

BOARD MEETING DATE: March 7, 2025

AGENDA NO. 13

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a hybrid meeting on Friday, February 14, 2025. The following is a summary of the meeting.

Agenda Item	Recommendation/Action
2025 South Coast AQMD Sponsored State Legislative Proposal for Emergency Response	Approve

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:mc

Committee Members

Present: Vice Chair Michael A. Cacciotti, Committee Chair
Supervisor Curt Hagman
Supervisor V. Manuel Perez

Absent: Mayor Patricia Lock Dawson
Councilmember Nithya Raman

Call to Order

Committee Chair Michael Cacciotti called the meeting to order at 9:05 a.m. Executive Officer Wayne Nastro suggested that the Committee proceed with non-voting items first to allow time for a quorum for action items.

DISCUSSION ITEMS:

This item was taken out of order.

2. Update and Discussion on Federal Legislative Issues

South Coast AQMD’s federal legislative consultants (Kadesh & Associates, Carmen Group, and Cassidy & Associates) provided written reports on key Washington, D.C. issues.

Mark Kadesh, Kadesh & Associates, reported on the President's Executive Orders related to federal grants. For additional information, please refer to the [Webcast](#) beginning at 7:28.

Committee Chair Cacciotti asked about the \$20 billion in Inflation Reduction Act funds referenced in a video with U.S. EPA Administrator Lee Zeldin. Gary Hoitsma, Carmen Group, explained that the statement referenced the Greenhouse Gas Reduction Fund. These funds were allocated before the transition of the Biden Administration to Trump and would largely be under the control of non-governmental organizations. For more information, please refer to [Webcast](#) beginning at 12:30.

Mr. Hoitsma, reported on the U.S. Senate confirmation hearings for Lee Zeldin for Administrator of U.S. EPA, Sean Duffy for Secretary of U.S. Department of Transportation, Chris Wright for Secretary of the U.S. Department of Energy, and Russell Vought for Director of the Office of Management and Budget. For additional information, please refer to the [Webcast](#) beginning at 13:07.

Virgilio Barrera, Cassidy & Associates, reported on the status of the budget reconciliation process in both the U.S. House of Representatives and Senate and the continuing resolution. For additional information, please refer to the [Webcast](#) beginning at 16:53.

Harvey Eder, Public Solar Power Coalition, provided public comments on solar energy.

This item was taken out of order.

3. Update and Discussion on State Legislative Issues

South Coast AQMD's state legislative consultants (Joe A. Gonsalves & Son, Resolute, and Buckley Government Affairs, LLC) provided written reports on key issues in Sacramento.

Paul Gonsalves, Joe A. Gonsalves & Son, informed the Committee that, as part of its Special Session, the Legislature passed SBx1-1 and SBx1-2 to provide \$50 million in funding for legal defense and challenges relating to actions by the federal Administration. For additional information, please refer to the [Webcast](#) beginning at 24:48.

Alfredo Arredondo, Resolute, reported that Assemblymember Phillip Chen has agreed to author the South Coast AQMD sponsored bill that would provide compensation to air district representatives serving on the CARB Board. For additional information, please refer to the [Webcast](#) beginning at 27:50.

Ross Buckley, Buckley Government Affairs, LLC, provided an update regarding the legislative session, including the budget process. The bill introduction deadline is February 21. Legislation introduced thus far in both houses has included numerous bills focused on wildfire response. For additional information, please refer to the [Webcast](#) beginning at 30:15.

Mr. Eder provided public comment regarding state funding for defense against the Trump Administration.

Supervisor Perez joined meeting and quorum was established.

ACTION/DISCUSSION ITEM:

This item was taken out of order.

1. .Concept for 2025 South Coast AQMD Sponsored State Legislative Proposal

Lisa Tanaka, Deputy Executive Officer, Legislative, Public Affairs & Media, presented a concept for a South Coast AQMD sponsored state bill to enhance the existing CARB Air Quality Incident Response program and provide support to local air districts for monitoring and other necessary equipment, emergency response coordinators, and training as well as other aspects to facilitate emergency response for future wildfires and other crises.

Moved by Hagman; Seconded by Perez

Ayes: Cacciotti, Hagman, Perez

Noes: None

Abstain: None

Absent: Lock Dawson, Raman

For additional information, please refer to the [Webcast](#) beginning at 32:45.

Mr. Eder provided public comment regarding the need for fire safety plans.

OTHER MATTERS:

4. Other Business

There was no other business to report.

5. Public Comment Period

Mr. Eder provided public comment regarding preparation for future earthquakes.

6. Next Meeting Date

The next regular Legislative Committee meeting is scheduled for Friday, March 14, 2025 at 9:00 a.m.

