

BOARD MEETING DATE: February 7, 2025

AGENDA NO. 16

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a hybrid meeting on Friday, January 17, 2025. The following is a summary of the meeting.

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

Call to Order

Chair Michael Cacciotti called the meeting to order at 9:00 a.m.

ACTION/DISCUSSION ITEMS:

1. Update on South Coast AQMD Sponsored State Legislative Proposals

Lisa Tanaka, Deputy Executive Officer/Legislative, Public Affairs & Media, provided an update on South Coast AQMD sponsored state legislative proposals. The deadline to introduce state bills is February 21, 2025.

- Clean-up Amendments to AB 2851 (Bonta, 2024) re: Fenceline Monitoring at Metal-shredding Facilities – seeking amendments to allow air districts who have existing rules as of January 1, 2025, to be exempted from AB 2851 requirements and adjust language on reimbursement of air district implementation costs; and

- CARB Board Air District Representative Fair Compensation – Discussions with Assembly Member Lisa Calderon are ongoing regarding re-introducing bill to allow air district representatives on the CARB Board to receive the same compensation as other non-District Board Members.

For additional information, please refer to the [Webcast](#) beginning at 6:37.

There was no public comment.

DISCUSSION ITEMS:

2. Update and Discussion on Federal Legislative Issues

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

Virgilio Barrera, Cassidy & Associates, reported on President Elect-Trump's January 20 inauguration and the Executive Orders that are expected to follow, as well as the reconciliation process for the 119th Congress. For additional information, please refer to the [Webcast](#) beginning at 12:31.

Ben Miller, Kadesh & Associates, reported on committee assignments for South Coast AQMD's congressional delegation. For additional information, please refer to the [Webcast](#) beginning at 15:14.

Gary Hoitsma, Carmen Group, reported on the U.S. Senate confirmation hearings for Lee Zeldin for U.S. EPA Administrator, Sean Duffy for Secretary of the 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 17:14.

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

3. Update and Discussion on State Legislative Issues

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

Ross Buckley, Buckley Government Affairs, LLC, provided an overview of the Governor's 2025 State Budget Proposal. This proposal includes \$250 million statewide for the AB 617 Program. For additional information, please refer to the [Webcast](#) beginning at 25:52.

Paul Gonsalves, Joe A. Gonsalves & Son, reported on state legislative committee and leadership assignments. Supervisor Perez requested background information relating to the Joint Legislative Committee on Climate Change Policies. For additional information, please refer to the [Webcast](#) beginning at 31:03.

David Quintana, Resolute, reported that Governor Gavin Newsom has expanded the special legislative session to include \$2.5 billion to aid wildfire response and disaster recovery efforts in Southern California. \$1.5 billion of this funding is expected to come from the recently adopted Climate Bond (Proposition 4).

Councilmember Raman requested information regarding how Climate Bond funding will be used in relation to the special session legislation. For additional information, please refer to the [Webcast](#) beginning at 38:13.

There was no public comment.

OTHER MATTERS:

4. Other Business

There was no other business to report.

5. Public Comment Period

Mr. Eder provided public comment regarding the fires in Southern California.

6. Next Meeting Date

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

Adjournment

The meeting was adjourned at 9:46 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 – JANUARY 17, 2025

