

BOARD MEETING DATE: November 1, 2024

AGENDA NO. 15

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a hybrid meeting on Friday, October 11, 2024. The following is a summary of the meeting.

**RECOMMENDED ACTION:**

Receive and file this report and approve agenda items as specified in this letter.

Michael A. Cacciotti, Committee Chair  
Legislative Committee

LTO:PFC:DPG:ev:mc

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**Committee Members**

Present: Councilmember Michael A. Cacciotti, Committee Chair  
Mayor Patricia Lock Dawson  
Supervisor Curt Hagman  
Councilmember Nithya Raman  
Supervisor V. Manuel Perez  
Mayor José Luis Solache

**Call to Order**

Chair Michael Cacciotti called the meeting to order at 8:30 a.m.

**ACTION/DISCUSSION ITEMS:**

**1. Update on 2024 South Coast AQMD-Sponsored State Bills**

Derrick Alatorre, Deputy Executive Officer/Legislative, Public Affairs & Media, provided an update on the following 2024 South Coast AQMD-sponsored state bills:

- AB 2522 (W. Carrillo) doubles compensation limits for local air districts' board members through a public process and with Governing Board approval. The bill also authorizes an annual cost of living increase of up to 10 percent. AB 2522 was signed by the Governor and goes into effect January 1, 2025.

- AB 2958 (Calderon) would have provided CARB Board Members representing local air districts with the same level of compensation as other voting CARB Board Members. The bill died in Senate Appropriations.
- SB 1158 (Archuleta) updates the Carl Moyer Program by extending the allowable liquidation time for Moyer funding from four to six years. The bill was signed by the Governor and goes into effect January 1, 2025.

Supervisor Perez asked if AB 2522 applies to all Board members. Mr. Alatorre responded that the bill applies to all Board members, including elected officials.

Supervisor Perez inquired about the timing for adding a per diem increase based on AB 2522 to the November Board agenda. Bayron Gilchrist, General Counsel, responded that it is at the discretion of the Board but recommended adding it to the November Administrative Committee meeting agenda, for consideration by the Board in December.

Harvey Eder, Public Solar Power Coalition, provided public comment.

For additional information, please refer to the Webcast beginning at [5:48](#).

## **2. Interview Firms and Recommend Execution of Contract(s) for Legislative Representation in Washington, D.C.**

On June 7, 2024, the Board approved the release of an RFP to solicit proposals for legislative representation and consulting services for South Coast AQMD in Washington, D.C. for 2025. The Legislative Committee conducted interviews with five firms that submitted proposals: Balance Public Relations & Strategic Solutions, Inc., Cassidy & Associates, Carmen Group Inc., Ferox Strategies, and Kadesh & Associates. The Legislative Committee recommended delaying a vote on the proposals until Friday, November 8, 2024, to account for the results of the General Election. For additional information, please refer to the Webcast beginning at [15:25](#).

Moved by: Hagman Second: Solache

Ayes: Cacciotti, Dawson, Hagman, Perez, Raman, Solache

Noes: None

Abstain: None

Absent: None

## **3. 2025 State and Federal Legislative Guiding Principles**

The staff presentation on the proposed 2025 State and Federal Legislative Guiding Principles was postponed until the Legislative Committee meeting on Friday, November 8, 2024.

**DISCUSSION ITEMS:**

**4. Update and Discussion on Federal Legislative Issues**

Written report.

**5. Update and Discussion on State Legislative Issues**

Written report.

**OTHER MATTERS:**

**6. Other Business**

There was no other business to report.

**7. Public Comment Period**

Mr. Eder commented on carbon capture and environmental justice.

**8. Next Meeting Date**

The next regular Legislative Committee meeting is scheduled for Friday, November 8, 2024.

**Adjournment**

The meeting was adjourned at 10:10 a.m.