Adjournment

The meeting was adjourned at 9:49 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 – FEBRUARY 14, 2025

Council Member Michael Cacciotti	South Coast AQMD Board Member
Supervisor V. Manuel Perez	South Coast AQMD Board Member
Supervisor Curt Hagman	South Coast AQMD Board Member
Ken Chawkins	Board Consultant (Cacciotti)
Guillermo Gonzalez	Board Consultant (Perez)
Katherine Kolcheva	Board Consultant (Hagman)
Ben Wong	Board Consultant (Cacciotti)
Ross Buckley	Buckley Government Affairs, LLC
Gary Hoitsma	Carmen Group, Inc.
Lio Barrera	Cassidy & Associates
Paul Gonsalves	Joe A. Gonsalves & Son
Mark Kadesh	Kadesh & Associates
Alfredo Arredondo	Resolute
Harvey Eder	Public Member
Sam Emmersen	Public Member
L. Fernandez	Public Member
Grace Garner	Public Member
Altie Holcomb	Public Member
Moses Huerta	Public Member
Bill La Marr	Public Member
Bill Quinn	Public Member
David Rothbart	Public Member
Mark Taylor	Public Member
Peter Whittingham	Public Member
Debra Ashby	South Coast AQMD Staff
Jason Aspell	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
Maria Corralejo	South Coast AQMD Staff
Philip Crabbe	South Coast AQMD Staff
Scott Gallegos	South Coast AQMD Staff
Denise Gailey	South Coast AQMD Staff
Bayron Gilchrist	South Coast AQMD Staff
De Groeneveld	South Coast AQMD Staff
Alex Han	South Coast AQMD Staff
Lauren Henninger	South Coast AQMD Staff
Anissa Cessa Heard-Johnson	South Coast AQMD Staff
Nydia Ibarra	South Coast AQMD Staff
Aaron Katzenstein	South Coast AQMD Staff
Angela Kim	South Coast AQMD Staff
Howard Lee	South Coast AQMD Staff

Alicia LizarragaSouth Coast AQMD Staff
Brisa Lopez South Coast AQMD Staff
Jason LowSouth Coast AQMD Staff
Terrence Mann South Coast AQMD Staff
Ian McMillanSouth Coast AQMD Staff
Nahal MogharabiSouth Coast AQMD Staff
Ron Moskowitz South Coast AQMD Staff
Susan NakamuraSouth Coast AQMD Staff
Wayne NastriSouth Coast AQMD Staff
Robert PaudSouth Coast AQMD Staff
Sarah Rees South Coast AQMD Staff
Danielle SotoSouth Coast AQMD Staff
Lisa Tanaka South Coast AQMD Staff
Brian Tomasovic South Coast AQMD Staff
Mei WangSouth Coast AQMD Staff
Victor YipSouth Coast AQMD Staff
Chris Yu South Coast AQMD Staff

ATTACHMENT 2A

KADESH & ASSOCIATES

South Coast AQMD Report for the February 2025
Legislative Meeting covering January 2025
Kadesh & Associates

It has been a very busy January, as the new administration has swiftly implemented President Trump's vision for the federal government following a flurry of executive orders and presidential directives, while the Senate has moved to quickly confirm President Trump's cabinet.

Federal agency employees: the President has made far-reaching changes to the federal workforce in his first week in office, including removing more than a dozen internal agency watchdogs, including the Inspectors General for DOT, DOE, and EPA, and reassigning and potentially reclassifying thousands of employees. The White House also directed federal agencies to compile lists of recently hired employees whose positions can be terminated without appeal, and to place employees on administrative leave who worked on DEI or EJ issues. Federal employees at multiple agencies also reported that they had been directed to cease communicating with outside entities.

As of this writing, the White House has issued a memo offering a "deferred resignation" to federal employees who do not wish to return to their offices from remote work. According to news reports, the White House is expecting as many as one in ten federal employees to respond, which would mean the potential departure of hundreds of thousands of agency employees at the end of the fiscal year.

Federal funding: Several early directives have targeted federal grants and other funding spurring widespread concerns in Congress as well as litigation. Notably, the President issued an Executive Order on January 20 entitled "Unleashing American Energy" which contained a directive to pause the disbursement of Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA) funds. This was followed by an OMB Memo (M-25-11) indicating that this "pause" was specifically intended to carry out the Presidential directive "Terminating the Green New Deal."

This first-week pause on BIL and IRA funding was superseded by a memo issued on January 28 by OMB that ordered a halt to disbursement of grants and other funding already approved by Congress. If carried out, this unprecedented federal funding freeze would block the disbursement of hundreds of billions of dollars, affecting everything from health care to clean water to road construction. A federal judge has already issued a temporary administrative stay, in advance of a court hearing in early February.

Nominations: The Senate has moved quickly on President Trump's cabinet nominees, approving Transportation Secretary Duffy this week, and queuing up several others for votes as well, including EPA Administrator Zeldin.

Other activities in Congress: Both California Senators will serve on the Environment and Public Works Committee in this session and have been assigned positions on its

KADESH & ASSOCIATES

Transportation and Infrastructure subcommittee as well as its Clean Air subcommittee. The House Republican Conference has been holding its annual retreat in Florida this week, with the intent of reaching intra-party agreement on a plan to use the budget reconciliation process to implement significant policy changes. If they can reach agreement, Speaker Johnson has said that he wants the Budget Committee to kick off the process the first week of February.

