Councilmember Dan Kalb **CITY OF OAKLAND**
CITY HALL - ONE FRANK H. OGAWA PLAZA, 2ND FLOOR - OAKLAND - CALIFORNIA 94612

AGENDA MEMORANDUM

To: Rules & Legislation Committee

From: Council President Pro Tem Dan Kalb

Date: June 27, 2019

Subject: Resolution in Support of SB 44 (Skinner)

Colleagues on the City Council and Members of the Public,

We respectfully urge your support for the attached Resolution, which we have submitted with the attached Fact Sheet and text of the bill, and Senate Floor analysis:

RESOLUTION IN SUPPORT OF SENATE BILL 44 (SKINNER) THAT WOULD DIRECT THE CALIFORNIA AIR RESOURCES BOARD (CARB) TO PLAN FOR THE REDUCTION, OVER TIME, OF DIESEL-FUELED MEDIUM- AND HEAVY-DUTY VEHICLES AND THE TRANSITION TO CLEAN VEHICLE TECHNOLOGIES

Respectfully submitted,

Dan Kalb

Dan Kalb, Council President Pro Tem

Approved as to Form and Legality

DRAFT

City Attorney's Office

FILED
OFFICE OF THE CITY CLERK
OAKLAND

19 JUN 27 PM 2:39

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

INTRODUCED BY COUNCIL PRESIDENT PRO TEMPORE DAN KALB

RESOLUTION IN SUPPORT OF SENATE BILL 44 (SKINNER) THAT WOULD DIRECT THE CALIFORNIA AIR RESOURCES BOARD (CARB) TO PLAN FOR THE REDUCTION, OVER TIME, OF DIESEL-FUELED MEDIUM- AND HEAVY-DUTY VEHICLES AND THE TRANSITION TO CLEAN VEHICLE TECHNOLOGIES

WHEREAS, California has 7 of the 10 geographic areas with the worst particulate matter pollution, according to the American Lung Association; and

WHEREAS, since 1998, the California Air Resources Board (CARB) has recognized particulate matter as a toxic air contaminant based on the relationship between diesel exhaust and lung cancer; and

WHEREAS, decades after California passed the Clean Air Act, diesel trucks continue to spew toxic air pollution into California's communities. Petroleum diesel-fueled trucks are responsible for 33 percent of statewide oxides of nitrogen emissions annually, 20 percent of statewide greenhouse gas (GHG) emissions, and emit more particulate matter than all of the state's power plants combined; and

WHEREAS, particulate matter from fossil diesel-fueled vehicles exacerbates asthma and other respiratory problems. Children are at particular risk, because they breathe faster than adults and therefore suffer from increased exposure to toxic air pollutants; children exposed to high levels of diesel exhaust are five times more likely than other children to have underdeveloped lungs; and

WHEREAS, Senate Bill (SB) 44 (Skinner) would require CARB to develop a plan for how the medium- and heavy-duty vehicle sectors can meet federal attainment goals for air quality and reduce GHG emissions, and requires CARB to set reasonably achievable GHG emissions reduction goals; and

WHEREAS, SB44 would allow CARB to identify sectors that could move more quickly toward adopting clean medium- and heavy-duty vehicle technologies; and

WHEREAS, SB44 is supported by many environmental, industry and health organizations including American Lung Association, Sierra Club CA, 350 Bay Area Action, Union of Concerned Scientists, NRDC, CA Chamber of Commerce, CA Trucking Association, and the Bay Area Air Quality Management District; now, therefore, be it

RESOLVED: That the Oakland City Council hereby endorses SB 44 and urges the California State Legislature and Governor Gavin Newsom to support its enactment into law.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FORTUNATO BAS, GALLO, GIBSON MCELHANEY, KALB, REID, TAYLOR, THAO AND PRESIDENT KAPLAN

NOES –

ABSENT –

ABSTENTION –

ATTEST:_____
LATONDA SIMMONS
City Clerk and Clerk of the Council of the
City of Oakland, California

Senate Bill 44

Ditch Dirty Diesel

Senator Nancy Skinner (D-Berkeley)

BILL SUMMARY

SB 44 drives California toward ditching dirty fossil diesel by directing the California Air Resources Board (CARB) to plan for the reduction, over time, of diesel-fueled medium- and heavy-duty vehicles and the transition to clean vehicle technologies.