**Attachments**

1. Attendance Record
2. Update on Federal Legislative Issues – Written Reports
3. Update on State Legislative Issues – Written Reports

# ATTACHMENT 1

## **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT LEGISLATIVE COMMITTEE MEETING ATTENDANCE RECORD – OCTOBER 11, 2024**

Councilmember Michael Cacciotti..... South Coast AQMD Board Member  
Mayor Patricia Lock Dawson ..... South Coast AQMD Board Member  
Supervisor Curt Hagman ..... South Coast AQMD Board Member  
Supervisor V. Manuel Perez ..... South Coast AQMD Board Member  
Councilmember Nithya Raman ..... South Coast AQMD Board Member  
Mayor José Luis Solache ..... South Coast AQMD Board Member

Mark Taylor..... Board Consultant (Rodriguez)  
Ben Wong..... Board Consultant (Cacciotti)

Dean Flores ..... Balance Public Relations  
Ross Buckley ..... California Advisors, LLC  
Dal Harper ..... Carmen Group, Inc.  
Gary Hoitsma ..... Carmen Group, Inc.  
Virgilio Barrera ..... Cassidy & Associates  
Jed Dearborn..... Cassidy & Associates  
Amelia Jenkins Morales ..... Cassidy & Associates  
Samantha Swing ..... Cassidy & Associates  
Cristina Antelo ..... Ferox Strategies  
Lauren Doepke ..... Ferox Strategies  
Michael Taggart ..... Ferox Strategies  
Mark Williams ..... Ferox Strategies  
Paul Gonsalves ..... Joe A. Gonsalves & Son  
Mark Kadesh ..... Kadesh & Associates  
Ben Miller ..... Kadesh & Associates  
Chris Kierig ..... Kadesh & Associates  
David Ramey ..... Kadesh & Associates  
David Quintana..... Resolute

Vanessa Bautista..... Public Member  
Harvey Eder..... Public Member  
Sam Emmersen ..... Public Member  
Bill La Marr..... Public Member  
Adriana Maestas ..... Public Member  
Hadley Nolan ..... Public Member  
Shanell Shipe..... Public Member  
Peter Okurowski ..... Public Member  
Peter Whittingham..... Public Member

Derrick Alatorre ..... South Coast AQMD Staff  
Debra Ashby ..... South Coast AQMD Staff  
Barbara Baird ..... South Coast AQMD Staff  
Cathy Bartels ..... South Coast AQMD Staff

Cindy Bustillos .....	South Coast AQMD Staff
Lara Brown .....	South Coast AQMD Staff
Matthew Ceja .....	South Coast AQMD Staff
Shaienne Chavez-Fields .....	South Coast AQMD Staff
Maria Corralejo .....	South Coast AQMD Staff
Philip Crabbe .....	South Coast AQMD Staff
Javier Enriquez .....	South Coast AQMD Staff
Scott Gallegos .....	South Coast AQMD Staff
Denise Gailey .....	South Coast AQMD Staff
De Groeneveld.....	South Coast AQMD Staff
Sheri Hanizavareh .....	South Coast AQMD Staff
Anissa Cessa Heard-Johnson.....	South Coast AQMD Staff
Nydia Ibarra .....	South Coast AQMD Staff
Sujata Jain .....	South Coast AQMD Staff
Angela Kim .....	South Coast AQMD Staff
Howard Lee .....	South Coast AQMD Staff
Cristina Lopez .....	South Coast AQMD Staff
Jason Low .....	South Coast AQMD Staff
Terrence Mann .....	South Coast AQMD Staff
Ian McMillan .....	South Coast AQMD Staff
Ron Moskowitz .....	South Coast AQMD Staff
Susan Nakamura.....	South Coast AQMD Staff
Wayne Nastri .....	South Coast AQMD Staff
Robert Paud .....	South Coast AQMD Staff
Andrea Polidori .....	South Coast AQMD Staff
Aaron Katzenstein .....	South Coast AQMD Staff
Sarah Rees .....	South Coast AQMD Staff
Sandra Robles .....	South Coast AQMD Staff
Lisa Tanaka O'Malley .....	South Coast AQMD Staff
Brian Tomasovic .....	South Coast AQMD Staff
Erika Valle .....	South Coast AQMD Staff
Mei Wang .....	South Coast AQMD Staff
Victor Yip.....	South Coast AQMD Staff

# ATTACHMENT 2A



**Carmen Group**  
I N C O R P O R A T E D

**To:** South Coast AQMD Legislative Committee

**From:** Carmen Group

**Date:** September 26, 2024

**Re:** Federal Update -- Executive Branch

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**Congress:** At the end of September, as expected, Congress approved a continuing resolution (CR), avoiding a government shutdown, and setting a December 20th deadline for the final approval of FY 25 appropriations.

## **Department of Transportation**

**FHWA Announces RFI about EV Charging for Heavy-Duty Vehicles:** In September, the Federal Highway Administration (FHWA), along with the Office of Energy and Transportation, announced a Request for Information (RFI) from stakeholders about electric vehicle (EV) charging technologies and infrastructure needs for medium- and heavy-duty vehicles. The agency seeks information in four areas: 1) unique EV charger and station needs; 2) vehicle charging patterns; 3) charging technology and standardization; and 4) workforce, supply chain, and manufacturing support. Comments due November 12, 2024.