Kadesh & Associates Activity Summary-

-Worked with South Coast AQMD and the congressional delegation on funding implications of Executive Orders and agency directives.

Contacts: Contacts included staff and Members throughout the CA delegation, Senate offices, and members of key committees.

ATTACHMENT 2B



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

To: South Coast AQMD Legislative Committee
From: Carmen Group
Date: January 28, 2025
Re: Federal Update -- Executive Branch

Trump Administration: The first days of the new Trump Administration following the January 20th Inauguration included a series of executive actions affecting or reversing relevant Biden Administration actions and policies related to energy, environment, climate, clean air, and wildfires. Copies of several of these significant presidential actions related to these topics are linked below:

Key Relevant Executive Actions

[Initial Rescissions of Harmful Executive Orders and Actions](#)

[Unleashing American Energy](#)

[Declaring a National Energy Emergency](#)

[Putting People Over Fish: Stopping Radical Environmentalism to Provide Water to Southern California](#)

[Emergency Measures to Provide Water Resources in California and Improve Disaster Response in Certain Areas](#)

Freeze on Grants and Funds: On January 27, the Office of Management and Budget (OMB) instructed federal agencies to temporarily pause grant, loan and other financial assistance programs pending a review to determine compliance with presidential policies and executive orders. The memo followed several days of confusion surrounding how certain executive orders, including the energy orders targeting unspent funds from the Inflation Reduction Act and the Bipartisan Infrastructure Law were to be interpreted and implemented. Democrats asserted the OMB memo constituted an unconstitutional impoundment of appropriated funds. As of January 28, a federal judge had issued an order temporarily blocking the funding freeze.

Environmental Protection Agency

(Trump Admin.) Zeldin Approved in Committee: On January 23, Lee Zeldin's nomination to be Administrator of the Environmental Protection Agency was approved in the Senate Environment & Public Works Committee by a vote of 11-8.

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(Trump Admin.) Notable Appointments: **Eric Amidon**, *Chief of Staff*. Former COS to Rep. Zeldin; **Alex Dominguez**, *OAD Deputy Assistant Admin. For Mobile Sources*. Former advisor in in OAR office in first Trump Admin.

(Biden Admin.) EPA Issues Permits for Carbon Sequestration in California: On December 30, the Environmental Protection Agency (EPA) issued the first ever underground injection permits to inject carbon dioxide into deep rock formations at a Kern County site for permanent underground storage using technology called carbon capture and storage or geologic sequestration, designed to reduce CO2 emissions and mitigate climate change.

(Biden Admin.) EPA and DOE Announce Support for Biofuels Development: On January 8, the EPA and the Department of Energy (DOE) announced \$6 million from the Inflation Reduction Act for three projects that will advance biofuel development. The projects are designed to help provide new technologies to reduce emissions and reduce dependence on imported transportation fuel, heating oil, and jet fuel.

(Biden Admin.) EPA Finalizes Protections from Ethylene Oxide Pollution: On January 14, the EPA released its Interim Decision for the hazardous cancer-causing pesticide air pollutant Ethylene Oxide (EtO). The Decision, reached after a 75-day public comment period, includes mitigation measures that will reduce exposure to workers and communities that live or work near facilities that use EtO and that are at risk to breathe in emissions at dangerous levels.

Department of Energy

(Trump Admin.) Wright Approved in Committee: On January 23, Chris Wright's nomination to be Secretary of Energy was approved in the Senate Energy & Natural Resources Committee by a vote of 15-5.

(Trump Admin.) Notable Appointment: **John Sneed** will head the DOE Loan Programs Office, returning to a job he had in the first Trump Administration. He was also previously chief of staff to former Energy Secretary Rick Perry.

(Trump Admin.) DOE Takes Steps to Promote LNG Exports: On January 21, the DOE announced an end to the Liquefied Natural Gas (LNG) pause imposed by the Biden Administration and directed a resumption of the consideration of all applications for LNG exports to happen concurrently with the consideration of public comment on the Department's LNG study (announced in December), while extending the comment period deadline from Feb. 18 to March 20, 2025.

(Biden Admin.) DOE Announces Progress on IRA and BIL Funding Commitments: On January 17, the DOE summarized that during the Biden Administration, the Department had committed over \$170 billion for grants and loans under the Bipartisan Infrastructure Law (BIL) and the Inflation Reduction Act (IRA), which included 94 percent the DOE IRA money and 70 percent of the DOE BIL money.

(Biden Admin.) DOE Announces Projects to Reduce Methane Emissions: On December 20, the Department of Energy (DOE) announced \$850 million for 43 projects

designed to reduce methane emissions as part of the Administration’s aggressive push under the Inflation Reduction Act to reduce oil and gas emissions by 80 percent between 2024 and 2038.

