

HYBRID LEGISLATIVE COMMITTEE MEETING

Committee Members

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

October 11, 2024 ♦ 8:30 a.m.

TELECONFERENCE LOCATION

Riverside City Hall	Los Angeles City Hall		
7 th Floor Conference Room	200 N. Spring Street Room 415		
3900 Main St.	Los Angeles, CA 90012		
Riverside, CA 92522			
Lynwood City Hall	Office of Supervisor V. Manuel Perez		
Annex Conference Room	78015 Main Street Suite 205		
11350 Bullis Road	La Quinta, CA 92253		
Lynwood, CA 90262			

A meeting of the South Coast Air Quality Management District Legislative Committee will be held at 8:30 a.m. on Friday, October 11, 2024, through a hybrid format of in-person attendance in the Dr. William A. Burke Auditorium at the South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, and remote attendance via videoconferencing and by telephone. Please follow the instructions below to join the meeting remotely.

Please refer to South Coast AQMD's website for information regarding the format of the meeting, updates if the meeting is changed to a full remote via webcast format, and details on how to participate:

http://www.aqmd.gov/home/news-events/meeting-agendas-minutes

INSTRUCTIONS FOR ELECTRONIC PARTICIPATION AT BOTTOM OF AGENDA

Join Zoom Webinar Meeting - from PC or Laptop https://scaqmd.zoom.us/j/99574050701

Zoom Webinar ID: 995 7405 0701 (applies to all)

Teleconference Dial In +1 669 900 6833

One tap mobile +16699006833,, 99574050701#

Audience will be able to provide public comment through telephone or Zoom connection during public comment periods.

PUBLIC COMMENT WILL STILL BE TAKEN

AGENDA

Members of the public may address this body concerning any agenda item before or during consideration of that item (Gov't. Code Section 54954.3(a)). If you wish to speak, raise your hand on Zoom or press Star 9 if participating by telephone. All agendas for regular meetings are posted at South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the regular meeting. Speakers may be limited to three (3) minutes total for all items on the agenda.

CALL TO ORDER ROLL CALL

ACTION/DISCUSSION ITEMS (Items 1 through 3):

1. Update on 2024 South Coast AQMD – Sponsored State Bills (No Motion Required)

Staff will present an update to the Committee regarding 2024 South Coast AQMD-sponsored state bills.

Derrick Alatorre
Deputy Executive Officer
Legislative, Public Affairs &
Media

- 1. AB 2522 (W. Carrillo) Air Districts: governing boards: compensation
- 2. AB 2958 (Calderon) State Air Resources Board: board members: compensation
- 3. SB 1158 (Archuleta) Carl Moyer Memorial Air Quality Standards Attainment Program

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

At the June 7, 2024 meeting, the Governing 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 will interview firms and make recommendations to the Board regarding contract(s) for the agency's legislative representation. This action is to authorize the Chair to

Lisa Tanaka Assistant Deputy Executive Officer Legislative, Public Affairs & Media execute contract(s) with [CONTRACTOR(S)] for [\$AMOUNT] for legislative representation in Washington, D.C. [Attachment 2a-2b]

3. 2025 State and Federal Legislative Guiding Principles (Motion Requested)

Staff will present the proposed state and federal legislative guiding principles for 2025.

[Attachment 3a-3b]

Philip Crabbe III Senior Public Affairs Manager Legislative, Public Affairs & Media

DISCUSSION ITEMS (Items 4 through 5):

4. Update and Discussion on Federal Legislative Issues (No Motion Required)

Consultants will provide a brief oral report of Federal legislative activities in Washington D.C.

[Attachment 4a-4c - Written Reports]

Gary Hoitsma Carmen Group

Amelia Jenkins Cassidy & Associates

Ben Miller Kadesh & Associates, LLC

5. Update and Discussion on State Legislative Issues (No Motion Required)

Consultants will provide a brief oral report on State legislative activities in Sacramento.