ISSUE

Decades after California passed the Clean Air Act, diesel trucks continue to spew toxic air pollution into California's communities. Petroleum diesel-fueled trucks are responsible for 33 percent of statewide oxides of nitrogen (NoX) emissions annually, 20 percent of statewide GHG emissions, and emit more particulate matter than all of the state's power plants combined.

Since 1998, the California Air Resources Board (CARB) has recognized particulate matter as a toxic air contaminant based on the relationship between diesel exhaust and lung cancer. California's air is particularly plagued with these pollutants – the state has 7 of the 10 geographic areas with the worst particulate matter pollution, according to the American Lung Association.

Additionally, particulate matter from fossil diesel-fueled vehicles exacerbates asthma and other respiratory problems. Children are at particular risk, because they breathe faster than adults and therefore suffer from increased exposure to toxic air pollutants. Kids exposed to high levels of diesel exhaust are five times more likely than other children to have underdeveloped lungs.

SOLUTION

SB 44 seeks to dramatically cut petroleum diesel pollution in the state by:

- Requiring CARB to develop a plan for how the medium- and heavy-duty vehicle sectors can meet federal attainment goals for air quality and reduce GHG emissions, and requires CARB to set reasonably achievable GHG emissions reduction goals.
- Allow CARB to identify sectors that could move more quickly toward adopting clean medium- and heavy-duty vehicle technologies.
- Signals the intent of the legislature to appropriate greenhouse gas reduction fund to support the purchase and deployment of clean medium- and heavy-duty vehicles by businesses across California.

SUPPORT

Regional Asthma Management and Prevention (RAMP)
Coalition for Clean Air
American Lung Association
Breast Cancer Prevention Partners
CALSTART
CalETC (if amended)
CA Trucking Association
CA Chamber of Commerce
CA Business Properties Association
CA Manufacturers and Technology Association
BizFed
Bay Area Air Quality Management District
Bioenergy Association of CA
California League of Conservation Voters
California Natural Gas Vehicle Coalition
Center for Climate Change and Health
Central Valley Air Quality (CVAQ) Coalition
CERES

CR&R Environmental Services
Clean Energy
Environment California
Fossil Free California
Friends Committee on Legislation of CA
MoveLA
NextGen California
NRDC
Oberon Fuels
Pacific Ethanol, Inc.
San Gabriel Valley Economic Partnership
Southern California Gas Company
Sierra Club CA
Union of Concerned Scientists
Western Propane Gas Association
350 Bay Area Action
350 Silicon Valley

CONTACT

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SB-44 Medium- and heavy-duty vehicles: comprehensive strategy. (2019-2020)

Date Published: 05/01/2019 09:00 PM

AMENDED IN SENATE MAY 01, 2019

AMENDED IN SENATE APRIL 25, 2019

AMENDED IN SENATE APRIL 11, 2019

AMENDED IN SENATE MARCH 21, 2019

AMENDED IN SENATE MARCH 07, 2019

CALIFORNIA LEGISLATURE— 2019–2020 REGULAR SESSION

SENATE BILL No. 44

Introduced by Senator Skinner

December 03, 2018

An act to add Section 43024.2 to the Health and Safety Code, relating to vehicular air pollution.

LEGISLATIVE COUNSEL'S DIGEST

SB 44, as amended, Skinner. Medium- and heavy-duty vehicles: comprehensive strategy.

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. The act authorizes the state board to include the use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation by the Legislature.

