

ASSEMBLY BILL

No. 2415

Introduced by Assembly Member Eduardo Garcia

February 19, 2016

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

LEGISLATIVE COUNSEL'S DIGEST

AB 2415, as introduced, Eduardo Garcia. 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 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, would require no less than 50% or \$100,000,000, whichever is greater, of the moneys allocated each year for technology development, demonstration, precommercial pilots, and early commercial deployments of zero- and near-zero-emission medium- and heavy-duty truck technology be allocated and spent 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~~ *near-zero-emission* truck, bus, and off-road
11 vehicle and equipment technologies. Priority shall be given to
12 projects benefiting disadvantaged communities pursuant to the
13 requirements 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 ~~near-zero~~
18 ~~emission~~ *near-zero-emission* medium- and heavy-duty truck
19 technology, including projects that help to facilitate clean
20 goods-movement corridors. ~~Until~~

21 (A) *Until* January 1, 2018, no less than 20 percent of funding
22 made available for *the* purposes of this paragraph shall support
23 early commercial deployment of existing zero- and ~~near-zero~~
24 ~~emission~~ *near-zero-emission* heavy-duty truck technology.

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

11 (ii) (I) Between January 2, 2018, and January 1, 2020, a
12 heavy-duty truck with an internal combustion engine receiving
13 moneys allocated pursuant to this subparagraph shall use not less
14 than 30 percent renewable fuel.

15 (II) Beginning January 2, 2020, a heavy-duty truck with an
16 internal combustion engine receiving moneys allocated pursuant
17 to this subparagraph shall use not less than 50 percent renewable
18 fuel.

19 (III) The percentage in effect at the time the moneys are awarded
20 to a heavy-duty truck with an internal combustion engine pursuant
21 to this subparagraph shall not change that award.

22 (IV) This subparagraph does not alter or affect, in any way, the
23 amount of credit or grants for which a low-carbon-fuel provider
24 or truck operator is eligible pursuant to law.

25 (2) Zero- and ~~near-zero-emission~~ near-zero-emission bus
26 technology development, demonstration, precommercial pilots,
27 and early commercial deployments, including pilots of multiple
28 vehicles at one site or region.

29 (3) Zero- and ~~near-zero-emission~~ near-zero-emission off-road
30 vehicle and equipment technology development, demonstration,
31 precommercial pilots, and early commercial deployments, including
32 vehicles and equipment in the port, ~~agriculture~~, agricultural,
33 marine, construction, and rail sectors.

34 (4) Purchase incentives, which may include point-of-sale, for
35 commercially available zero- and ~~near-zero-emission~~
36 near-zero-emission truck, bus, and off-road vehicle and equipment
37 technologies and fueling infrastructure to support early market
38 deployments of alternative technologies and to increase
39 manufacturer volumes and accelerate market acceptance.

1 (5) Projects that support greater commercial motor vehicle and
2 equipment freight efficiency and greenhouse gas emissions
3 reductions, including, but not limited to, advanced intelligent
4 transportation systems, autonomous vehicles, and other freight
5 information and operations technologies.

6 (c) The state board, in consultation with the State Energy
7 Resources Conservation and Development Commission, shall
8 develop guidance through the existing Air Quality Improvement
9 Program funding plan process for the implementation of this
10 section that is consistent with the California Global Warming
11 Solutions Act of 2006 (Division 25.5 (commencing with Section
12 38500)) and this chapter.

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

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

20 (2) Ensure that program investments are coordinated with
21 funding programs developed pursuant to the California Alternative
22 and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon
23 Reduction Act of 2007 (Chapter 8.9 (commencing with Section
24 44270) of Part 5).

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

27 (4) Promote investments in medium- and heavy-duty trucking,
28 including, but not limited to, vocational trucks, short-haul and
29 long-haul trucks, buses, and off-road vehicles and equipment,
30 including, but not limited to, port equipment, agricultural
31 equipment, marine equipment, and rail equipment.

32 (5) Implement purchase incentives for eligible technologies to
33 increase *the* use of the cleanest vehicles in disadvantaged
34 communities.

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

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

1 (8) Leverage, to the maximum extent feasible, federal or private
2 funding.

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

5 (10) Ensure that activities undertaken pursuant to this section
6 complement, and do not interfere with, efforts to achieve and
7 maintain federal and state ambient air quality standards and to
8 reduce toxic air contaminants.

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

12 (1) Benefit to disadvantaged communities pursuant to Sections
13 39711 and 39713.

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

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

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

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

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

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

23 (8) Support for enabling technologies that benefit multiple
24 technology pathways.

25 (f) ~~To assist in~~ *In* the implementation of this section, the state
26 board, in consultation with the State Energy Resources
27 Conservation and Development Commission, shall create an annual
28 framework and plan. The framework and plan shall be developed
29 with public input and may utilize existing investment plan
30 processes and workshops as well as existing state and third-party
31 research and technology roadmaps. The framework and plan shall
32 do all of the following:

33 (1) Articulate an overarching vision for technology development,
34 demonstration, precommercial pilot, and early commercial
35 deployments, with a focus on moving technologies through the
36 commercialization process.

37 (2) Outline technology ~~categories~~ *categories, performance*
38 *criteria, and performance criteria required mandates* for
39 technologies and applications that may be considered for funding
40 pursuant to this section. This shall include technologies *and*

1 *low-carbon-fuel requirements* for medium- and heavy-duty
2 trucking, including, but not limited to, vocational trucks, short-haul
3 and long-haul trucks, buses, and off-road vehicles and equipment,
4 including, but not limited to, port equipment, agricultural
5 equipment, construction equipment, marine equipment, and rail
6 equipment.

7 (3) Describe the roles of the relevant agencies and the process
8 for ~~coordination~~: *coordination among agencies, program*
9 *participants, and low-carbon-fuel providers.*

10 (g) For purposes of this section, the following terms have the
11 following meanings:

12 (1) Effective January 2, 2018, “Heavy-duty truck” means a
13 vehicle that has a gross vehicle weight rate (GVWR) of 26,001
14 pounds or more.

15 ~~(g) For purposes of this section, “zero-~~
16 ~~(2) “Zero- and near-zero emission” near-zero-emission”~~ means
17 vehicles, fuels, and related technologies that reduce greenhouse
18 gas emissions and improve air quality when compared with
19 conventional or fully commercialized alternatives, as defined by
20 the state board in consultation with the State Energy Resources
21 Conservation and Development Commission. “Zero- and ~~near-zero~~
22 ~~emission” near-zero-emission”~~ may include, but is not limited to,
23 zero-emission technology, enabling technologies that provide a
24 pathway to emissions reductions, advanced or alternative fuel
25 engines for long-haul trucks, and hybrid or alternative fuel
26 technologies for trucks and off-road equipment.

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