**FAA Announces Airport Grants:** In September, the Federal Aviation Administration (FAA) announced \$1.9 billion for 519 grants in 48 states under the Airport Improvement Program (AIP), the largest announcement under this program's history. Such grants fund a variety of projects including airport safety and sustainability improvements, noise reduction, and technologies that reduce, mitigate or remove contaminants and emissions. In this round of awards, California received 36 grants, including almost \$40 million for Los Angeles International Airport.

**FTA Announces Major Grant Agreement for Los Angeles Light Rail:** In September, the Federal Transit Administration (FTA) announced an \$898.3 million grant agreement with the Los Angeles Metropolitan Transportation Authority to support the construction of a new 6.7-mile light rail line along Van Nuys Boulevard in East San Fernando Valley.

**FHWA Announces Kristin White as Acting Administrator:** In September, the FHWA announced that Kristin White -- a former FHWA chief counsel, and Deputy Administrator since May 2024 -- is now serving as Acting Administrator, replacing Shailen Bhatt who left Sept. 10 to take a private sector job as chief operating officer with AtkinsRealis, a Canadian engineering and construction firm.

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901 F Street, NW Suite 600 Washington, DC 20004 T 202.785.0500 F 202.478.1734 [carmengroup.com](http://carmengroup.com)

## Environmental Protection Agency

**EPA Approves South Coast AQMD Warehouse Indirect Source Rule:** In September, the Environmental Protection Agency (EPA) announced approval of a rule by the South Coast AQMD that protects communities from air pollution generated by warehouse operations, including freight vehicle trips to and from warehouses. The Warehouse Indirect Source Review (ISR) Rule is part of a larger multi-pronged strategy to reduce emissions and improve public health in the South Coast region, especially in communities surrounding indirect sources -- such as warehouses, ports, railyards and airports -- which are often impacted by greater environmental burdens, including higher rates of asthma.

**EPA Announces Funds Available for Clean School Buses:** In September, the EPA announced the availability of \$965 million from the Bipartisan Infrastructure Law for the latest round of funding under the Clean School Bus Rebate Program for school districts nationwide. Applicants can request up to \$325,000 per bus for up to 50 buses per application. Selectees may then also be eligible for Inflation Reduction Act tax credits (worth up to \$40,000 each) which can be applicable to their bus and infrastructure purchases. Applications due January 9, 2025.

**EPA Releases Updated AirNow Fire and Smoke Map:** In September, the EPA and the Forest Service released an updated version of the AirNow Fire and Smoke Map to provide people across the U.S. with more information they can use to protect themselves from wildfire smoke. The map includes near real-time air quality monitoring information on coarse particle pollution and ozone, which can increase because of wildfire smoke. [Fire and Smoke Map](#)

## Department of Energy

**DOE Announces Energy Efficiency Grants to Local Governments:** In September, the Department of Energy (DOE) announced the award of \$16.9 million to 22 local governments under the latest round of grants under the Energy Efficiency and Conservation Block Grant (EECBG) Program. The grants are for projects that improve energy efficiency, reduce emissions, and lower overall energy use. Among California recipients are: Whittier (\$140,540) for efficiency upgrades to municipal buildings; Thousand Oaks (\$174,360) for Municipal Service Center ride-share vans to reduce emissions and advance city fleet electrification; and Diamond Bar ((\$114, 980) to assess City Hall capacity for solar technology and additional EV charging infrastructure.

**DOE Announces Awards to Accelerate Building Code Adoption:** In September, the DOE announced \$90 million in competitive awards to help implement updated energy codes for residential and commercial buildings. Recipients included the U.S. Green Building Council California of Los Angeles which received \$3.8 million to help decarbonize new construction and set new standards for existing buildings.

**DOE Announces Projects to Advance Clean Hydrogen Technologies:** California projects included hydrogen refueling in Irvine and hydrogen studies at University of California, Riverside.