[Attachment 5a-5c - Written Reports]

David Quintana Resolute

Ross Buckley California Advisors, LLC

Paul Gonsalves Joe A. Gonsalves & Son

OTHER MATTERS:

6. Other Business

Any member of this body, or its staff, on his or her own initiative or in response to questions posed by the public, may ask a question for clarification, may make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter, or may take action to direct staff to place a matter of business on a future agenda. (Govt. Code Section 54954.2)

7. Public Comment Period

At the end of the regular meeting agenda, an opportunity is provided for the public to speak on any subject within the Legislative Committee's authority that is not on the agenda. Speakers may be limited to three (3) minutes each.

8. Next Meeting Date – November 8, 2024 at 9:00 a.m.

ADJOURNMENT

Document Availability

All documents (i) constituting non-exempt public records, (ii) relating to an item on an agenda for a regular meeting, and (iii) having been distributed to at least a majority of the Committee after the agenda is posted, are available by contacting Maria Corralejo at (909) 396-2759 or send the request to mcorralejo@aqmd.gov.

Americans with Disabilities Act and Language Accessibility

Disability and language-related accommodations can be requested to allow participation in the Legislative Committee meeting. The agenda will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov't Code Section 54954.2(a)). In addition, other documents may be requested in alternative formats and languages. Any disability or language-related accommodation must be requested as soon as practicable. Requests will be accommodated unless providing the accommodation would result in a fundamental alteration or undue burden to South Coast AQMD. Please contact Maria Corralejo at (909) 396-2759 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to mcorralejo@aqmd.gov.

INSTRUCTIONS FOR ELECTRONIC PARTICIPATION

<u>Instructions for Participating in a Virtual Meeting as an Attendee</u>

As an attendee, you will have the opportunity to virtually raise your hand and provide public comment.

Before joining the call, please silence your other communication devices such as your cell or desk phone. This will prevent any feedback or interruptions during the meeting.

Please note: During the meeting, all participants will be placed on mute by the host. You will not be able to mute or unmute your lines manually.

After each agenda item, the Chair will announce public comment.

A countdown timer will be displayed on the screen for each public comment.

If interpretation is needed, more time will be allotted.

Once you raise your hand to provide public comment, your name will be added to the speaker list. Your name will be called when it is your turn to comment. The host will then unmute your line.

Directions for Video ZOOM on a DESKTOP/LAPTOP:

- If you would like to make a public comment, please click on the "Raise Hand" button on the bottom of the screen.
- This will signal to the host that you would like to provide a public comment and you will be added to the list.

Directions for Video Zoom on a SMARTPHONE:

- If you would like to make a public comment, please click on the "Raise Hand" button on the bottom of your screen.
- This will signal to the host that you would like to provide a public comment and you will be added to the list.

Directions for TELEPHONE line only:

• If you would like to make public comment, please **dial** *9 on your keypad to signal that you would like to comment.



BOARD MEETING DATE: November 1, 2024 AGENDA NO.

PROPOSAL: Execute Contract(s) for Legislative Representation in

Washington, D.C.

SYNOPSIS: 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. Seven proposals were received and qualified candidates were interviewed by the Legislative Committee on October 11, 2024. Based on the interviews, the Legislative Committee selected [CONTRACT(S)]. This action is to authorize the Chair to execute contract(s) with [CONTRACTOR(S)] for [\$AMOUNT] for legislative representation in Washington, DC for one year, beginning on January 15, 2025 with an option to renew up to two one-year renewals, upon satisfactory performance, subsequent

budgets and upon approval of the Board.

COMMITTEE: Legislative, October 11, 2024; Recommended for Approval

RECOMMENDED ACTION:

Authorize the Chair to execute contract(s) with [CONTRACTOR(S)] in an amount not to exceed [\$AMOUNT] for legislative representation and consulting services in Washington, D.C. for one year beginning on January 15, 2025, with an option for up to two one-year renewals, contingent on satisfactory performance and approval of subsequent budgets, upon approval of the Board.

