Two percent of amounts made available in this section is reserved for administrative costs. Of the funds in this section:

1. \$17 million is provided for consumer-related education and partnerships;
2. \$17 million is provided for education, technical assistance, and partnerships within low-income and disadvantaged communities;
3. \$17 million is provided for industry-related outreach and technical assistance;
4. \$17 million is provided for outreach and technical assistance to State and local governments;
5. \$1 million is provided for assessing the anticipated reductions in greenhouse gas emissions that result from changes in domestic electricity generation and use through fiscal year 2031; and
6. \$18 million is provided to ensure that reductions in greenhouse gas emissions are achieved through the authorities of the Act.

Sec. 60108. Funding for Section 211(O) of the Clean Air Act.

This section provides \$15 million to EPA for alternative renewable fuels programs. Of these funds, \$5 million is provided for the purpose of testing fuels and fuel additives with respect to

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environmental and public health effects, and \$10 million is provided for grants to support investments in advanced biofuels, which are fifty percent cleaner than traditional fuels.

Sec. 60109. Funding for Implementation of the American Innovation and Manufacturing Act.

This section provides \$38.5 million to EPA to carry out the American Innovation and Manufacturing (AIM) Act (section 103 of division S of the Consolidated Appropriations Act, 2021 to phase down hydrofluorocarbons, or HFCs). Of these funds, \$20 million is provided for general implementation of the AIM Act, \$3.5 million is provided to fund the deployment of implementation and compliance tools, and \$15 million is to fund competitive grants for reclaim and innovative HFC destruction technologies. Of amounts made available for competitive grants, 5 percent is reserved for administrative costs necessary to carry out the grant program.

Sec. 60110. Funding for Enforcement Technology and Public Information.

This section provides \$25 million for EPA's enforcement technology and public information. Of these funds, this section provides \$18 million to update the Integrated Compliance Information System and any associated systems, necessary information technology infrastructure, or public access software tools to ensure access to compliance data and related information. Second, the section provides \$3 million for grants to States, Indian Tribes, and air pollution control agencies to update the systems of those entities to ensure communication with the EPA's Integrated Compliance Information System and any associated systems. Third, the section provides \$4 million to acquire or update inspection software and related devices for use by the Agency, States, Indian Tribes, and air pollution control agencies.

Sec. 60111. Greenhouse Gas Corporate Reporting.

This section provides \$5 million for EPA to carry out a program that helps enhance standardization and transparency of corporate climate action commitments and plans to reduce greenhouse gas emissions.

Sec. 60112. Environmental Product Declaration Assistance.

This section provides \$250 million to EPA to support the development, standardization, and transparency of environmental product declarations for construction materials and products. With these funds, EPA will provide technical assistance and grants to businesses that manufacture these materials to develop and verify environmental product declarations. The funds can also be used to carry out other activities that assist in measuring and steadily reducing the quantity of embodied carbon of construction materials and products. Of amounts made available in this section, 5 percent is reserved for administrative costs.

Sec. 60113. Methane Emissions Reduction Program.

This section provides \$1.55 billion to EPA to provide loans, rebates, contracts, and grants to help businesses subject to the methane emissions reduction program reduce methane emissions from petroleum and natural gas systems to better monitor methane emissions and to help address legacy pollution from the oil and gas sector. Starting in 2024, this program would implement a charge on the prior-year tons of methane emissions from oil and natural gas systems reported to the EPA Greenhouse Gas Registry that exceed industry-specific thresholds, determined by the amount of the natural gas or oil sent to sale. The charge is only on emissions above the set

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thresholds, and any emissions due to delays in gathering line and transmission infrastructure environmental permitting are exempt. This section also requires EPA to update the Greenhouse Gas Registry.

Sec. 60114. Climate Pollution Reduction Grants.

This section provides \$5 billion for a competitive grant program for state planning and implementation of greenhouse gas reduction programs. Specifically, this section provides EPA with \$250 million for planning grants and \$4.75 billion for implementation grants for programs, policies, measures, and other investments that will achieve or facilitate greenhouse gas emission reductions. Entities eligible to receive grants include States, air pollution control agencies, municipalities, Indian tribes, and groups of one or more such entities. Of amounts made available in this section, 3 percent is reserved for administrative costs. This provision is similar to the Carbon Reduction Program within the Bipartisan Infrastructure Law.

Sec. 60115. Environmental Protection Agency Efficient, Accurate, and Timely Review.

This section provides EPA with \$40 million to improve the efficiency of environmental reviews, permitting and project approvals, including through the hiring and training of personnel, the development of environmental data or information systems and increased public engagement and transparency.

Sec. 60116. Low-Embodied Carbon Labeling for Construction Materials.

This section provides \$100 million to EPA to carry out a program to identify and label low-embodied carbon construction materials and products. The materials would be identified based on environmental product declarations or determinations by State agencies. Determinations are made in consultation with the Administrators of the Federal Highway Administration and the General Services Administration. These funds may be used for administrative costs associated with conducting the activities under this section.