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## ATTACHMENT 2B



To: South Coast Air Quality Management District  
From: Cassidy & Associates  
Date: September 26, 2024  
Re: September Report

### *HOUSE/SENATE*

#### *Congress*

Both the House and Senate are in session this week before Congress adjourns for all of October and the first week of November. The top priority for lawmakers is to pass a Continuing Resolution (CR) to extend government funding and avoid a government shutdown before current federal funding expires on September 30. House and Senate appropriators released a CR this week that would extend funding through December 20 and allocate \$231 million in new funding for the Secret Service. It does not include the SAVE Act, which Republicans had attempted to attach to a CR earlier this month. Lawmakers are confident that this new CR will pass the House and Senate. In Committee activity this week, the Senate Environment and Public Works Committee will hold a hearing on the public health impacts of PFAS exposure.

Permitting reform conversations continue, as House Natural Resources Committee Chair Bruce Westerman (R-AR-4) released a discussion draft aimed at increasing the efficiency of environmental reviews and limiting legal challenges under the National Environmental Policy Act (NEPA). The Committee held a legislative hearing to discuss the proposal on September 11.

The House Energy and Commerce Committee held a full Committee markup on September 18 that considered three Congressional Review Act (CRA) resolutions to overturn the Environmental Protection Agency's (EPA) rule on greenhouse gas emissions standards for fossil fuel-fired electric generating units, EPA's greenhouse gas emissions standards for heavy-duty vehicles, and



EPA's rule reconsidering the National Ambient Air Quality Standards for particulate matters. All three bills were approved by the Committee along party lines. Additionally, the House passed a CRA resolution targeting EPA's greenhouse gas emissions standards for light-duty and medium-duty vehicles.

## *EPA*

On September 23, the EPA issued a final rule to establish a new Emissions Reduction and Reclamation (ER&R) program to better manage, recycle, and reuse hydrofluorocarbons (HFCs). The ER&R program aims to reduce leaks from large refrigeration and air conditioning equipment to help the nation achieve an 85% HFC phasedown by 2036. The EPA estimates that the program will provide cumulative greenhouse gas emissions reductions of approximately 120 million metric tons of carbon dioxide equivalent.

On September 11, the EPA announced its approval of SCAQMD's Warehouse Indirect Source Rule. The rule is aimed at protecting communities from indirect sources of air pollution generated by warehouse operations. The rule creates incentives to invest in zero emission and near-zero emission technologies, which will reduce harmful air pollutants from indirect sources such as freight vehicle trips. Read more [here](#).

On September 4, the EPA announced the selection of 34 Tribes and territories to receive Climate Pollution Reduction Grants. La Jolla Band of Luiseño Indians, in partnership with the San Pasqual Band of Mission Indians, received a \$22,829,169 grant to transition the Tribes' fleet vehicles to battery-electric or plug-in hybrid and install electric vehicle charging stations. The Fort Independence Indian Community received \$1,362,172 to extend the Los Angeles Department of Water and Power distribution line to deliver renewable electric power to the area. The Tule River Economic Development Corporation received \$14,708,000 to convert waste wood biomass into biochar, which will reduce greenhouse gas emissions and mitigate wildfire risks. Read more [here](#).

On August 28, the EPA initiated a process to cancel all products containing the pesticide dimethyl tetrachloroterephthalate (DCPA or Dacthal), following its emergency suspension and AMVAC Chemical Corporation's voluntary cancellation of DCPA registrations. The emergency suspension prohibits the distribution, sale, shipping, or use of DCPA products, and EPA is working with AMVAC on a return program for existing stocks. DCPA can cause serious health risks in unborn babies whose mothers are exposed to the pesticide. Read more [here](#).

On August 26, the EPA released a Notice of Funding Opportunity (NOFO) for two cooperative agreements to support Tribal governments in land restoration and prevention of environmental

contamination. Approximately \$3.48 million will be available to assist recipients with training activities, technical assistance, and research related to waste management and pollution prevention. Federally recognized Tribes, inter-Tribal consortia, public and private non-profit universities, and other public or private non-profit organizations will be eligible for the funding. Read more [here](#).

Cassidy and Associates support in September:

- Worked with SCAQMD staff to strategize on future DC outreach.
- Advised SCAQMD throughout appropriations cycle to identify and pursue funding opportunities.
- Participated in weekly strategy sessions with SCAQMD staff.

## *IMPORTANT LEGISLATIVE DATES*

September 30, 2024: Reauthorization deadline for the Farm Bill, an omnibus package of legislation that supports US agriculture and food industries; the bill is reauthorized on a five-year cycle. The Congressional Budget Office (CBO) projects a combined budget of \$648 billion for the 2023 Farm Bill.

September 30, 2024: The Biden administration released its budget request for Fiscal Year 2025 in late March; the topline number is \$7.3 trillion. Lawmakers have until September 30 to pass an appropriations bill to fund the government for FY25.