Wayne Nastri Executive Officer

DA:LTM:EH

Background

The current contracts for legislative representation in Washington, D.C. expire on January 14, 2025. Following Board approval on June 7, 2024, staff released RFP #P2024-10 to solicit proposals for legislative representation and consulting services for South Coast AQMD in Washington, D.C.

As one of the largest air quality regulatory agencies in the United States and a leader in air quality innovations, South Coast AQMD is an important contributor to national policymaking discussions relevant to air quality-related issues.

It is critical for South Coast AQMD to have a consistent and actively engaged presence in Washington, D.C. to advocate for policies and funding to support attainment of federal standards under the Clean Air Act. South Coast AQMD is also a leader in air quality issues and contributor to national policymaking discussions. This effort includes policy development for air quality-related legislation, Clean Air Act implementation, subvention funding and special grants, and other issues. Therefore, it is appropriate to continue direct federal representation to advocate for South Coast AQMD in support of Governing Board priorities in Washington, D.C.

The 2025 South Coast AQMD Federal Legislative Guiding Principles and Policy Priorities will be focused on policy and funding, especially for mobile sources impacting the South Coast region. The federal representatives will be required to engage with the Administration, Congress, industry, environment and health organizations and other stakeholders.

Outreach

In accordance with South Coast AQMD's Procurement Policy and Procedure, a public notice advertising the RFP and inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, the Riverside County Press Enterprise, and Washington Post newspapers to leverage the most cost-effective method of outreach.

Additionally, to notify as many potential bidders as possible, notification letters were emailed to state and federal legislative caucuses, release of the RFP was posted on social media (LinkedIn, Twitter, and Facebook), and placed on the internet at South Coast AQMD's website (http://www.aqmd.gov) where it can be viewed by making the selection "Grants & Bids."

Bid Evaluation

Seven proposals were received in response to the RFP. The proposals were evaluated and scored by a three-member evaluation panel, including one South Coast AQMD Executive, who was female and Asian-American; one South Coast AQMD Manager, who was male and Latino; and one Director for science and technology from an educational institution, who was female and Caucasian. Five proposals were considered technically qualified and forwarded to the Legislative Committee for consideration. The attached matrix presents the scores and total proposal costs for the firms interviewed by the Legislative Committee.

.

On October 11, 2024, the Legislative Committee interviewed the five qualifying firms and reviewed the written materials submitted as part of the proposals. Based on the interviews, the Legislative Committee recommends to the Board the selection of the following firms: [CONTRACTOR(S)] for [\$AMOUNT].

Resource Impacts

Funding for these contracts is available in the Legislative, Public Affairs & Media FY 2024-25 Budget. Funding for the two optional one-year extensions is contingent upon Board approval for the respective fiscal years.

RFP # P2024-10 SCORES AND COSTS MATRIX FOR QUALIFYING FIRMS

Firm Name	Technical Score	Cost Scores	Additional Points	Total Scores	Cost
Balance Public Relations & Strategic Solutions	57.0	28.6	10	95.6	\$232,575/year
Carmen Group	66.0	30	12	108.0	\$222,090/year
Cassidy & Associates	68.7	27.6	0	96.3	\$240,000/year
Ferox Strategies	57.0	26.6	12	95.6	\$247,200/year
Kadesh & Associates	69.0	27.6	10	106.6	\$233,152 - 1 st year \$239,834 - 2 nd year \$247,029 - 3 rd year Avg. \$240,005



South Coast AQMD's **State** Legislative Guiding Principles for 2025

The following guiding principles are identified to protect public health, facilitate attainment of state and federal clean air standards within the South Coast region by statutory deadlines and address other South Coast AQMD needs and policy priorities, while working with and serving as a resource to state legislators and the Governor; state and local agencies; and business, environmental, health, community, and other stakeholders.