Subtitle B—Hazardous Materials

Sec. 60201. Environmental and Climate Justice Block Grants.

This section provides \$3 billion to EPA to award grants and provide technical assistance for environmentally-related activities that benefit disadvantaged communities. Of these funds, \$2.8 billion is provided for grants to support eligible activities, \$200 million is provided for technical assistance grants, and 7 percent is reserved for administrative costs. Eligible activities fall into five categories:

1. pollution monitoring, prevention and environmental remediation; investments in low- and zero-emission and resilient technologies and related infrastructure; and workforce development that help reduce greenhouse gas emissions and other air pollutants;
2. mitigating climate and health risks from urban heat islands, extreme heat, wood heater emissions, and wildfire events;
3. climate resiliency and adaptation;
4. reducing indoor toxics and indoor air pollution; and
5. facilitating engagement of disadvantaged communities in State and Federal public processes, including facilitating such engagement in advisory groups, workshops, and rulemakings.

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Subtitle C—United States Fish and Wildlife Service

Sec. 60301. Endangered Species Act Recovery Plans.

This section provides \$125 million to the United States Fish and Wildlife Service (FWS) for the development and implementation of recovery plans under section 4 of the Endangered Species Act (ESA).

Sec. 60302. Funding for the United States Fish and Wildlife Service to Address Climate-Induced Weather Events.

This section provides \$121.25 million to FWS for direct expenditures, grants, and contracts for rebuilding and restoring units of the National Wildlife Refuge System and state wildlife management areas, including by addressing the threat of invasive species and increasing the resiliency of habitats and infrastructure to withstand climate-induced weather events. This section also provides \$3.75 million for administrative costs related to carrying out this provision.

Subtitle D—Council on Environmental Quality

Sec. 60401. Environmental and Climate Data Collection.

This section provides \$32.5 million to the Chair of the Council on Environmental Quality (CEQ) to collect data and share information on cumulative impacts of pollution and temperature rise on communities, as well as to identify and map where those environmental harms and climate impacts are disproportionately burdensome.

Sec. 60402. Council on Environmental Quality Efficient and Effective Environmental Reviews.

This section provides \$30 million to the Chair of the CEQ to train personnel, develop programmatic and environmental documents, and improve stakeholder and community engagement.

Subtitle D—Transportation and Infrastructure

Sec. 60501. Neighborhood Access and Equity Grant Program.

This section amends title 23 of the United States Code to provide \$3 billion for a new program that provides competitive grants to States, local governments, Tribal governments, Territories and metropolitan planning organizations to improve transportation equity and accessibility and mitigate environmental impacts from transportation facilities. \$1.893 billion is provided for grants in three categories.

1. Construction of projects to remove, improve, or replace a transportation facility that is an obstacle to neighborhood connectivity, or projects to restore walkability and access in disadvantaged communities, or to improve access for bicyclists and pedestrians.
2. Projects to mitigate the effects of existing surface transportation facilities on safety and the environment, including air pollution, noise pollution, and stormwater runoff, and;
3. Predevelopment projects to conduct transportation-related planning, monitoring, community engagement, technical assistance, and capacity building.

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Additionally, \$1.1 billion is provided for grants for economically disadvantaged communities, including communities located in areas of persistent poverty. This section would also provide \$42 million for local technical assistance costs and administrative costs.

Sec. 60502. Assistance for Federal Buildings.

This section provides \$250 million to the Federal Buildings Fund for converting and constructing federal facilities under the jurisdiction of the Administrator of General Services to high-performance green buildings.

Sec. 60503. Use of Low-Carbon Materials

This section includes \$2.15 billion for the General Services Administration to acquire and install low-embodied carbon materials and products for use in the construction or alteration of GSA-owned and operated buildings.

Sec. 60504. General Services Administration Emerging Technologies

This section includes \$975 million for the General Services Administration for emerging and sustainable technologies, and related sustainability and environmental programs.

Sec. 60505. Environmental Review Implementation Funds.

This section amends title 23 of the United States Code to provide \$100 million to the Administrator of the Federal Highway Administration (FHWA) to support efficient and effective environmental reviews for surface transportation projects. Funds under this program will support the work of FHWA to complete environmental reviews, and will also be provided to state and local entities to support their preparation of environmental documents and public engagement activities.

Sec. 60506. Low-Carbon Transportation Materials Grants.

This section amends title 23 of the United States Code to provide \$2 billion for the Administrator of the Federal Highway Administration to promote the use of innovative low-carbon construction materials on Federal-aid highways. The funding will enable the Administrator to provide incentives or reimbursements to bring innovative low-carbon construction materials and products to cost parity with traditional construction materials. Projects that receive a reimbursement under this grant program are also eligible for a Federal cost-share of up to 100 percent as an additional incentive for the use of innovative low-emission materials. Eligible materials under this program would be identified by the Administrator of the Environmental Protection Agency on the basis of their lower carbon emissions.