December 31, 2024: Expiration of the National Defense Authorization Act, which authorizes and funds specialized Department of Defense (DoD) programs and sets the DoD's policy agenda each year.

# ATTACHMENT 2C

## KADESH & ASSOCIATES

South Coast AQMD Report for the October 2024  
Legislative Meeting covering September 2024  
Kadesh & Associates

This week, the House and Senate approved a continuing resolution (CR) to fund the government through December 20, 2024, adding new funding for the Secret Service as well. After a week's worth of unsuccessful attempts to bring a funding bill to the floor, Speaker Johnson eventually called up a CR that was quickly approved by a bipartisan majority of 341-82. The Senate followed shortly after, voting 78-18 to send the CR to the President to be signed into law. Both chambers then recessed, sending their members home until after the November elections. The Senate is planning its next vote for Tuesday, November 12; the House will likely return the same week.

The ultimate conclusion of this FY25 funding process will be driven by the outcome of the election: a change in power in either chamber of Congress, or the White House, will shift the incentives for this year's negotiators. One question is how closely to adhere to the spending levels set by Fiscal Responsibility Act (FRA) of 2023 – the bipartisan budget deal that ultimately led to then-Speaker Kevin McCarthy's departure.

In addition to this question of meeting the official caps, Congress will need to contend with whether to adopt "side deals" agreed to alongside the original FRA. So far, those side deals have not been factors on the House side, but the Senate appropriators proposed adding \$34.5 billion to its topline number to accommodate additional spending above the FY25 FRA cap. This discrepancy, and other adjustments, will be the subject of intense negotiations when Congress returns. Until a topline number is agreed to, the FY25 appropriations bills will not be finalized. The most likely scenario is that Congress will continue to carry out the FRA's direction in its final FY25 funding bills, but a significant shift in power on the horizon will make negotiations more complicated.

During the lame duck session in November, Congress will also need to complete – or at least officially postpone consideration of – several other big-ticket items that have so far been left unresolved in this session, including the Farm Bill, the Water Resources Development Act, and the National Defense Authorization Act. These may all be rolled up into a year-end omnibus.

### Kadesh & Associates Activity Summary-

-Worked with South Coast AQMD and the congressional delegation on CPRG and other whole-of-government efforts to address air quality through BIL and IRA funding programs.

-Met with delegation offices in preparation for the new legislative session in January.

### Contacts:

Contacts included staff and Members throughout the CA delegation, Senate offices, and members of key committees. We have also been in touch with administration staff.

## South Coast Air Quality Management District Legislative and Regulatory Update –September 2024

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### ❖ Important Upcoming Dates

September 30, 2024 – Last Day for Governor to Sign or Veto Legislation  
October 1, 2024 – Assembly Convenes Floor Session

### ❖ RESOLUTE Actions on Behalf of South Coast AQMD. RESOLUTE partners David Quintana and Alfredo Arredondo continued their representation of SCAQMD before the State’s Legislative and Executive branches. Selected highlights of our recent advocacy include:

- Provided ongoing updates as the Legislature ended their regular session and the Assembly initiated their second extraordinary session on the topic of gasoline prices.
- Followed up on bills for the 2024 legislative session, including for SCAQMD sponsored legislation.

### ❖ AB 2522 (W. Carrillo): SCAQMD Sponsored Legislation

Summary: the bill provides that each member of certain local air district boards shall receive compensation of up to \$200 for each day, or portion thereof, but not to exceed \$2,000 per month, while attending meetings of the board or any committee, or on official business of the district. The bill also authorizes increases to the compensation amount pegged to the Consumer Price Index (CPI) with a ceiling of 10 percent per calendar year.

The bill passed Senate Floor on August 27 with 29 Ayes, 11 Noes, and 0 Abstains.

The bill passed the Assembly Floor (Concurrence Vote) on August 28 with 60 Ayes, 15 Noes, and 4 Abstains.

The bill was signed by Governor Newsom on September 22.

### ❖ AB 2958 (Calderon): SCAQMD Sponsored Legislation (informational item)

Summary: this bill would allow CARB Board members representing Air Districts to receive the same compensation as other voting CARB Board members. In doing so, the bill addresses the inequity in compensation among CARB board members.

The bill was placed on the Suspense File by the Senate Appropriations Committee on August 5 with 7 Ayes and 0 No votes.

The bill was held by the Senate Appropriations Committee on August 15.