Department of Transportation

(Trump Admin.) Duffy Confirmed: On January 28, the US Senate confirmed Sean Duffy to be Secretary of Transportation by a vote of 77-22.

(Biden Admin.) DOT Announces Grants for EV Charging/Fueling Infrastructure: On January 10, the Federal Highway Administration announced \$635 million in new grants for electric vehicle (EV) charging and alternative fueling infrastructure in 27 states with funding from the Bipartisan Infrastructure Law. Among six projects in California was \$14.1 million for the City of San Bernardino to create its first public charging network by installing 101 EV chargers at 15 municipally-owned locations, including parks, community centers, a library, City Hall, the Police Department, and several downtown core parking locations.

(Biden Admin.) DOT Announces Grants for Reconnecting Communities: On January 10, The Department of Transportation (DOT) announced \$544 million for 81 projects in 31 states under the Reconnecting Communities Pilot discretionary grant program funded by the Bipartisan Infrastructure Law. Among 13 project grants in California was \$26.6 million for the Housing Authority of Los Angeles for “resolving inequitable pedestrian and safety infrastructure in Watts.”

(Biden Admin.) DOT Announces Rail/Highway Crossing Safety Grants: On January 10, the Federal Railroad Administration announced more than \$1.1 billion in funding for 123 projects in 41 states under the Railroad Crossing Elimination Grant Program. Among seven projects in California was a \$1.8 million planning grant for the San Gabriel Valley Council of Government to prepare a feasibility study of needed grade separations at four Union Pacific grade crossings as part of the Alameda Corridor-East Phase III Project in eastern Los Angeles County.

(Biden Admin.) DOT Releases Transportation Statistics Report: On December 31, the DOT released its [Transportation Statistics Annual Report 2024](#).

Outreach: During January, Carmen Group was in touch with staff and advisors on the Trump transition team and on Capitol Hill, as well as sources in the news media to gather intelligence on relevant transition, administration and appropriations matters.

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ATTACHMENT 2C



To: South Coast Air Quality Management District
From: Cassidy & Associates
Date: January 27, 2025
Re: January Report

HOUSE/SENATE

Congress

Donald Trump was inaugurated as the 47th President of the United States on January 20. Soon after, he signed a variety of Executive Orders, including declaring an energy emergency, withdrawing the U.S. from the Paris climate agreement and the World Health Organization, declaring an emergency at the U.S.-Mexico border, and more. The orders encourage the production of oil and natural gas, eliminate the electric vehicle mandate, and require the Environmental Protection Agency to consider issuing emergency fuel waivers for the year-round sale of E15 gasoline. One of the orders instituted a pause on disbursement of funds appropriated through the Inflation Reduction Act and the Infrastructure Investment and Jobs Act, including funding for electric vehicle charging stations.

The Senate is in session this week and will continue to consider President Trump's cabinet nominees throughout the week. Last week, the Senate Environment and Public Works Committee favorably reported Lee Zeldin as the Administrator of the Environmental Protection Agency, and the Energy and Natural Resources Committee favorably reported the nominations of Chris Wright as Secretary of Energy and Doug Burgum as Secretary of the Interior. The three nominations will be considered on the Senate floor for confirmation. Additionally, Congress passed the Laken Riley Act, which will make it easier for law enforcement to detain undocumented immigrants accused of crimes. The legislation heads to President Trump's desk as the first bill he will sign into law.

EPA

On January 14, the Environmental Protection Agency (EPA) released a draft risk assessment of health risks associated with per- and polyfluoroalkyl substances (PFAS) chemicals in biosolids. The three methods of disposing of biosolids were all found to potentially pose human health risks through exposure to PFAS. Biosolids are disposed of through land application, surface disposal in landfills or incineration. The assessment utilized scientific models to determine exposure risks for people who live near disposal sites. The risks of exposure vary based on geography, climate, soil conditions, and types of crops on farms that land-apply biosolids. EPA will use the assessment for future risk management actions, including technology-based limits of discharges from PFAS manufacturers, electro- and chrome-platers and landfills. Read more [here](#).

On January 14, the EPA finalized the Interim Decision for Ethylene Oxide (EtO). EtO, a pesticide used on sterilized medical devices and dried spices, is known to cause cancer and poses a health risk for workers exposed to it. It is often the only available option for sterilization of medical devices. The Interim Decision requires increased worker protection, bans EtO use in certain facilities and for certain materials, and implements monitoring and data requirements. Companies will be required to submit label amendments based on the changes within 60 days of publication. Read more [here](#).

On January 8, the EPA awarded \$6 million from Inflation Reduction Act (IRA) funding to three projects for biofuel development. Biofuels utilize sustainable biomass and waste feedstocks to create a renewable fuel source. A Department of Energy report in 2023 found that the U.S. can sustainably produce 134 million tons of agricultural residues and 32 million tons of wet waste. The funding will advance domestic biofuel production and reduce greenhouse gas emissions from the fuels sector. Erg Bio Inc., based in Dublin, California, will use the funding for a pre-pilot scale demonstration of a feedstock flexible biomass deconstruction and conversion technology. Read more [here](#).