Air Quality Funding

Protect and increase existing and identify new funding sources that provide a sustainable revenue stream for South Coast AQMD programs and priorities that support attainment of state and federal ambient air quality standards and reduce toxic air contaminants to protect public health, especially to achieve equitable clean air for disproportionately impacted communities. Ensure that there is a sufficient level of administrative and implementation funding to facilitate the effective execution of clean air programs, projects and overall efforts.

South Coast AQMD Authority / Policy Implementation

Defend and ensure adequate South Coast AQMD authority to raise revenue and impose fees as needed and implement the Board's clean air policies and programs, including those required by state and federal laws, to support Air Quality Management Plans (AQMPs), State Implementation Plans, and Letters of Commitment with U.S. EPA and CARB.

State Support

Ensure that the State does not impose unfunded mandates on South Coast AQMD and does its fair share to reduce air pollution within the South Coast region. State actions needed in support of air quality include, but are not limited to, funding, legislation, regulatory actions, and support by the Administration. In particular, South Coast AQMD requires State action to: 1) Facilitate implementation of applicable South Coast AQMD AQMPs to attain federal ozone and particulate matter air quality standards in accordance with deadlines; 2) Ensure there are sufficient resources to fully implement air district responsibilities and programs created through AB 617 [Health & Safety Code Sections 39607.1; 40920.6; 40920.8; 42705.5; 44391.2]; and 3) Maximize funding opportunities from the federal government to the State through public laws, such as the Bipartisan Infrastructure Law and Inflation Reduction Act.

Surface Transportation & Goods Movement

Support and expand policy and funding that promotes air quality priorities related to the implementation of state and federal surface transportation, infrastructure and goods movement policies and programs, especially related to the development and deployment of the cleanest technologies for medium- and heavy-duty trucks, locomotives, oceangoing vessels, aircraft, and off-road equipment with a priority for zero-emission technology where commercially viable at scale.

South Coast AQMD's State Legislative Guiding Principles for 2025

Development and Deployment of Clean Technology

Support and advocate for legislative and administrative policies, programs, and funding, that promote the development and deployment of the cleanest commercially available technologies with prioritization for zero-emission infrastructure, equipment, and vehicles to: 1) protect public health; 2) facilitate attainment of clean air standards; and/or 3) support a healthy economy and promote job retention/creation within the South Coast region.

Environmental Justice

Support and advocate for legislative and administrative policies and funding that: 1) promote and sustain environmental justice initiatives which reduce localized health risks resulting from criteria pollutant and toxic air contaminant emissions; 2) prioritize equitable access to zero-emission or the cleanest technologies available for over-burdened communities; 3) enhance community participation in decision- making; and 4) provide the resources necessary to fully implement local air districts' responsibilities and programs created through AB 617, including implementing CARB's blueprint to expand the program to address communities that have been consistently nominated.

Climate Change

Support efforts directing that the Greenhouse Gas Reduction Fund provide funding to maximize criteria pollutant and toxic emission reduction co- benefits that facilitate attainment of clean air standards and reduce public health impacts in the South Coast region, such as through the development and deployment of zero-emission or cleanest commercially available vehicles, equipment, and fueling/charging infrastructure, especially as it relates to mobile sources such as medium- and heavy-duty trucks, locomotives, oceangoing vessels, aircraft, and off-road equipment.

Clean Energy

Support legislative and administrative efforts to promote energy efficiency, demand reduction, and reliable, cost effective and the cleanest energy in the South Coast region, especially in disproportionately impacted environmental justice communities. Also, support production and development of renewable and alternative energy, energy storage, and microgrids, as well as charging and fueling infrastructure, to reduce emissions from transportation and other sources, such as back-up generators.