| | |
|--|---------------------------------|
| Council Member Michael Cacciotti | South Coast AQMD Board Member |
| Supervisor V. Manuel Perez | South Coast AQMD Board Member |
| Council Member Nithya Raman | South Coast AQMD Board Member |
| Ken Chawkins | Board Consultant (Cacciotti) |
| Mark Taylor | Board Consultant (Rodriguez) |
| Ben Wong | Board Consultant (Cacciotti) |
| Ross Buckley | Buckley Government Affairs, LLC |
| Harvey Eder | Public Solar Power Coalition |
| Gary Hoitsma | Carmen Group, Inc. |
| Virgilio Barrera | Cassidy & Associates |
| Paul Gonsalves | Joe A. Gonsalves & Son |
| Ben Miller | Kadesh & Associates |
| David Quintana | Resolute |
| Sam Emmersen | Public Member |
| Bill La Marr | Public Member |
| Debra Ashby | South Coast AQMD Staff |
| Jason Aspell | South Coast AQMD Staff |
| Barbara Baird | 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 |
| Sheri Hanizavareh | South Coast AQMD Staff |
| Anissa Cessa Heard-Johnson | South Coast AQMD Staff |
| Aaron Katzenstein | South Coast AQMD Staff |
| Brandee Keith | South Coast AQMD Staff |
| Angela Kim | South Coast AQMD Staff |
| Howard Lee | South Coast AQMD Staff |
| Alicia Lizarraga | South Coast AQMD Staff |
| Brisa Lopez | South Coast AQMD Staff |
| Jason Low | South Coast AQMD Staff |
| Terrence Mann | South Coast AQMD Staff |
| Ian McMillan | South Coast AQMD Staff |
| Ron Moskowitz | South Coast AQMD Staff |
| Susan Nakamura | South Coast AQMD Staff |
| Wayne Nastri | South Coast AQMD Staff |
| Robert Paud | South Coast AQMD Staff |
| Sarah Rees | South Coast AQMD Staff |
| Melanie Soriano | South Coast AQMD Staff |

Lisa Tanaka South Coast AQMD Staff
Brian Tomasovic South Coast AQMD Staff
Mei Wang South Coast AQMD Staff
Victor Yip South Coast AQMD Staff
Chris Yu South Coast AQMD Staff

ATTACHMENT 2A



To: South Coast Air Quality Management District
From: Cassidy & Associates
Date: December 19, 2024
Re: December Report

HOUSE/SENATE

Congress

The House and Senate are in session this week, with only days to complete consideration of a Continuing Resolution (CR) to fund the federal government beyond the December 20 deadline. Congress will then recess for the remainder of the year, convening for the 119th Congress on January 3, 2025.

The CR package, released on Tuesday night, extends government funding through March 14. Last-minute negotiations resulted in the inclusion of direct economic assistance for farmers, an extension of the Farm Bill through September 2025, funding to rebuild the Francis Scott Key Bridge, and \$100 billion in disaster aid. The Environmental Protection Agency received an additional \$10 million for Clean Air Act Section 103 grants, and the Diesel Emissions Reduction Act was extended to 2029. Permitting reform was not included after negotiations broke down between Senate Energy and Natural Resources Committee Chair Joe Manchin (I-WV) and House Natural Resources Committee Chair Bruce Westerman (R-AR).

The Senate passed the Fiscal Year 2025 National Defense Authorization Act on Wednesday, sending the package to the President to sign into law.

This week, Robert F. Kennedy Jr. will meet with Senators regarding his candidacy to be Secretary of Health and Human Services. Other nominees expected on the Hill this week include Tulsi

Gabbard, nominee for Director of National Intelligence; Pete Hegseth, nominee for Secretary of Defense; Sean Duffy, nominee for Transportation Secretary; and Scott Bessent, nominee for Treasury Secretary.

EPA

On December 18, the Environmental Protection Agency (EPA) approved two waivers to allow the California Air Resources Board to implement new motor vehicle emissions standards. California has the authority under the Clean Air Act to request a waiver from EPA to adopt its own emissions requirements due to its unique air quality challenges. The Advanced Clean Cars II regulations will impact on-road light- and medium-duty engines and vehicles for model year 2026 through 2035. The low-NOx regulation will impact heavy-duty highway and off-road vehicles and engines. Both sets of standards are expected to reduce smog and improve public health outcomes. Read more [here](#).

On December 18, the Environmental Protection Agency (EPA) announced the designation of five carcinogens as High-Priority Substances: acetaldehyde, acrylonitrile, benzenamine, 4,4'-methylene bis(2-chloroaniline) (MBOCA) and vinyl chloride. The designation starts a risk evaluation under the Toxic Substances Control Act (TSCA) to assess the risk of injury to health or the environment. The risk evaluation does not weigh costs or other non-risk factors. EPA plans to release a preliminary list of manufacturers that will be subject to fees for the chemicals, which will be open for public comment. Additionally, EPA announced a prioritization process to determine whether benzene, ethylbenzene, naphthalene, styrene, and 4-*tert*-Octylphenol should undergo risk evaluations. Read more [here](#).