On January 3, nine per- and polyfluoroalkyl substances (PFAS) were automatically added to the Toxics Release Inventory (TRI). With their inclusion, facilities that manufacture, process or use the chemicals will be required to report data to the Environmental Protection Agency (EPA) on the quantities released into the environment. The 2020 NDAA included a provision to automatically add PFAS to the list after EPA finalizes a toxicity value. EPA finalized the toxicity value for the nine substances in 2024: ammonium perfluorodecanoate, sodium perfluorodecanoate, perfluoro-3-methoxypropanoic acid, 6:2 Fluorotelomer sulfonate acid, 6:2 Fluorotelomer sulfonate anion, 6:2 Fluorotelomer sulfonate potassium salt, 6:2 Fluorotelomer

sulfonate ammonium salt, 6:2 Fluorotelomer sulfonate sodium salt, and acetic acid. Read more [here](#).

On December 31, the EPA issued Underground Injection Control (UIC) Class VI well permits to Carbon TerraVault JV Storage Company Sub 1, LLC (CTV), the first permitted Class VI injection wells in California. CTV, a subsidiary of California Resources Corporation (CRC) will construct four wells for permanent underground storage of carbon dioxide in the Elk Hills Oil Field near Bakersfield, California. CTV aims to inject 1.5 million metric tons of carbon dioxide annually for 26 years, reducing carbon dioxide emissions in California. The permits include requirements to monitor and plug wells for the life of the project. Read more [here](#).

Cassidy and Associates support in January:

- Worked with SCAQMD staff to strategize on future DC outreach.
- Advised SCAQMD on contacts within incoming Trump Administration.
- Advised SCAQMD on funding pause and potential impact to SCAQMD priorities
- Advised SCAQMD throughout appropriations cycle to identify and pursue funding opportunities.
- Participated in weekly strategy sessions with SCAQMD staff.

IMPORTANT LEGISLATIVE DATES

March 14, 2025: Deadline to fund the federal government. In September, Congress passed a Continuing Resolution providing Congress with more time to complete its consideration and pass FY 2025 funding.

September 30, 2025: The Farm Bill, an omnibus package of legislation that supports US agriculture and food industries, expired in 2023. The bill is reauthorized on a five-year cycle.

December 31, 2025: National Defense Authorization Act, which authorizes and funds specialized Department of Defense (DoD) programs and sets the DoD's policy agenda each year.

ATTACHMENT 3A



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 – January 2025

DATE: Tuesday, January 28, 2025

The Legislature reconvened for the 2025-26 Legislative Session on January 6, 2025, which is running concurrently with the special session called by the Governor to prepare the State for lawsuits against the Trump Administration. The Legislature and Governor reached an agreement to allocate \$50 million for this effort, \$25 million for the Department of Justice for litigation and \$25 million for legal aid services related to immigration. Additionally, the Governor and Legislature added the affordability crisis to the focus of the special session in an effort to lower the cost of living for Californians. On January 13, 2025, the Governor added wildfire recovery to the special session in response to the devastating wildfires in Los Angeles. On January 23, 2025, Governor Newsom and the Legislature took action to allocate \$2.5 billion in disaster relief.

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

\$50 Million to Protect CA

Governor Newsom and Democratic leaders reached an agreement to set aside \$50 million in state funds to cover legal expenses in anticipated battles with President-elect Donald Trump's administration. The agreement comes two months after Governor Newsom convened a special legislative session to determine the state's response to Trump's presidency. Under the plan, the Assembly will consider a bill that allocates \$25 million to the California Department of Justice for proactive litigation efforts. State officials expect legal clashes over environmental regulations, reproductive rights, protections for LGBTQ+ students, and other key policy areas.

Additionally, Democratic leaders are preparing to push back against potential mass deportations, which advocates warn could destabilize families and severely impact California's economy. A Senate proposal would direct \$25 million to local initiatives providing legal aid for immigration defense, as well as cases involving wage theft, evictions, and workplace protections.

Both bills, SBx1-1 (Wiener) and SBx1-2 (Wiener) are both on the Assembly Floor and a vote could take place any time.

During Trump's first term, California spent at least \$41 million on legal actions against his administration, primarily to cover attorney fees, legal staff salaries, and other related expenses.

\$2.5 Billion Wildfire Disaster Relief Package

In an effort to continue to support those affected by the devastating Los Angeles wildfires, on January 23, 2025 Governor Newsom joined community, city, county, and legislative leaders near the fire-damaged area of Altadena to sign legislation allocating over \$2.5 billion in disaster relief. This funding will provide immediate support for emergency response efforts and accelerate the recovery process.