### ❖ Second Extraordinary Session Called by Governor Newsom. On the last day of regular session Governor Newsom called for a Second Extraordinary session on the topic of gasoline prices and price spikes. The Assembly convened that Second Extraordinary Session and began deliberation on legislation urged by Governor Newsom in the form of ABX2-1: [https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=202320242AB1](https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202320242AB1)

ABX2-1 was passed by the Committee on Petroleum and Gasoline Supply on September 26. It will next be voted on by the entire Assembly on October 1.

# ATTACHMENT 3B



## CALIFORNIA ADVISORS, LLC

South Coast AQMD Report  
California Advisors, LLC  
October 11, 2024, Legislative Committee Hearing

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### **Special Session Update**

The Governor called the Legislature into a special legislative session on August 31<sup>st</sup> to address the high cost of gasoline and mitigate price spikes in California. The Governor called the special session because the State Assembly declined to act during the regular session on the Governor's August 15<sup>th</sup> proposal to address rising gas prices. The Assembly has been crafting special session legislation since August 31<sup>st</sup>, while the State Senate is planning to convene on the week of October 7<sup>th</sup> after the Assembly concludes their floor votes.

Nine bills have been introduced in the Assembly since the beginning of the special session. Of these, ABX2-1, 2, 8, and 9 were introduced by Democrats, and ABX2-3 through 7 were proposed by Republicans. The Assembly held two informational hearings on September 18 and 19 to discuss the California gasoline supply chain, the factors influencing gas prices, and how refineries store fuel. On September 25<sup>th</sup> the Rules Committee referred ABX2-1, 3, and 9 to the Special Committee on Petroleum and Gasoline Supply. On September 26<sup>th</sup> the Committee on Petroleum and Gasoline Supply held a policy hearing and voted ABX2-1 and ABX2-9 to the Assembly floor. The Assembly will convene for a floor session on October 1<sup>st</sup> to consider these bills. If these bills pass the Assembly the Senate is not expected to make significant changes to the legislation.

### **Governor's Office and Agency Updates**

The Governor received 991 bills at the end of the regular legislative session and has until the constitutional deadline of September 30<sup>th</sup> to sign or veto them. If the Governor does not take action on a bill by September 30<sup>th</sup> it automatically becomes law through a pocket signature. With less than four days before the deadline, the Governor still had over 400 outstanding bills that are enrolled and pending on his desk. Thus far the Governor has signed 963 bills and vetoed 108 in 2024. In 2023 the Governor signed 890 bills and vetoed 156 for an overall passage rate of 85%.

Additionally, the California Environmental Protection Agency's Office of Environmental Health Hazard Assessment (OEHHA) recently announced that Californians are breathing in far less air pollution than 25 years ago. This improvement was found in a study conducted by UC Berkeley. The Berkeley study noted PM2.5 emissions have decreased dramatically since 2000, primarily as

a result of cleaner engines in light duty vehicles. The study found the most significant reductions in PM<sub>2.5</sub> concentration occurred in the Los Angeles region and San Francisco Bay Area. The OEHHA used the Berkeley study's findings to emphasize the successes and continued importance of effective air quality regulation.

# ATTACHMENT 3C



## Joe A. Gonsalves & Son

Anthony D. Gonsalves

Jason A. Gonsalves

Paul A. Gonsalves

PROFESSIONAL LEGISLATIVE REPRESENTATION

925 L ST. · SUITE 250 · SACRAMENTO, CA 95814-5766

916 441-8597 · FAX 916 441-5061

Email: gonsalves@gonsalvi.com

TO: South Coast Air Quality Management District  
FROM: Anthony, Jason & Paul Gonsalves  
SUBJECT: Legislative Update – September 2024  
DATE: Wednesday, September 25, 2024

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The Legislature adjourned Sine Die on August 31, 2024 after sending nearly 1,000 bills to the Governor for his consideration. The Governor has until September 30th to take action on those bills. As of today, the Governor still has over 500 bills to take action on before the deadline. Typically, once the legislature adjourns session, the Legislature would be absent from Sacramento until the newly elected Legislature convenes in early December. This year, however, the Assembly will be returning to Sacramento in early October for a Special Session on Gas Spikes called by Governor Newsom.

Additionally, the November 5th election is right around the corner. All 80 Members of the Assembly and half of the Members of the Senate will be up for election. In addition, the November ballot will include 10 propositions for voters to decide on. Regardless of the outcomes at the ballot box, the State Legislature will have at least 35 new members when they return in December for their ceremonial swearing in. That, coupled with the 37 new members elected in 2022, means 72 of 120 (60%) of the members of the legislature will have 2 years or less experience.

