

AMENDED IN ASSEMBLY APRIL 15, 2015

AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 857

Introduced by Assembly Member Perea

February 26, 2015

An act to amend Section 39719.2 of the Health and Safety Code, relating to greenhouse gases.

LEGISLATIVE COUNSEL'S DIGEST

AB 857, as amended, Perea. California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program.

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 from the auction or sale of allowances 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, as specified, with priority given to certain projects, including projects that benefit disadvantaged communities. The program, until January 1, 2018, requires no less than 20% of the funding made available

for the purposes of technology development, demonstration, precommercial pilots, and early commercial deployments of zero- and near-zero-emission medium- and heavy-duty truck technology support early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology.

This bill, between January 2, 2018, and January 1, 2023, inclusive, would require no less than ~~80%~~ 50% or \$100,000,000, whichever is greater, of the moneys appropriated for technology development, demonstration, precommercial pilots, and early commercial deployments of zero- and near-zero-emission medium- and heavy-duty truck technology be allocated to support the commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology that meets or exceeds a specified emission standard.

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

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

- 1 SECTION 1. Section 39719.2 of the Health and Safety Code
- 2 is amended to read:
- 3 39719.2. (a) The California Clean Truck, Bus, and Off-Road
- 4 Vehicle and Equipment Technology Program is hereby created,
- 5 to be administered by the state board in conjunction with the State
- 6 Energy Resources Conservation and Development Commission.
- 7 The program, from moneys appropriated from the fund for the
- 8 purposes of the program, shall fund development, demonstration,
- 9 precommercial pilot, and early commercial deployment of zero-
- 10 and near-zero-emission truck, bus, and off-road vehicle and
- 11 equipment technologies. Priority shall be given to projects
- 12 benefiting disadvantaged communities pursuant to the requirements
- 13 of Sections 39711 and 39713.
- 14 (b) Projects eligible for funding pursuant to this section include,
- 15 but are not limited to, the following:
- 16 (1) Technology development, demonstration, precommercial
- 17 pilots, and early commercial deployments of zero- and
- 18 near-zero-emission medium- and heavy-duty truck technology,
- 19 including projects that help to facilitate clean goods-movement
- 20 corridors.
- 21 (A) Until January 1, 2018, no less than 20 percent of funding
- 22 made available for the purposes of this paragraph shall support

1 early commercial deployment of existing zero- and
2 near-zero-emission heavy-duty truck technology.

3 (B) Between January 2, 2018, and January 1, 2023, inclusive,
4 no less than ~~80~~ 50 percent or one hundred million dollars
5 (\$100,000,000), whichever is greater, of the moneys appropriated
6 for the purposes of this paragraph shall be allocated to support the
7 commercial deployment of existing zero- and near-zero-emission
8 heavy-duty truck technology that meets or exceeds an emission
9 standard of 0.02 grams per brake horsepower-hour oxides of
10 nitrogen, as described in the optional low oxides of nitrogen
11 emission standards in Section 1956.8 of Title 13 of the California
12 Code of Regulations.

13 (2) Zero- and near-zero-emission bus technology development,
14 demonstration, precommercial pilots, and early commercial
15 deployments, including pilots of multiple vehicles at one site or
16 region.

17 (3) Zero- and near-zero-emission off-road vehicle and equipment
18 technology development, demonstration, precommercial pilots,
19 and early commercial deployments, including vehicles and
20 equipment in the port, agricultural, marine, construction, and rail
21 sectors.

22 (4) Purchase incentives, which may include point-of-sale, for
23 commercially available zero- and near-zero-emission truck, bus,
24 and off-road vehicle and equipment technologies and fueling
25 infrastructure to support early market deployments of alternative
26 technologies and to increase manufacturer volumes and accelerate
27 market acceptance.

28 (5) Projects that support greater commercial motor vehicle and
29 equipment freight efficiency and greenhouse gas emissions
30 reductions, including, but not limited to, advanced intelligent
31 transportation systems, autonomous vehicles, and other freight
32 information and operations technologies.

33 (c) The state board, in consultation with the State Energy
34 Resources Conservation and Development Commission, shall
35 develop guidance through the existing Air Quality Improvement
36 Program funding plan process for the implementation of this
37 section that is consistent with the California Global Warming
38 Solutions Act of 2006 (Division 25.5 (commencing with Section
39 38500)) and this chapter.