The Inflation Reduction Act Delivers Affordable Clean Energy for California

The Inflation Reduction Act is the most significant legislation in U.S. history to tackle the climate crisis and strengthen American energy security. It will lower energy costs for households and businesses, create manufacturing jobs for American workers, and deliver a clean, secure, and healthy future for our children and grandchildren. The savings, jobs, and other benefits provided by this legislation will reach communities across California.

President Biden promised to combat the existential threat of climate change and build a clean energy future that creates jobs, advances environmental justice, and lowers costs for families. He's following through on that promise with the Inflation Reduction Act and Bipartisan Infrastructure Law.

- **LOWER ENERGY COSTS:** The Inflation Reduction Act will make it more affordable for California families to purchase energy efficient appliances when they need to, make repairs around their homes, and save money on their utility bills each month, through:
 - Rebates covering 50-100% of the cost of installing new electric appliances, including super-efficient heat pumps, water heaters, clothes dryers, stoves, and ovens. In California, millions of low- and moderate-income households are eligible for rebates.
 - Rebates for households to make repairs and improvements in single-family and multi-family homes to increase energy efficiency.
 - Tax credits covering 30% of the costs to install solar panels and battery storage systems, make home improvements that reduce energy leakage, or upgrade heating and cooling equipment. No income limits apply. For solar, uptake projections estimate that over 930,000 additional California households will install rooftop panels as a result.
 - Tax credits covering 30% of the costs of community solar projects—owned by local businesses that sign up families to save on their electric bills—with additional bonus credits of 20% for projects at affordable housing properties and 10% for projects in low-income communities.
- **GOOD-PAYING JOBS:** In 2021, there were already 505,083 California workers employed in clean energy jobs. The Inflation Reduction Act will expand these opportunities, bringing an estimated \$21.2 billion of investment in large-scale clean power generation and storage to California between now and 2030. It provides a historic set of tax credits that will create jobs across solar, wind, storage, and other clean energy industries. These credits include bonuses for businesses that pay a prevailing wage, so that California workers earn a good paycheck as we build the clean energy future in America.
- **DOMESTIC MANUFACTURING:** Manufacturers employ 1,273,200 workers in California, and the Inflation Reduction Act will help us make the technologies of the future at home—supporting local economies and strengthening supply chains. The Inflation Reduction Act will boost U.S. manufacturing of clean energy and transportation technologies, as well as investments for a new Advanced Industrial Facilities Deployment Program to position America to lead the growing global market for clean steel, aluminum, cement, and more.

- **SMALL BUSINESSES:** California is home to 4.2 million small businesses, representing 99.8% of all businesses in the state, and the Inflation Reduction Act will help them save money. Commercial building owners can receive a tax credit up to \$5 per square foot to support energy efficiency improvements that deliver lower utility bills. Other programs that will benefit small businesses include tax credits covering 30% of the costs of installing low-cost solar power and of purchasing clean trucks and vans for commercial fleets.
- **ELECTRIC VEHICLES:** The Inflation Reduction Act will make it easier and cheaper to purchase an electric vehicle, with upfront discounts up to \$7,500 for new EVs and \$4,000 for used EVs, helping middle-class Americans skip the gas pump and save on fuel costs. In California, millions of people will be eligible for these discounts. California recently [submitted](#) a state plan for using funds from President Biden’s Bipartisan Infrastructure Law to build out EV charging stations along highways.
- **CLEANER AIR:** The Inflation Reduction Act will significantly reduce pollution, resulting in 100,000 fewer asthma attacks in America in 2030, and position the U.S. to achieve President Biden’s climate goals. Lowering greenhouse gas emissions will not only avoid costly climate impacts from more extreme weather, but also improve local air quality—preventing premature deaths and reducing air pollution. In addition to reducing pollution across the economy, the Act will benefit communities most in need of cleaner air, with in environmental justice block grants, investments for cleaner buses and trucks, and a Clean Energy and Sustainability Accelerator that will prioritize emissions-reducing projects in disadvantaged communities and fund state and local green banks like the California Alternative Energy and Advanced Transportation Financing Authority.
- **RURAL OPPORTUNITIES:** The Inflation Reduction Act supports climate-smart agriculture practices, which will help California’s 69,000 farms lead on climate solutions and reward their stewardship. Electric cooperatives, which serve thousands of homes, businesses, and other customers in California, will for the first time be eligible for direct-pay clean energy tax credits. And this legislation dedicates investments for rural electric cooperatives to boost resiliency, reliability, and affordability, including through clean energy and energy efficiency upgrades.
- **RESILIENT COMMUNITIES:** The Inflation Reduction Act will upgrade affordable housing, including projects that boost resilience in the face of intensifying extreme weather. In California, hundreds of thousands of people live in affordable housing units that are eligible for upgrades like flood-proofing and storm resistance, as well as clean energy and electrification. A new Neighborhood Access and Equity Grant Program includes support for transportation projects and planning to protect against flooding, extreme heat, and more. The Inflation Reduction Act also invests in strengthening America’s forests, including programs focused on preventing wildfires and for tree planting projects that help protect communities from extreme heat, as well as over \$4.5 billion for drought preparedness and response.