The following will provide you with updates of interest to the District:

### **Special Session on Gas Spiking**

Tensions between the Governor, Assembly, and Senate were high in the final days of session. The implosion of a last-minute deal on energy affordability added to the typical aggravation caused by the usual jockeying between the three parties over which bills move and which die. While the Assembly and Senate lost their priority proposals as the deal fell apart, the Governor held out hope that the Legislature would still take up his proposal to regulate petroleum fuels and feedstock inventories in an effort to lower prices at the pumps.

The Assembly rejected the Governor's proposal, arguing that they did not have time to consider it properly and that the Governor should instead call a Special Session of the Legislature. In the final hours of session, Governor Newsom did so.

While the Governor can call a Special Session at any time, his ability to compel the Legislature to actually convene the Session is very limited. While the Assembly quickly moved to convene the Special Session, the Senate did not. By contrast, Senator McGuire announced that the Senate would not be convening the Special Session over the fall.

Nearly a month later, the Assembly has set a hearing for the Governor's proposal for this Thursday, September 26, 2024 and is scheduled to return to Sacramento on October 1st to consider the bill on the floor of the Assembly. While the Senate initially remained obstinate, Pro Tem McGuire has now indicated that if the Assembly has the votes to pass the Governor's proposal, he will call his colleagues back to Sacramento.

### **CA Climate Action Counts initiative**

On September 23, 2024, Governor Newsom introduced a new state initiative aimed at mobilizing one million Californians to engage in climate action at home and in their neighborhoods, fostering resilient communities.

The California Climate Action Counts initiative is designed to educate and inspire individuals to rethink the impact of volunteerism through meaningful, everyday actions in their communities. The campaign outlines 10 priority actions and invites participants to take a pledge to act. Those who pledge will join hundreds of California Climate Action Corps fellows in the fight against climate change.

Here are the key actions highlighted in the campaign:

- **Reduce waste**: Donate, upcycle, or shop at thrift stores.
- **Compost food scraps**: Use your green bin or compost at home.
- **Support local farmers**: Shop at local farmers markets or participate in a CSA (Community Supported Agriculture).
- **Green your ride**: Walk, bike, use public transit, carpool when you can, or consider a zero-emission vehicle.
- **Get planting**: Plant trees, native plants, or start a community garden.
- **Be disaster ready**: Prepare for wildfires and extreme heat events.
- **Save energy, water, and money**: Utilize a smart thermostat, conserve water, and capture the savings.
- **Discover nature**: Explore local parks and trails.
- **Tell a friend**: Encourage family and friends to join Climate Action Counts.
- **Get connected**: Sign up to serve or volunteer in your community.

### **U.S. EPA Proposes Exide as Superfund Site**

Since July 2022, the U.S. EPA has been evaluating the Exide Technologies plant, a former battery recycling facility in southeast Los Angeles County, to determine its eligibility for inclusion on the National Priorities List of Superfund sites.

On September 4, 2024, Governor Newsom praised the U.S. EPA's announcement proposing the addition of the former Exide facility in Vernon to the Superfund National Priorities List (NPL), making it eligible for federal funding for long-term and permanent cleanup efforts.

The Newsom Administration has actively supported the Superfund designation to enhance the state's ongoing cleanup initiatives, which have already addressed lead contamination at over 5,300 properties in the surrounding area. So far, California has directed more than \$770 million toward cleaning up the contamination resulting from Exide's operations. DTSC worked with the U.S. EPA to order the closure of the Exide facility. Additionally, they oversaw the investigation and cleanup of both the plant and its



surrounding area as well as monitored the decontamination and dismantling of the remaining sections of the lead battery processing and smelting operations.

The U.S. EPA is accepting comments on the proposal to add the Exide Technologies - Vernon site to the Superfund NPL from September 4 to November 4, 2024.

### **Driving Clean Assistance Program**

On September 11, 2024, CARB announced the launch of a new initiative, the Driving Clean Assistance Program (DCAP), with a budget of \$242 million. This program aims to prioritize low-income Californians in need of grants and loan assistance for acquiring zero-emission vehicles.

This new program is designed to provide incentives that ensure low-income residents are included in the transition to cleaner transportation. DCAP will primarily benefit communities that currently lack assistance programs, including many tribes and rural areas, with Imperial County being the first to implement the program.