On December 11, the Environmental Protection Agency (EPA) awarded \$135.2 million to thirteen applicants in California as part of the Clean Heavy-Duty Vehicles Grant Program. Recipients will use the funding to purchase Class 6 and Class 7 zero-emission vehicles, including cargo trucks, emergency vehicles, school and shuttle buses, refuse haulers, and utility vehicles. SCAQMD was selected to receive \$24,842,632 for the replacement of 74 school buses and new chargers. The program was funded by the Inflation Reduction Act (IRA) and supports the Biden Administration's National Blueprint for Transportation Decarbonization and the National Zero-Emission Freight Corridor Strategy. Read more [here](#).

On December 10, the Environmental Protection Agency (EPA) announced a \$210,332 settlement agreement with Central Valley Meat Company Inc. to resolve alleged violations of the Clean Air Act and the Emergency Planning and Community Right-to-Know Act. EPA discovered a number of violations at the company's Hanford facility in 2022, including improperly sealed wall

penetrations and holes. The settlement required the company to implement several safety improvements to its operations, including upgrading its refrigeration system, correcting equipment deficiencies, and properly labeling equipment. Read more [here](#).

On December 4, the Environmental Protection Agency (EPA) released final amendments for the PFAS safety review process under the Toxic Substances Control Act (TSCA). The new regulations require new PFAS and other persistent, bioaccumulative, and toxic (PBT) chemicals to undergo a full, robust safety review process prior to manufacture. Previously, these chemicals were eligible for a low volume exemption or low release and exposure exemption, which has a shorter review process. The amendments will also align federal regulations with existing law and improve efficiency of reviews for new chemical submissions. Read more [here](#).

Cassidy and Associates support in December:

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

IMPORTANT LEGISLATIVE DATES

December 20, 2024: Congress passed a Continuing Resolution to fund the federal government through December 20, 2024, while they continue to negotiate Fiscal Year 2025 funding.

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

ATTACHMENT 2B

KADESH & ASSOCIATES

South Coast AQMD Report for the January 2025
Legislative Meeting covering December 2024
Kadesh & Associates

The 118th Congress is facing an exciting conclusion that may match its tumultuous beginning. The last week before the scheduled end of the session, leading up to the December 20 deadline to negotiate and approve a funding bill, has been filled with drama on Capitol Hill.

As was predicted last month, the first few weeks of December were spent negotiating a new Continuing Resolution (CR) through March 2025, a plan designed to avert a shutdown while allowing the new Republican majority to put their stamp on the rest of the 2025 fiscal year. On Tuesday night, Speaker Mike Johnson released the result of those negotiations: a 1,500 page bill that included a CR through March, more than \$100B in disaster relief, an extension of the farm bill and other agricultural assistance, various health care provisions, and other year-end legislative agreements.

By midday Wednesday, however, this bipartisan agreement had already lost momentum. The erosion of support was followed by statements from the President-elect Donald Trump that he did not support the bill and wanted to see Congress approve changes to the debt limit as part of any year-end deal (a topic that had not been part of the prior negotiations, as Congress will likely not need to act on the debt limit until next spring).

Speaker Johnson spent the next day regrouping, which culminated in a much-shorter version of the bill being released without Democratic support on Thursday. This revised version cut many of the year-end agreements that had attracted the support of Democrats (including many of the health care provisions) and added a two-year extension of the debt limit to meet the President-elect's request. Democratic Leader Hakeem Jeffries was adamant that this would not attract votes from his Caucus; when the House voted later in the day, the bill failed 174-235 with 38 Republicans voting against and only 2 Democrats voting in support.