The California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program, upon appropriation from the Greenhouse Gas Reduction Fund, funds zero- and near-zero-emission truck, bus, and off-road vehicle and equipment technologies and related projects, including, but not limited to, ~~medium- and heavy-duty truck technology.~~ *technology development, demonstration, precommercial pilots, and early commercial deployments of zero- and near-zero-emission medium- and heavy-duty truck technology.*

This bill would require the state board, no later than January 1, 2021, ~~to develop~~ *in consultation with the Department of Transportation, the State Energy Resources Conservation and Development Commission, and the Governor's Office of Business and Economic Development and in collaboration with relevant stakeholders, to update the state board's 2016 mobile source strategy to include* a comprehensive strategy for the deployment of medium- and heavy-duty vehicles in the state for the purpose of bringing the state into compliance with federal ambient air quality standards and reducing motor vehicle greenhouse gas emissions from the medium- and

heavy-duty vehicle sector. The bill would require the state board to ~~set~~ *recommend reasonable and achievable* goals, based on specified factors, for reducing emissions from medium- and heavy-duty vehicles by 2030 and 2050, respectively, as part of the comprehensive strategy. *The bill also would require the state board to include other specified information in the updates to the 2016 mobile source strategy.* The bill would authorize the state board to establish a process to identify medium- and heavy-duty vehicle segments that can more quickly reduce motor vehicle emissions, consistent with the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology ~~Program~~ *Program,* with a beachhead market analysis. ~~The bill, if the state board does that identification, would require the state board to implement additional emissions reduction strategies and motor vehicle deployment goals consistent with the comprehensive strategy.~~

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature finds and declares all of the following:

(a) Diesel-fueled trucks are responsible for 33 percent of statewide oxides of nitrogen emissions annually. These same trucks emit more particulate matter than all of the state's powerplants.

(b) People who live near freeways and busy roadways are at high risk for exposure to these health-threatening air pollutants emitted by these medium- and heavy-duty vehicles.

(c) In 1998, the State Air Resources Board identified diesel particulate matter as a toxic air contaminant based on published evidence of a relationship between diesel exhaust exposure and lung cancer.

(d) Diesel particulate matter also contributes to noncancer health effects, like premature death, hospitalizations, and emergency department visits for exacerbated chronic heart and lung disease, including asthma, increased respiratory symptoms, and decreased lung function in children.

(e) Children are particularly vulnerable to the negative effect of diesel because they have higher respiration rates than adults and this can increase their exposure to air pollutants relative to their body weight.

(f) Children exposed to high levels of diesel exhaust are five times more likely than other children to have underdeveloped lungs.

(g) Increased respiratory symptoms, such as cough wheeze, runny nose, and doctor-diagnosed asthma, have been linked to traffic exposure.

(h) Studies have shown that children who live in high-density traffic areas have higher rates of doctor visits for asthma and increased use of asthma medication than children who live near low-density traffic areas.

(i) Reducing emissions of these pollutants can have an immediate beneficial impact on air quality and on public health.

(j) The largest source of the state's greenhouse gas emissions comes from the transportation sector, accounting for nearly 50 percent of statewide emissions.

(k) While diesel-fueled trucks and buses make up just 3 percent of the vehicles on the state's roads, they produce 23 percent of greenhouse gas emissions from the transportation sector.

(l) Nearly all of the diesel-related air quality challenges can be attributed to old diesel-fueled trucks still operating on California's roads, which has prompted the State Air Resources Board to take actions to address these air quality challenges, making some progress in moving California toward cleaner medium- and heavy-duty vehicles, including, but not limited to, the following measures:

(1) The On-Road Heavy-Duty Diesel Vehicles (In-Use) ~~Regulation,~~ *Regulation (Section 2025 of Title 13 of the California Code of Regulations),* adopted on September 28, 2006, requires nearly all diesel-fueled trucks and buses that operate in California to be upgraded or replaced with 2010 model year engines or equivalent by January 1, 2023.

(2) The In-Use Off-Road Diesel-Fueled Fleets ~~Regulation,~~ *Regulation (Section 2025 of Title 13 of the California Code of Regulations),* adopted on July 26, 2007, aims to reduce diesel particulate matter and oxides of nitrogen emissions from existing off-road heavy-duty diesel ~~vehicles,~~ *vehicles operating in California,* such as vehicles used in construction, mining, and industrial ~~operations, operating in California.~~ *operations.*

(m) However, the state must take additional actions to effectively reduce health-threatening criteria air pollution and climate-threatening greenhouse gas emissions by outlining a clear path to convert medium- and heavy-duty vehicle segments, as well as off-road equipment, to cleaner technologies and fuels.