Business, Job Creation, Workforce Training & Economy

Support legislative policies and administrative actions that promote job retention and creation, workforce training for zero-emission technologies, as well as economic growth, while working toward attainment of clean air standards; and that support and assist the regulated community in complying with rules and regulations in the most efficient and cost-effective manner. Work to ensure job and economic benefits are equitably accessible to environmental justice communities.

Addressing Impacts of Natural and Manmade Events

Support and advocate for legislative and administrative policies, programs, and funding that reduce and/or mitigate air quality-related public health impacts within the South Coast region caused by wildfires, dust/sandstorms, odors, or other events.

Administrative Operations

Support and seek legislative and administrative policies, programs, funding and/or actions that ensure that South Coast AOMD can meet its administrative and operational needs,

South Coast AQMD's <u>State</u> Legislative Guiding Principles for 2025

including, but not limited to, those related to human resources, pensions, and other employment related issues.



South Coast AQMD's Federal Legislative Guiding Principles for 2025

The following guiding principles are identified to enable South Coast AQMD to seek rules, legislative policies, and funding from the federal government that will help facilitate attainment of National Ambient Air Quality Standards (NAAQS) and the protection of public health in the South Coast region, through practical and innovative strategies. As part of these efforts, it is critical that South Coast AQMD work with and serve as a resource to the Administration and agencies, Congress, business, environmental, health, and community groups, and other stakeholders.

Air Quality Funding (Authorization of Program/Policies and Appropriations of Funds) Increase and protect existing and seek new funding sources that support South Coast AQMD programs and priorities to reach attainment of state and federal ambient air quality standards and reduce hazardous air pollutants to protect public health. Examples of programs are, but not limited to, Targeted Airshed Grants, Diesel Emissions Reduction Act, Clean Ports, Port Infrastructure Development Program, National Electric Vehicle Infrastructure, Charging and Fueling Infrastructure Grants for Corridors and Communities, Clean Heavy-Duty Trucks, Reduction of Emissions at Port, Section 103/105, Climate Pollution Reduction Grant, and annual Appropriations.

South Coast AQMD Authority / Policy Implementation

Defend and ensure adequate South Coast AQMD authority for implementation of the Board's clean air policies and programs, including those required by the Clean Air Act and other federal and state laws to support Air Quality Management Plans (AQMP), State Implementation Plans, and Letters of Commitment with EPA and CARB

Federal Support -- Clean Air Act, NAAQS, and State Implementation Plan (SIP)

Work to ensure the federal government (Administration, Agencies and Congress) do their fair share to reduce air pollution with a focus on mobile sources, within the South Coast region through funding, regulations, and administration actions. In particular, South Coast AQMD requires federal action to: 1) Maximize funding opportunities under the Bipartisan Infrastructure Law, Inflation Reduction Act, and other public laws 2) Provide incentive funding, policies, and require regulatory actions sufficient to, in combination with state and local actions, attain NAAQS for ozone by 2031 and 2037 in the South Coast Air Basin, and if standards are not attained due to lack of federal actions, ensure that the Basin is not punished by further sanctions, fees or other penalty for failure to timely attain; 3) Provide support for and protect state and local regulatory authority for nonattainment areas to meet NAAQS for upcoming federal deadlines, and the South Coast AQMD to implement Air Quality Management Plans (AQMPs) and attain federal ozone and particulate matter standards; and, 4) Protect science-driven and health-based determinations of NAAQS, and efforts to streamline and provide flexible implementation of SIP requirements, as needed, to ensure feasibility of attainment.

South Coast AQMD's Federal Legislative Guiding Principles for 2025

Surface Transportation & Goods Movement

Pursue the adoption of legislation and/or policies which will reduce or eliminate air quality impacts from mobile sources with an emphasis on the goods movement sector (for both medium- and heavy-duty vehicles and trucks), as well as off-road vehicles (such as oceangoing vessels, locomotives, aircraft, agricultural vehicles, cargo handling equipment, freight handling equipment, and construction equipment).