This was a more thorough defeat than anticipated, meaning that congressional leadership went back to the drawing board on Thursday night. As of this memo, we have less than 24 hours until FY24 appropriations run out, and there is increasing speculation that there will be a shutdown of some length. However, the closer we get to the holidays, the more likely that Members of Congress will be motivated to reach a deal in order to return home.

Kadesh & Associates Activity Summary-

-Worked with South Coast AQMD and the congressional delegation on whole-of-government efforts to address air quality through BIL and IRA funding programs, and met with delegation and South Coast AQMD staff to plan for 119th Congress priorities.

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.



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

To: South Coast AQMD Legislative Committee

From: Carmen Group

Date: December 19, 2024

Re: Federal Update -- Executive Branch

FY 25 Appropriations: In late December, the lame-duck Congress ran into an unexpected roadblock when President-Elect Trump called on House and Senate Republicans to abandon a bipartisan deal on a stop-gap “continuing resolution” (CR) that had been negotiated by Speaker Johnson with Democrats and others in the House and Senate leadership. Just hours after the 1500-page CR bill (to extend government funding through March 14 and provide for new disaster aid) was released, a grassroots revolt erupted on the Republican side over a handful of items tacked on at the last minute per the negotiations. As a result, as of a week before Christmas, the negotiating process headed back to square one, with an extended government shutdown appearing more than likely than not. Meanwhile, falling by the wayside along with everything else was one non-controversial provision of note in the CR bill that would have provided for a five-year reauthorization of the Diesel Emissions Reduction Act (DERA).

Environmental Protection Agency

EPA Announces Clean HD Vehicle Grant Selections; SCAQMD Among Recipients:

In December, the EPA announced that 70 applicants across 27 states had been selected to receive over \$735 million under the Clean Heavy-Duty Vehicles Grant Program to assist in the purchase of zero-emission vehicles. SCAQMD was selected for two projects—one requesting \$33.9 million for vocational vehicles and the other requesting \$24.8 million for school buses. Other notable California selections included the LA United School District (\$20.3 million for school buses); City of Pasadena (\$1.45 million for vans/utility vehicles) and City of Pico Rivera (\$763,000 for utility vehicles).

EPA Grants Waivers for California’s Clean Car and Low-NOx Truck Regulations:

In December, EPA granted two requests from CARB for waivers under the Clean Air Act to implement and enforce California’s Advanced Clean Cars II (ACC II) regulation for light duty vehicles and its Omnibus low-NOx regulation for heavy-duty vehicles and engines – emissions requirements that are stricter than EPA’s current national regulations. These are commonly tagged as “EV mandates” that are strongly opposed by the incoming Trump Administration. The action may prompt litigation in the new year.

EPA Announces Environmental Justice Grants: In December, the EPA announced the selection of 105 applications for the Environmental and Climate Justice Community

Proven Process. Proven Results.™

Change Grants Program totaling \$1.6 billion in awards to advance local on-the-ground projects that reduce pollution, increase climate resilience and build community capacity. Among California recipients were Pueblo Unita with University of California, Riverside and Social and Environmental Entrepreneurs with the Los Angeles Alliance for a New Economy.

EPA Announces Funds Available for UPLIFT EJ Grant Program: In December, the EPA announced the availability of \$2.5 million in funding for the UPLIFT Climate and Environmental Community Action Grant Program to build the capacity of institutions of higher learning and community-based organizations who work with disadvantaged communities. Projects performed will include air pollution monitoring, prevention and remediation as well investments in low and zero-emission technologies, among others. Informational webinar to be held January 9, 2025. Applications due February 25, 2025.

Department of Energy

DOE Issues RFI for Sustainable Maritime Fuels: In December, the Department of Energy released a Request for Information (RFI) to establish a consistent and reliable definition for sustainable maritime fuel (SMF) that will inform and align industry, governments and other U.S. maritime stakeholders in addressing maritime emissions. The action is being taken pursuant to a new DOE summary plan entitled [Action Plan for Maritime Energy and Emissions Innovation](#). RFI responses due Feb. 28, 2025.