1 (d) The guidance developed pursuant to subdivision (c) shall
2 do all of the following:

3 (1) Outline performance criteria and metrics for deployment
4 incentives. The goal shall be to design a simple and predictable
5 structure that provides incentives for truck, bus, and off-road
6 vehicle and equipment technologies that provide significant
7 greenhouse gas reduction and air quality benefits.

8 (2) Ensure that program investments are coordinated with
9 funding programs developed pursuant to the California Alternative
10 and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon
11 Reduction Act of 2007 (Chapter 8.9 (commencing with Section
12 44270) of Part 5).

13 (3) Promote projects that assist the state in reaching its climate
14 goals beyond 2020, consistent with Sections 38550 and 38551.

15 (4) Promote investments in medium- and heavy-duty trucking,
16 including, but not limited to, vocational trucks, short-haul and
17 long-haul trucks, buses, and off-road vehicles and equipment,
18 including, but not limited to, port equipment, agricultural
19 equipment, marine equipment, and rail equipment.

20 (5) Implement purchase incentives for eligible technologies to
21 increase the use of the cleanest vehicles in disadvantaged
22 communities.

23 (6) Allow for remanufactured and retrofitted vehicles to qualify
24 for purchase incentives if those vehicles meet warranty and
25 emissions requirements, as determined by the state board.

26 (7) Establish a competitive process for the allocation of moneys
27 for projects funded pursuant to this section.

28 (8) Leverage, to the maximum extent feasible, federal or private
29 funding.

30 (9) Ensure that the results of emissions reductions or benefits
31 can be measured or quantified.

32 (10) Ensure that activities undertaken pursuant to this section
33 complement, and do not interfere with, efforts to achieve and
34 maintain federal and state ambient air quality standards and to
35 reduce toxic air contaminants.

36 (e) In evaluating potential projects to be funded pursuant to this
37 section, the state board shall give priority to projects that
38 demonstrate one or more of the following characteristics:

39 (1) Benefit disadvantaged communities pursuant to Sections
40 39711 and 39713.

1 (2) The ability to leverage additional public and private funding.

2 (3) The potential for cobenefits or multiple-benefit attributes.

3 (4) The potential for the project to be replicated.

4 (5) Regional benefit, with focus on collaboration between
5 multiple entities.

6 (6) Support for technologies with broad market and emissions
7 reduction potential.

8 (7) Support for projects addressing technology and market
9 barriers not addressed by other programs.

10 (8) Support for enabling technologies that benefit multiple
11 technology pathways.

12 (f) To assist in the implementation of this section, the state
13 board, in consultation with the State Energy Resources
14 Conservation and Development Commission, shall create an annual
15 framework and plan. The framework and plan shall be developed
16 with public input and may utilize existing investment plan
17 processes and workshops as well as existing state and third-party
18 research and technology roadmaps. The framework and plan shall
19 do all of the following:

20 (1) Articulate an overarching vision for technology development,
21 demonstration, precommercial pilot, and early commercial
22 deployments, with a focus on moving technologies through the
23 commercialization process.

24 (2) Outline technology categories and performance criteria for
25 technologies and applications that may be considered for funding
26 pursuant to this section. This shall include technologies for
27 medium- and heavy-duty trucking, including, but not limited to,
28 vocational trucks, short-haul and long-haul trucks, buses, and
29 off-road vehicles and equipment, including, but not limited to, port
30 equipment, agricultural equipment, construction equipment, marine
31 equipment, and rail equipment.

32 (3) Describe the roles of the relevant agencies and the process
33 for coordination.

34 (g) For purposes of this section, the following terms have the
35 following meanings:

36 (1) “Heavy-duty truck” means a vehicle that has a gross vehicle
37 weight rate (GVWR) of 26,001 pounds or more.

38 (2) “Zero- and near-zero-emission” means vehicles, fuels, and
39 related technologies that reduce greenhouse gas emissions and
40 improve air quality when compared with conventional or fully

1 commercialized alternatives, as defined by the state board in
2 consultation with the State Energy Resources Conservation and
3 Development Commission. “Zero- and near-zero-emission” may
4 include, but is not limited to, zero-emission technology, enabling
5 technologies that provide a pathway to emissions reductions,
6 advanced or alternative fuel engines for long-haul trucks, and
7 hybrid or alternative fuel technologies for trucks and off-road
8 equipment.

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