The special session legislation—ABx1-4 by Assemblymember Gabriel and SBx1-3 by Senator Wiener aims to fast-track firestorm response and recovery, streamline rebuilding efforts, and support the reconstruction of fire-damaged school facilities. The following will provide you with a summary of the legislation:

Immediate Funding for Recovery

- **\$2.5 Billion for Emergency Response and Recovery.** This funding will accelerate initial firestorm response efforts, including:
 - Emergency protective measures
 - Evacuations and sheltering for displaced residents
 - Debris removal and cleanup
 - Post-fire hazard assessments (e.g., flash flooding and debris flow risks)
 - Traffic control and other critical emergency operations

\$4 Million to Expedite Rebuilding

- The Department of Housing and Community Development will distribute these funds to affected local governments to enhance planning reviews and building inspections, expediting approvals during the recovery process.

\$1 Million for School Reconstruction

- This funding will provide technical assistance to affected local education agencies, including the Los Angeles Unified School District, Pasadena Unified School District, and impacted charter schools, to support the rebuilding of fire-damaged facilities.

Governor Gavin Newsom has issued multiple executive orders to facilitate recovery efforts, create temporary housing solutions, and safeguard survivors from exploitation. Key actions include:

- Economic Relief for Fire-Affected Residents and Businesses
- Tax Relief:
 - Individual tax filing deadlines for Los Angeles County residents extended to October 15, 2025.
 - Sales and use tax filing deadline postponed from January 31, 2025, to April 30, 2025, offering financial relief to impacted businesses.
- Accelerating the Rebuilding Process & Streamlining Construction Approvals:
 - An executive order suspends certain California Environmental Quality Act (CEQA) and California Coastal Act requirements to expedite reconstruction efforts for homes and businesses.
- Emergency Housing and Tenant Protections & Fast-Tracking Temporary Housing:
 - Measures to streamline accessory dwelling unit (ADU) construction.
 - Expansion of temporary housing solutions, including mobile home parks and emergency trailers.
 - Waivers for certain housing-related fees to support displaced residents.

- Tenant and Homeowner Protections:
 - Landlords in Los Angeles County cannot evict tenants for offering shelter to firestorm survivors.
 - The state has worked with five major mortgage lenders to provide relief options for impacted homeowners.
- Debris Removal and Hazard Mitigation & Debris Cleanup and Flood Risk Reduction:
 - Federal hazardous materials (hazmat) teams deployed to safely clear properties.
 - Accelerated efforts to remove debris, stabilize hillsides, and reinforce flood protections in fire-damaged areas.
- Preventing Exploitation, Price Gouging, and Consumer Protections:
 - Expanded restrictions to prevent illegal price hikes on rent, hotel stays, construction materials, and essential goods.
 - Reports of violations can be submitted to the Office of the Attorney General.
- Shielding Homeowners from Predatory Speculators:
 - Executive order prohibits aggressive real estate speculation targeting fire victims with unsolicited cash offers.
- Helping Displaced Students Return to School:
 - An executive order provides assistance to Los Angeles-area schools to support students affected by the firestorm and ensure minimal disruption to their education.

These comprehensive efforts are designed to provide immediate relief, accelerate rebuilding, and protect firestorm survivors as communities recover.

HINO MOTORS SETTLEMENT

On January 15, 2025, California Attorney General Rob Bonta and the California Air Resources Board (CARB) announced a landmark \$236.5 million settlement with Hino Motors. The settlement is part of a broader \$1.5 billion federal resolution addressing emissions violations by the heavy-duty engine manufacturer, a subsidiary of Toyota Motor Corporation.

The agreement includes approximately \$30.3 million earmarked for CARB's Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP). This component of the settlement resolves claims that Hino unlawfully accessed California's clean vehicle incentives by submitting fraudulent emissions data. Hino's actions were found to violate the state's False Claims Act and Unfair Competition Law.

Additionally, \$206 million will be directed to CARB for civil penalties and mitigation programs aimed at reducing nitrogen oxide (NOx) emissions. Hino has also agreed to provide free emissions system fixes for certain affected vehicles.

CARB's investigation into Hino began in 2019 after inconsistencies were identified in emissions data submitted with the company's certification applications. Further testing, conducted in partnership with the U.S. Environmental Protection Agency (EPA), revealed that Hino had installed undisclosed and unapproved auxiliary emission control devices on certain 2010–2019 heavy-duty engines used in trucks and off-road equipment. These engines were found to emit significantly more Nox than allowed by state and federal standards.

The Attorney General's Office determined that Hino manipulated data to fraudulently qualify its vehicles for HVIP funding, a program that incentivizes the purchase of hybrid and zero-emission vehicles through point-of-sale discounts. Beginning in 2012, Hino falsely claimed its trucks met California's strict

emissions standards, enabling the company to secure state funding for these vehicles. Over the next eight years, Hino's fraudulent practices led to the approval of 1,606 vouchers, with individual amounts ranging from \$7,500 to \$37,000.

Hino's deception included altering emissions test results, improperly conducting tests, and, in some cases, fabricating data altogether. The company also failed to disclose software functions in its engines that reduced the effectiveness of emissions control systems, leading to increased harmful emissions.