DOE Completes LNG Study and Announces 60-Day Comment Period: In December, the DOE released its updated [study](#) of liquefied natural gas (LNG) exports, citing the types of analysis and conditions the Department proposes to use in evaluating future applications for LNG exports from the United States. Comments due in mid-February 2025, which will be 60-days from publication. As the incoming administration seeks to greatly expand LNG exports, a concurrent review of this new study is likely to take place once the new Energy Secretary takes office.

Department of Transportation

DOT Announces SMART Grant Awards: In December, the Department of Transportation announced over \$130 million in competitive grant awards for 42 demonstration projects under the Strengthening Mobility and Revolutionizing Transportation (SMART) Grants Program for projects that leverage technology to create safer, more efficient and more innovative transportation systems. Grants in California included: \$2 million for LACMTA; \$2 million for Fontana, and \$1.6 million for OCTA.

Outreach: During December, 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, in the Republican Party, and in our business coalition to gather intelligence on relevant transition and appropriations matters.

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ATTACHMENT 3A

South Coast AQMD, Legislative Committee Report
Buckley Government Affairs LLC
January 17, 2025

Legislative Session Update

On December 2nd, the new Legislature was officially sworn in. While the day is typically ceremonial, it also marks the first opportunity for legislators to introduce new bills. On the first day, members of both houses introduced over 90 measures.

A significant development for this session is a new rule introduced by Senate and Assembly leadership that limits each elected official to 35 bills over a two-year period. This is a notable change, particularly in the Assembly, where the previous limit was 50 bills. The new rule represents a reduction of 15 bills per Assemblymember for the current session.

Special Session Update

Shortly after the election, Governor Gavin Newsom called for a special session to be held to safeguard California from any potential “federal overreach”. Working with the Legislature, the Governor is proposing a new litigation fund of up to \$25 million for the California Department of Justice (DOJ) and state agencies to defend California. The Senate budget bill includes up to \$35 million for this cause. There is a sense that these bills will be passed before the President-elect is officially sworn in on January 20th.

Budget Update

California personal income tax (PIT) withholding by the Employment Development Department was \$856 million (10%) below 2024-25 budget projections for the month of November 2024, according to preliminary data from the state’s tax agencies. However, since the revenue forecast was finalized in April, preliminary General Fund agency cash receipts were cumulatively \$8.5 billion above projections, including an overage of \$3.2 billion in cash collected during the 2023-24 fiscal year.

The Legislative Analyst’s Office (LAO) has released its annual report, *California’s Fiscal Outlook*, emphasizing two key observations. First, the LAO notes that the state’s budget has no capacity for new commitments. With uncertain future budget projections, the Legislature is likely to face deficits in the coming years, which may necessitate measures such as reducing spending or increasing taxes. The current budget, according to the LAO, does not have room for new commitments, particularly those involving ongoing expenditures.

Second, the LAO points out that revenue gains are offset by higher costs. While state revenues are exceeding the assumptions in the Budget Act, these gains are largely balanced out by increased spending across the budget. As a result, the 2025-26 budget is projected to remain roughly balanced, with a modest deficit of \$2 billion. Given the size and variability of the state budget, this deficit is considered minor, and if it persists through the end of the budget process in June, only slight adjustments would be required to address it.

ATTACHMENT 3B



Joe A. Gonsalves & Son

Anthony D. Gonsalves

Jason A. Gonsalves

Paul A. Gonsalves

PROFESSIONAL LEGISLATIVE REPRESENTATION

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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 – December 2024

DATE: Wednesday, December 18, 2024

The month of December is typically quiet in Sacramento, especially after an election, however, this year was a little different. December 2, 2024 was not only the day the Legislature reconvened for their ceremonial swearing in session, but it was also the start to the Special Session called by Governor Newsom to provide legal resources to protect California values from the Trump Administration. The Governor is proposing a new litigation fund of up to \$25 million for the California Department of Justice (DOJ) and state agencies to defend California from unconstitutional federal overreach, challenge illegal federal actions in court, and take administrative actions to reduce potential harm. The Legislature is scheduled to reconvene for the 2025-26 Legislative Session on January 6, 2025, which will run concurrently with the special session called by the Governor.