(n) Actions to reduce pollution and greenhouse gas emissions may include, but are not limited to, vehicle replacement, improved engine efficiency, fuels replacement, mode shifting, and operational efficiencies, including changes to vehicle deployment schedules.

(o) Providing consistent, multiyear funding is imperative to reduced emissions of criteria air pollutants and greenhouse gases associated with medium- and heavy-duty vehicles where this technology is commercially available but still costs a premium and to help support commercialization paths for new technologies that are not currently market ready.

SEC. 2. Section 43024.2 is added to the Health and Safety Code, to read:

43024.2. (a) *(1)* No later than January 1, 2021, the state ~~board shall develop~~ *board, in consultation with the Department of Transportation, the State Energy Resources Conservation and Development Commission, and the Governor's Office of Business and Economic Development and in collaboration with relevant stakeholders, shall update the state board's 2016 mobile source strategy to include* a comprehensive strategy for the deployment of ~~medium-~~ *medium duty* and heavy-duty vehicles in the state for the purpose of bringing the state into compliance with federal ambient air quality standards and reducing motor vehicle greenhouse gas emissions from the ~~medium-~~ *medium duty* and heavy-duty vehicle sector. The state board shall ~~set~~ *recommend reasonable and achievable* goals for reducing emissions from ~~medium-~~ *medium duty* and heavy-duty vehicles by 2030 and 2050, respectively, as part of the comprehensive strategy based on factors that include, but are not limited to, the state's overarching emissions reduction goal established in Section 38566, *the goals established in the California Sustainable Freight Action Plan completed in response to Executive Order No. B-32-15,* technological feasibility, and cost-effectiveness.

(2) The state board's updates to the mobile source strategy shall include both of the following:

(A) An identification of policies that provide advantages to fleets that reduce greenhouse gas emissions earlier than required by law.

(B) The coordination of plans for the attainment of federal ambient air quality standards with relevant greenhouse gas emissions reduction goals.

(b) In developing the comprehensive strategy, the state board shall do all of the following:

(1) Seek to maximize the reduction of criteria air pollutants.

(2) Identify regulation that could improve market acceptance, spur technology advancements, and reduce technology costs.

(3) Identify research needs to address any data gaps.

(4) Identify areas where the state should coordinate with other state agencies, districts, utilities providers, and technology providers to implement measures identified as part of the comprehensive strategy.

(5) Identify benefits to low-income communities and communities disproportionally impacted by diesel pollution.

(6) Identify policies that provide advantages to fleets that reduce greenhouse gas emissions early.

(c) ~~(1)~~The state board, through a public process, may establish a process to identify ~~medium-~~ *medium duty* and heavy-duty vehicle segments that can more quickly reduce motor vehicle emissions, consistent with the state board's three-year heavy-duty vehicle investment strategy required pursuant to the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program, established pursuant to Section 39719.2, with a beachhead market analysis.

~~(2)Following the process described in paragraph (1), the state board shall implement additional emissions reduction strategies and motor vehicle deployment goals consistent with subdivision (a).~~

SEC. 3. Upon appropriation by the Legislature, moneys, including, but not limited to, moneys from the Greenhouse Gas Reduction ~~Fund~~ *Fund,* created pursuant to Section 16428.8 of the Government Code, shall be available to the ~~state board~~ *State Air Resources Board* for programs established pursuant to the California Clean

Truck, Bus, and Off-Road Vehicle and Equipment Technology ~~Program~~ *Program,* established pursuant to Section 39719.2 of the Health and Safety ~~Code~~ *Code,* to support the commercialization and deployment of medium- and heavy-duty vehicles that reduce emissions of greenhouse gases.