STATE RAIL PLAN

On January 7, 2025, Governor Newsom announced the release of the State Rail Plan, a comprehensive long-term strategy aimed at transforming California's transportation network. The plan outlines investments that will generate up to 900,000 jobs while developing a fully interconnected, zero-emission rail and transit system by 2050. The announcement follows the Governor's visit with local leaders and workers to mark a major milestone in the California high-speed rail project, which is the start of track-laying operations and will serve as the foundation of the state's expanding rail network.

The plan envisions a seamless, world-class transportation system that integrates intercity, regional, and local transit, ensuring mobility options for every part of the state. By providing reliable, frequent, and clean rail service, California aims to make train travel a competitive alternative to driving or flying.

As a key component of the Governor's "Build More, Faster" infrastructure agenda, the plan not only accelerates rail development but also expands economic opportunities, particularly in historically underserved communities. With passenger rail and transit currently accounting for just 2% of total miles traveled in California, the goal is to increase this share to 20% by 2050. This will be achieved through a zero-emission fleet that will divert nearly 200 million daily passenger miles from highways to rail, easing congestion and cutting carbon emissions.

In addition to enhancing passenger mobility, the plan prioritizes freight efficiency by shifting more goods movement to rail, reducing truck traffic and emissions. California has already begun the transition toward this cleaner, modernized rail network paving the way for a more sustainable and connected future.

GOVERNOR'S APPOINTMENT TO CARB

On January 28, 2025, Governor Newsom appointed former Assemblymember Todd Gloria, of San Diego, to the California Air Resources Board. Gloria has been the Mayor of the City of San Diego since 2020. He was an Assemblymember with the California State Assembly from 2016 to 2020. Gloria was a Councilmember, District 3 in the City of San Diego from 2008 to 2016. He was a District Director in the Office of Congresswoman Susan A. Davis from 2001 to 2008. Gloria was a San Diego Housing Commissioner on the San Diego Housing Commission from 2005 to 2008. He was Board Chair at San Diego LGBT Community Center from 2002 to 2007. Gloria earned his Bachelor of the Arts degree in Political Science and History from the University of San Diego. This position requires Senate confirmation, and the compensation is \$100 per diem.

2025 LEGISLATIVE DEADLINES

Jan. 6: Legislature reconvenes

Jan. 10: Budget bill must be submitted by Governor

Jan. 24: Last day to submit bill requests to the Office of Legislative Counsel.

Feb. 21: Last day for bills to be introduced

May 2: Last day for policy committees to hear and report to fiscal committees' fiscal bills introduced in their house

May 9: Last day for policy committees to hear and report to the Floor nonfiscal bills introduced in their house

May 16: Last day for policy committees to meet prior to June 9

May 23: Last day for fiscal committees to hear and report to the Floor bills introduced in their house. Last day for fiscal committees to meet prior to June 9

June 2-6: Floor Session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to A.R. 77.2, and Conference Committees

June 6: Last day for each house to pass bills introduced in that house

June 9: Committee meetings may resume

June 15: Budget bill must be passed by midnight

July 18: Last day for policy committees to hear and report bills

Aug. 29: Last day for fiscal committees to hear and report bills to the Floor

Sept. 2-12: Floor session only. No committees may meet for any purpose, except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees

Sept. 5: Last day to amend on the Floor

Sept. 12: Last day for each house to pass bills. Interim Recess begins upon adjournment

South Coast Air Quality Management District Legislative and Regulatory Update –January 2025

❖ Important Upcoming Dates

February 21, 2025 – Last Day for Bills to be Introduced

❖ 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 the Executive branch. Selected highlights of our recent advocacy include:

- Provided ongoing updates as the new legislative session began.
- Followed up on bills from the 2024 legislative session, including for SCAQMD sponsored legislation for the 2025 legislative session.

❖ Governor’s Budget Proposal. The 2025-2026 Proposed Budget was released by the Governor’s Office on January 10. This proposal was released prior to the LA County wildfires and therefore does not account for the costs incurred to contain the fires and for the recovery efforts to come.

The Summary Document of the Proposed Budget is available here: <https://ebudget.ca.gov/2025-26/pdf/BudgetSummary/FullBudgetSummary.pdf>

❖ LA County Wildfires. As a result of the LA County wildfires that ignited in January, the Legislature and Governor passed two budget proposals for wildfire response. These budget bills were passed by the Legislature and signed on January 23rd.

On January 20th, (at exactly 8am) the legislature put into print two budget bills (4 bills total given simultaneous introduction in both chambers) responding to the LA County wildfires as part of the First Extraordinary Session. Given their introduction timestamp, these bills were eligible to be passed by the legislature on Thursday morning in order to be compliant with the 72-Hour Rule. The legislature passed the bills Thursday morning and the Governor signed the bills that afternoon.