Technology Advancement

Expand and secure funding, policies, and tax incentives for advanced clean technology research, development, demonstration, and deployment programs, including those related to:

- Zero and near-zero emission technologies for the cleanest vehicles (such as heavyand medium-duty trucks, locomotives, marine vessels, aircraft, and off-road technologies) and the cleanest stationary sources (heaters, boilers, furnaces, engines, etc.), with prioritization of zero-emission technologies.
- Infrastructure to support zero-emission and near-zero emission technologies, prioritizing zero-emission technologies where available.
- Renewable energy and alternative energy, energy storage, microgrids and other programs, especially as related to electric and hydrogen infrastructure for transportation and emissions reductions from sources such as back-up generators.
- Technologies, systems and/or processes which reduce ambient concentrations of air pollutants and/or toxic air emissions.
- Establishing programs or policies that incentivize the federal government to purchase and use advanced clean technologies with prioritization for zero-emissions.
- Incentivizing individuals, businesses, states, and local governments to purchase and use advanced clean, zero and near-zero emission technologies.

Environmental Justice

Support legislation and regulatory action that promotes environmental justice initiatives to reduce localized health risks, develop clean air technologies that directly benefit disproportionately impacted communities, and enhance community participation in decision-making.

Reduction of Toxic Emissions

Pursue efforts through legislative and administrative programs, to reduce toxic emissions, and the public's exposure to toxic emissions, within the South Coast region.

Climate Change

Seek to influence climate change initiatives and facilitate their implementation at local levels, including funding, to promote co-benefits with emission reductions to achieve the NAAQS and to reduce air toxic emissions, consistent with the Board's policy.

Business, Jobs Creation & Economy

Support legislation, policies or administrative actions that support and assist the regulated community in complying with rules and regulations in the most efficient and cost-effective manner that protects and encourages job retention and creation, and promotes economic growth, while working toward attainment of clean air standards.

South Coast AQMD's Federal Legislative Guiding Principles for 2025

Addressing Impacts of Natural and Manmade Events

Support and advocate for legislative and administrative policies, programs, and funding that reduce and/or mitigate air quality-related public health impacts within the South Coast region caused by wildfires, dust/sandstorms, odors, or other events.

Administrative Operations

Support and seek legislative and administrative policies, programs, funding and/or actions that ensure that South Coast AQMD can meet its administrative and operational needs related to human resources, health and safety, or other employment related issues.



To: South Coast AQMD Legislative Committee

From: Carmen Group

Date: September 26, 2024

Re: Federal Update -- Executive Branch

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.

<u>FHWA Announces Kristin White as Acting Administrator</u>: 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.

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.

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





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.

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

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

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.





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

Special Session Update

The Governor called the Legislature into a special legislative session on August 31st 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 15th proposal to address rising gas prices. The Assembly has been crafting special session legislation since August 31st, while the State Senate is planning to convene on the week of October 7th 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 25th the Rules Committee referred ABX2-1, 3, and 9 to the Special Committee on Petroleum and Gasoline Supply. On September 26th 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 1st 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 30th to sign or veto them. If the Governor does not take action on a bill by September 30th 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 PM2.5 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.



TO: South Coast Air Quality Management District

FROM: Anthony, Jason & Paul Gonsalves

SUBJECT: Legislative Update – September 2024

DATE: Wednesday, September 25, 2024

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.
- <u>Compost food scraps</u>: Use your green bin or compost at home.
- <u>Support local farmers</u>: Shop at local farmers markets or participate in a CSA (Community Supported Agriculture).
- <u>Green your ride</u>: Walk, bike, use public transit, carpool when you can, or consider a zeroemission vehicle.
- Get planting: Plant trees, native plants, or start a community garden.
- Be disaster ready: Prepare for wildfires and extreme heat events.
- <u>Save energy, water, and money</u>: 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:

<u>Electrify America, LLC.</u> – \$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.

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

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

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

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

<u>Sustainable Energies CA LLC.</u> – \$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