SENATE RULES COMMITTEE SB 44

Office of Senate Floor Analyses
(916) 651-1520 Fax: (916) 327-4478

THIRD READING

Bill No: SB 44
Author: Skinner (D)
Amended: 5/1/19
Vote: 21

SENATE ENVIRONMENTAL QUALITY COMMITTEE: 5-2, 4/10/19
AYES: Allen, Hill, Skinner, Stern, Wieckowski
NOES: Bates, Stone

SENATE TRANSPORTATION COMMITTEE: 9-3, 4/23/19
AYES: Beall, Dodd, Galgiani, McGuire, Roth, Rubio, Skinner, Umberg, Wieckowski
NOES: Bates, Morrell, Stone

SENATE APPROPRIATIONS COMMITTEE: 4-2, 5/16/19
AYES: Portantino, Bradford, Hill, Wieckowski
NOES: Bates, Jones

SUBJECT: Medium-duty and heavy-duty vehicles: comprehensive strategy

SOURCE: Author

DIGEST: This bill requires the Air Resources Board update the 2016 mobile source strategy to include a comprehensive strategy for the deployment of medium duty and heavy-duty vehicles in the state for the purpose of bringing the state into compliance with federal ambient air quality standards and reducing motor vehicle greenhouse gas emissions from the medium duty and heavy-duty vehicle sector, as specified.

ANALYSIS: Existing federal law sets, through the Federal Clean Air Act (FCAA) and its implementing regulations, National Ambient Air Quality Standards (NAAQS) for six criteria pollutants, designates air basins that do not achieve NAAQS as nonattainment, allows only California to set vehicular emissions standards stricter than the federal government, and allows other states to

adopt either the federal or California vehicular emissions standards. (42 U.S.C. §7401 et seq.)

Existing state law:

1) Establishes the Air Resources Board (ARB) as the air pollution control agency in California and requires the ARB, among other things, to control emissions from a wide array of mobile sources and implement the FCAA. (Health and Safety Code (HSC) §39500 et seq.)

2) Requires, under the California Global Warming Solutions Act of 2006 (also known as AB 32), ARB to (a) determine the 1990 statewide greenhouse gas (GHG) emissions level and approve a statewide GHG emissions limit that is equivalent to that level to be achieved by 2020; (b) ensure that statewide GHG emissions are reduced to at least 40% below the 1990 level by December 31, 2030 (i.e., SB 32); and (c) adopt regulations, until December 31, 2030, that utilize market-based compliance mechanisms to reduce GHG emissions (i.e., the cap-and-trade program). (HSC §38500 et seq.)

3) Establishes the Greenhouse Gas Reduction Fund (GGRF) in the State Treasury, requires all moneys, except for fines and penalties, collected pursuant to a market-based mechanism be deposited in the fund. (Government Code §16428.8)

This bill:

1) Makes findings and declarations.

2) Requires, no later than January 1, 2021, ARB, in consultation with specified entities, to update the Board's 2016 mobile source strategy to include a comprehensive strategy for the deployment of medium duty and heavy-duty vehicles in the state for the purpose of bringing the state into compliance with NAAQS and reducing motor vehicle GHG emissions from the medium duty and heavy-duty vehicle sector.

3) Requires ARB to recommend reasonable and achievable goals for reducing emissions from medium duty and heavy-duty vehicles by 2030 and 2050, respectively, as part of the comprehensive strategy, as specified.

4) Requires the updates to the mobile source strategy to include both of the following:

a) An identification of policies that provide advantages to fleets that reduce GHG emissions earlier than required by law.

b) The coordination of plans for the attainment of NAAQS with relevant GHG emissions reduction goals.

5) Requires ARB, in developing the comprehensive strategy, to do all of the following:

a) Seek to maximize the reduction of criteria air pollutants.

b) Identify regulation that could improve market acceptance, spur technology advancements, and reduce technology costs.

c) Identify research needs to address any data gaps.

d) Identify areas where the state should coordinate with other state agencies, districts, utilities providers, and technology providers to implement measures identified as part of the comprehensive strategy.

e) Identify benefits to low-income communities and communities disproportionally impacted by diesel pollution.

f) Identify policies that provide advantages to fleets that reduce GHG emissions early.