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

NOVEMBER 2024 CAP AND TRADE AUCTION RESULTS

On November 20, 2024, CARB held their quarterly Cap and Trade Auction, which generated roughly \$990 million for the State's Greenhouse Gas Reduction Fund (GGRF).

All \$52.6m (52,629,612) current vintage allowances offered for sale were purchased, resulting in the 17th consecutive sold out auction. This is about \$1.5m (1,449,897) more allowances than were offered at the previous auction. The current auction settled at a price of \$31.91, which is \$7.87 above the \$24.04 price floor and \$1.67 above the August settlement price of \$30.24.

Additionally, all of the \$7.2M (7,211,000) future vintage allowances offered for sale were purchased. This is the same number of future vintage allowances that were offered at the previous auction. The future vintage allowances settled at \$30.16, \$6.12 above the \$24.04 floor price and \$0.41 above the August settlement price of \$29.75.

SPECIAL SESSION

On December 2, 2024, in response to Governor Newsom's recent proclamation, the California Legislature convened a special session focused on creating legal resources to uphold California's values, protect the state's economy, defend fundamental civil rights, reproductive freedoms, and ensure access

to clean air and water. This session aims to establish a new litigation fund in light of anticipated federal policies that may negatively impact Californians.

The Governor is collaborating with lawmakers to set up a litigation fund of up to \$25 million for the DOJ and other state agencies that is intended to shield California from unconstitutional federal overreach, contest illegal federal actions in court, and implement administrative measures to mitigate potential harm.

The litigation fund will help secure critical financial support for disaster relief, healthcare programs, and other essential services relied upon by millions of Californians. Furthermore, it will enable California to defend itself against unlawful federal actions, which could threaten valuable resources and essential protections like access to reproductive healthcare, clean air, clean water, and fundamental civil rights. During President Trump's initial term, his administration made several attempts to cut federal funding to California. Between 2017 and 2021, the California DOJ initiated 122 lawsuits against him, investing around \$42 million in these legal battles.

The next steps include proposed legislation that will be presented to the state Legislature. Over the next few weeks, the Legislature plans to hold committee hearings on the proposal. Throughout this process, the Governor will work closely with legislative leaders and the Attorney General to further refine and promote the bill. It is anticipated that the legislation will be delivered to the Governor for signing before January 20, 2025.

While California is ready to challenge any illegal actions from the federal government, Governor Newsom is also focused on finding areas of cooperation with President-elect Trump. Recently, the Governor traveled to Washington, D.C. to engage in discussions at the White House and on Capitol Hill about securing support for healthcare, mental health initiatives, clean air measures, and disaster relief funding. He aims to build on this momentum to continue delivering for the millions who depend on federal programs.

ZEV INFRASTRUCTURE

On December 11, 2024, the California Energy Commission (CEC) approved a \$1.4 billion investment plan aimed at fast-tracking the state's electric vehicle (EV) charging and hydrogen refueling objectives. This funding will support the installation of infrastructure for light, medium, and heavy-duty zero-emission vehicles (ZEV) throughout California.

The plan outlines how the CEC's Clean Transportation Program will allocate \$1.4 billion in state funds over the next 4 years, with a minimum of 50% directed toward supporting lower-income and disadvantaged communities. This initiative is part of Governor Gavin Newsom's California Climate Commitment, which encompasses over \$10 billion for ZEVs and related infrastructure. Additionally, the state has received substantial funding from the Biden-Harris Administration for clean transportation initiatives.

The approved funding is expected to bring nearly 17,000 new chargers for passenger vehicles across the state, building on the over 152,000 public and shared private chargers currently in place. In conjunction with prior investment plans, federal funding, electric utility contributions, and other programs, the state aims to achieve a target of 250,000 chargers in the coming years. Furthermore, it is estimated that over 500,000 private home chargers have already been installed statewide.