Eligible participants who agree to scrap an older vehicle can receive grants of up to \$12,000 to purchase or lease a new or used zero-emission vehicle, along with an additional \$2,000 to cover electric charging costs. The assistance can be applied to zero-emission cars, motorcycles, or e-bikes, and low-interest loans will also be accessible. Applicants must have an income at or below 300% of the federal poverty level. Those who do not have a vehicle to scrap or prefer to use the funding for other mobility options, such as carsharing, can receive \$7,500 in purchase assistance. Eligible applicants will also have access to vehicle loans capped at 8% through various credit union partnerships.

DCAP aims to broaden access in regions that currently do not benefit from air district programs like Clean Cars 4 All (CC4A). Launched in 2015, CC4A has allocated over \$165 million to assist 20,000 Californians in purchasing cleaner vehicles, while also removing older, polluting vehicles from the road. The average vehicle retired through CC4A is around 25 years old and has an estimated fuel economy of 22 miles per gallon, compared to an average replacement vehicle from the program, which has a fuel economy equivalent of 80 mpg.

Five of California's air districts - San Joaquin Valley, South Coast, Bay Area, Sacramento, and San Diego—are reporting increased participation in CC4A even amidst rising loan interest rates. Additional counties not participating in a CC4A program will be able to implement DCAP by early 2025.

These incentive programs not only help reduce the upfront costs of cleaner vehicles but also support families in lowering their gasoline and maintenance expenses.

### **Funding for Fast Chargers**

On September 11, 2024, the California Energy Commission (CEC) and the California Department of Transportation (Caltrans) awarded over \$32 million in federal funding for the installation, operation, and maintenance of 458 direct-current fast chargers (DCFC) along the state's interstates and highways.

These funds are sourced from the \$5 billion National Electric Vehicle Infrastructure (NEVI) Formula Program, part of the \$1.2 trillion Infrastructure Investment and Jobs Act that President Biden signed into law in November 2021. California anticipates receiving a total of \$384 million for the program over the coming years. The proposed awards from the CEC total \$37.7 million, which will leverage an additional

\$53.2 million in private matching funds. This funding will enable the deployment of over 500 new charging ports across 70 sites.

In the first round of NEVI formula funding, 9 projects were approved for a total of \$32,722,295. An additional \$5 million is anticipated to be approved before the year ends. The approved projects include:

Electrify America, LLC. – \$6,488,372 for 62 fast chargers along sections of Interstate 15 between Hesperia and Nevada, Interstate 40 between Barstow and Needles, and State Route 58 between Buttonwillow and Barstow.

Skychargers, LLC. – \$4,008,069 for 68 fast chargers along Interstate 5 from Sacramento to Kettleman City.

Skychargers, LLC. – \$2,965,854 for 76 fast chargers along Interstate 5 from Kettleman City to Santa Clarita.

Sustainable Energies CA LLC. – \$1,860,000 for 20 fast chargers along sections of Interstates 8, 15, and 805 in San Diego and Riverside counties.

Sustainable Energies CA LLC. – \$1,200,000 for 16 fast chargers in Los Angeles, Riverside, and San Bernardino counties.

Sustainable Energies CA LLC. – \$1,800,000 for 24 fast chargers along sections of Interstates 110, 710, 605, and 105 in Los Angeles County.

Zero6 EV Charging CA I LLC. – \$3,675,000 for 49 fast chargers along Interstate 5 from Sacramento to Kettleman City.

Zero6 EV Charging CA I LLC. – \$6,075,000 for 81 fast chargers along Interstate 5 from Kettleman City to Santa Clarita.

Zero6 EV Charging CA I LLC. – \$4,650,000 for 62 fast chargers along sections of Interstate 15 between Hesperia and Nevada, Interstate 40 between Barstow and Needles, and State Route 58 between Buttonwillow and Barstow.

## **LEGISLATION**

SB 1158 (Archuleta): This bill is sponsored by SCAQMD and proposes to extend the time air districts have to use Carl Moyer Program funds from 4 to 6 years.

SB 1158 was presented to the Governor on August 22, 2024 and on September 22, 2024, Governor Newsom signed SB 1158 into law. The bill will take effect January 1, 2025.

## **2024 LEGISLATIVE DEADLINES**

August 31	Last day for each house to pass bills. Final Recess begins upon adjournment
September 30	Last Day for Governor to take action on legislation.
November 5	General Election
December 2	Ceremonial Organizational Session