6) Allows ARB, through a public process, to establish a process to identify medium duty and heavy-duty vehicle segments that can more quickly reduce motor vehicle emissions, as specified.

7) Specifies that, upon appropriation by the Legislature, moneys, including, but not limited to, moneys from GGRF, are available to ARB for programs established pursuant to the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program, as specified.

Background

1) *Air quality standards*. The FCAA passed in 1963 and has been revised many times thereafter. The FCAA and its implementing regulations are intended to protect public health and environmental quality by limiting and reducing pollution from various sources. Under the FCAA, the United States Environmental Protection Agency (US EPA) establishes the NAAQS that apply to outdoor air throughout the country.

In 1969 and 1971, ARB set the first air quality standards for ozone, Particulate Matter (PM), oxides of nitrogen (NOx), oxides of sulfur (SOx), and carbon monoxide due to their negative impacts on public health above specified concentrations.

The federal government followed suit and set NAAQS for six "criteria pollutants." These included ground-level ozone, PM, NOx, SOx, and carbon monoxide, and added lead. Now, the US EPA reviews each NAAQS at five-year intervals to ensure that the standards are based on the most recent scientific information.

Regions that do not meet the national standards for any one of the standards are designated "nonattainment areas." The FCAA sets deadlines for attainment based on the severity of nonattainment and requires states to develop comprehensive plans, known as the state implementation plan (SIP), to attain and maintain air-quality standards for each area designated nonattainment for NAAQS.

2) *Mobile Source Strategy.* Mobile sources—cars, trucks, and a myriad of off-road equipment—and the fossil fuels that power them are the largest contributors to the formation of ozone, PM2.5, diesel PM, and GHG emissions in California. They are responsible for approximately 80% of smog-forming NOx emissions, 90% of diesel PM emissions, and nearly 50% of GHG emissions. Given this contribution, significant cuts in pollution from these sources are needed in order for the state to achieve our air quality and climate change goals.

On May 16, 2016, ARB released an updated Mobile Source Strategy that demonstrates how California can simultaneously meet air quality standards, achieve GHG emission reduction targets, decrease health risk from transportation emissions, and reduce petroleum consumption over the next fifteen years. The Mobile Source Strategy was included in the SIP. According to ARB:

> For passenger vehicles, the strategy calls for increasing the penetration of plug-in hybrid electric vehicles (PHEV) and non-combustion zero-emission vehicles (ZEV) including battery-electric (BEV) and hydrogen fuel cell electric vehicles (FCEV) by over 50 percent compared to current programs. The electrical grid and hydrogen supply supporting these electric vehicles will need to represent 50 percent renewable energy generation. A large portion of the liquid fuels for combustion engine vehicles will also need to be sourced from renewable feedstock.

For heavy-duty vehicles, California is laying the groundwork for reducing emissions from the heavy-duty truck sector on multiple fronts: cleaner internal combustion engines, renewable fuels, and zero-emission technology. The strategy calls for internal combustion engine technology that is effectively 90 percent cleaner than today's current standards, with clean, renewable fuels comprising half the fuels burned. Cleaner engine standards will be especially important for interstate trucks given the status of technology development and infrastructure requirements. These efforts will be complemented by introduction of zero-emission technologies in heavy-duty applications that are suited to early adoption of ZEV technologies. Applications such as last mile delivery, transit and shuttle buses, and other small vocational trucks offer the potential for increasing use of ZEV technologies. Actions to promote ZEVs in these heavy-duty applications are underway and are important to further reduce regional and near-source toxics exposure as well as foster the development of these technologies so they become suitable for broader use in the future. Off-road equipment will need to reflect this same type of transformation to a mix of zero and near-zero technologies operating on renewable fuels.