- **ABX1 4: \$1.5 Billion for Immediate Response**
 - Gives the Department of Finance (DoF) authority to augment any related wildfire response appropriations up to \$1.5 billion. DoF has full discretion on the amounts and which Departments would receive the funding. Up to \$1 billion can be made immediately available once DoF submits a letter to the Joint Budget Committee stating what the funding will be used for; the remainder would only be made available 3 days after the letter is submitted to the Joint Budget Committee.
 - Funding may be used for the following: emergency protective measures, evacuations, sheltering for survivors, household hazardous waste removal, assessment and remediation of post-fire hazards such as flash flooding and debris flows, traffic control, air quality and water and other environmental testing, and other actions to protect health, protect the safety of persons or property, and expedite recovery.
 - DoF will have flexibility to use this authority with no clear sunset.
- **SBX1 3: Additional \$1 Billion for Immediate Response**
 - Gives DoF authority to make another \$1 billion available for wildfire response, in addition to the \$1.5 billion made available in ABX 14/SBX1 4. This funding is to be used for the same purposes

discussed above, however all \$1 billion is subject to the three day delay after DoF informs the Joint Budget Committee of its augmentation.

- DoF authority to make these augmentations will expire on April 30, 2025, unless extended by the legislature.
 - Specifies the intent of the Legislature to appropriate Prop 4 Funding related to wildfire and forest resilience towards the end of April, once budget committee hearings have taken place.
 - Requires posting of summaries related to these appropriations on the DoF website by February 7th, with additional reporting intervals for February 28th, March 31st, and April 30th.
 - Appropriates \$1 million to Department of General Services to help expedite the planning to rebuild schools impacted by the fires.
 - Appropriates \$4 million to Department of Housing and Community Development to expedite building permit review for residential homeowners.
- **Funding Source:**
 - **General Fund:** Language in both budget bills provides broad authority for DoF to source funding from any relevant source of funding. Currently the cash reserves in the General Fund's Special Fund for Economic Uncertainty (not to be confused with the Rainy Day Fund) stand at \$4.5 billion, making the SFEU the most likely source of funding. Provisions in the budget bill prioritize that the State seek as much reimbursement for these dollars from the Federal Government as possible.
 - **Proposition 4:** While the possibility of the Wildfire Chapter (totaling \$1.5 billion across many agencies) being accelerated and appropriated was reported in the press and confirmed as being discussed by the Legislature, these budget bills do not make any appropriations from Proposition 4. It is telling that legislative intent to act on this at a later time is articulated in the budget bill; expect more to come during budget subcommittee hearings leading up to April 30.

ATTACHMENT 3C

South Coast AQMD, Legislative Committee Report
Buckley Government Affairs LLC
February 14, 2025

Legislative Session Update

The California Legislature reconvened in Sacramento on January 6th to begin the 2025 legislative session. The initial attention centered on responding to federal policy shifts under the Trump administration through the special session called by the Governor. However, priorities quickly shifted to the response and recovery efforts for the devastating Southern California wildfires that have impacted communities across the region. Governor Newsom has issued several executive orders aimed at expediting relief and rebuilding efforts, while legislators are already introducing bills to address both immediate recovery needs and long-term wildfire prevention and mitigation measures.

Special Session Update

Shortly after the November election, Governor Newsom called a special session of the California Legislature with the goal of "Trump-proofing" the state against anticipated federal policy changes under the new administration. The session was designed to protect California's values and ensure there were funds for any potential lawsuits. However, in the wake of the wildfires in Southern California, the scope of the session was expanded to address the recovery efforts.

The Legislature passed \$2.5 billion in relief funds to address the wildfire-stricken areas, and the Governor signed the legislation into law. These funds are aimed at providing housing assistance, debris removal, and infrastructure repairs, while also supporting long-term resilience measures to prevent future disasters.

Budget Update

On January 6th, Governor Newsom delivered a topline briefing on his proposed California State Budget, emphasizing the state's fiscal stability and key priorities. While the Governor traveled to Southern California to address wildfire recovery efforts, his Department of Finance Director

provided a detailed budget briefing on January 10th. The Governor's proposal highlighted that the state anticipates \$16.45 billion in higher revenues than originally projected. However, due to obligations tied to Proposition 98 for education funding, contributions to the state's Rainy-Day Fund, and other programmatic commitments, the surplus available for discretionary spending amounts to just \$363 million.

This proposal marks only the beginning of the budget process, with significant discussions ahead as the Legislature works toward a finalized budget in June. The Department of Finance Director acknowledged the potential for uncertainty in revenue projections, especially since tax reporting is often delayed during natural disasters. This uncertainty underscores the challenge of developing a comprehensive budget, particularly as the state grapples with ongoing recovery needs from the wildfires. Conversations in the Capitol have already begun regarding a potential additional round of funding to support impacted communities, which could further impact the final budget plan.

Both the Senate and Assembly Budget Committees have scheduled hearings to review the Governor's proposal. These hearings will allow lawmakers to examine the Governor's fiscal plan and weigh their own spending priorities. The Budget Sub Committees in each house will continue to meet throughout the next several months to begin crafting the State's final budget.