3) *Implementing AB 32: The California Global Warming Solutions Act of 2006.* In 2006, AB 32 (Núñez and Pavley, Chapter 488, Statutes of 2006) was signed into law, which requires ARB to determine the 1990 statewide GHG emission level and achieve a reduction in GHG emissions to that level by 2020. In addition to calling on ARB to inventory GHGs in California (including carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride) and approve the aforementioned statewide GHG emissions limit.

   AB 32 also requires ARB to (a) implement regulations that achieve the maximum technologically feasible and cost-effective reduction of GHG emissions, (b) identify and adopt regulations for discrete early-action measures, and (c) prepare and approve a scoping plan, to be updated at least once every five years, to achieve the maximum technologically feasible and cost-effective reduction of GHG emissions. Due to a variety of factors, most importantly being the great recession that started in 2008, California will achieve the goals of AB 32 in advance of the 2020 deadline.

   In 2016, the Legislature approved, and the Governor signed, SB 32 (Pavley, Chapter 249, Statutes of 2016), which required ARB to ensure that statewide GHG emissions are reduced to at least 40% below the 1990 level by December 31, 2030. This new goal is known as the SB 32 target.

The following year, AB 398 (E. Garcia, Chapter 135, Statutes of 2017) was enacted to extend the authority of ARB to implement a cap-and-trade program to reduce GHG emissions throughout the state. AB 398 specified a variety of requirements for the post-2020 cap-and-trade program, most notable are (a) requiring the banking of allowances from the current cap-and-trade program into the post-2020 program, (b) requiring ARB to evaluate and address concerns related to overallocation of available allowances in the program for years 2021 to 2030, and (c) the adoption of a price ceiling in the program, at which point an unlimited number of allowances must be made available for purchase.

Comments

Purpose of bill. According to the author, "Decades after California passed the Clean Air Act, diesel trucks continue to spew toxic air pollution into California's communities. Fossil diesel-fueled trucks are responsible for 33 percent of statewide oxides of nitrogen (NOx) emissions annually, 20 percent of statewide GHG emissions, and emit more particulate matter than all of the state's power plants combined.

"Since 1998, the California Air Resources Board (CARB) has recognized particulate matter as a toxic air contaminant based on the relationship between diesel exhaust and lung cancer. California's air is particularly plagued with these pollutants – the state has 7 of the 10 geographic areas with the worst particulate matter pollution, according to the American Lung Association. Children are at particular risk, because they breathe faster than adults and therefore suffer from increased exposure to toxic air pollutants.

"For these reasons, it is imperative that California work to dramatically cut reliance on fossil diesel fuel. That will require planning for how the medium- and heavy-duty vehicle sectors can transition away from this fuel over time, and providing stable market incentives to help the industry shift away from dirty technology with minimal economic burden."

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee:

- CARB estimates costs of approximately $400,000 annually and two PY of staff to develop and adopt a comprehensive strategy for the deployment of medium duty and heavy-duty vehicles. (GGRF)

- Potentially significant cost pressures, to the extent the update to the mobile source strategy results in prioritizing expenditures on the deployment of medium duty and heavy-duty vehicles through the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program (Clean Truck Program). (GGRF)

SUPPORT: (Verified 5/10/19)

350 Bay Area
350 Silicon Valley
American Lung Association in California
Bay Area Air Quality Management District
Biodico
Bioenergy Association of California
Breast Cancer Prevention Partners
California Business Properties Association
California Chamber of Commerce
California League of Conservation Voters
California Manufacturers and Technology Association
California Natural Gas Vehicle Coalition
California Trucking Association
CALSTART
Center for Climate Change and Health
Central Valley Air Quality Coalition
Ceres
Clean Energy
Coalition for Clean Air
Coalition for Renewable Natural Gas
CR&R Environmental Services
Environment California
Fossil Free California
Friends Committee on Legislation of California
Move LA
NextGen California
Oberon Fuels
Pacific Ethanol
Regional Asthma Management and Prevention
Sierra Club California
Southern California Edison
Union of Concerned Scientists
Western Propane Gas Association

OPPOSITION: (Verified 5/10/19)

None received

Prepared by: David Ernest García / E.Q. / (916) 651-4108
5/18/19 11:57:46

****** END ******