These funds will be accessible over the next four years and will be allocated to projects through competitive grants, which will include direct incentives and rebate programs for businesses, non-profits, tribes, and public agencies.

CLEAN CARS

On December 18, 2024, the Biden-Harris Administration announced a Clean Air Act waiver enabling California to fully implement its regulation mandating that all new car sales be zero-emission by 2035. The Advanced Clean Cars II (ACC II) regulation, which was adopted in 2022, starts with the vehicle model year 2026 and aims to phase out sales of new gasoline-powered passenger vehicles by 2035.

Key features of the Advanced Clean Cars II regulation include:

- **Cost Savings for Consumers:** Drivers are expected to save over \$7,500 by transitioning from gas-powered to zero-emission vehicles due to reduced maintenance and fuel expenses, resulting in over \$90 billion in total savings for Californians.
- **Health Benefits and Cost Reductions:** This policy intends to reduce harmful pollutants by more than 25%, potentially saving lives and cutting health-related costs for Californians by \$13 billion, mainly due to fewer respiratory illnesses.
- **Enhanced Consumer Protections:** New requirements in the regulation ensure the durability of clean vehicles and batteries, backed by stronger warranties. This guarantees high-quality vehicles are produced, improving the reliability of used vehicles as well.
- **Increased Consumer Choices:** The program mandates that automakers supply a growing number of clean vehicles to California. The availability of these options aligns with the state's efforts to reduce dependency on fossil fuels, with most vehicles being powered by electricity or hydrogen.
- **Job Creation and Economic Growth:** Automakers acknowledge that the future of transportation is zero-emission, benefiting American manufacturers and their suppliers in this emerging market.

Additionally, the Biden-Harris Administration has approved a Clean Air Act waiver for California's heavy-duty omnibus regulation, which significantly reduces harmful nitrogen oxide (NOx) emissions from heavy-duty trucks.

It's important to note that ACC II is not a ban on gasoline vehicles. The regulation applies only to new cars, not to those already in use. Sales of new plug-in hybrids will continue to be permitted. Internal combustion engine vehicles are expected to remain on California roads beyond 2050, while the state works to provide cleaner fuel options under the Low Carbon Fuel Standard.

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 –December 2024

❖ Important Upcoming Dates

January 06, 2025 – Legislature Reconvenes for the Legislative Session
January 10, 2025– Last Day for Governor to Submit Budget Proposal to Legislature

❖ 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 for the 2024 legislative session, including for SCAQMD sponsored legislation.

❖ December 2nd Legislative Session and Extraordinary Session begin. The 2025-2026 Regular Session began on December 2nd along with the first extraordinary session called by Governor Newsom.

❖ Cap and Trade Auction Results. In late November, the Air Resources released the preliminary results of the latest Cap and Trade Auction which resulted in over \$900 million being generated for the Greenhouse Gas Reduction Fund. This result is largely consistent with the projections put forward by the Department of Finance.

❖ Federal Clean Air Waivers. On December 18th, the Air Resources Board announced that it received the Clean Air Act waivers it had been anticipating for some time. Below is the information released by CARB detailing the action.

California received U.S. EPA approval today for two clean vehicle regulations that further pollution reduction solutions for passenger cars and heavy-duty vehicles, unlocking a combined \$36 billion in public health benefits.

With the federal waiver for the Advanced Clean Cars II (ACCI) rule, California can fully implement its regulation that would move the state toward 100% sales of zero emission options by 2035, increasing choices for consumers that save on fuel and maintenance costs and helping clean the air. A second waiver was granted for the Heavy-Duty Omnibus regulation, which will drastically reduce smog-forming emissions of particulate matter and nitrogen oxide, harmful pollutants that embed in people's lungs and bloodstreams and are tied to serious health issues.

The decision is consistent with more than 50 years of precedent that allows California to implement innovative solutions to address its persistent air quality challenges, reflecting the cooperative federalism built into the Clean Air Act and the U.S. Constitution which preserves the rights of states to protect their own public health and welfare.

“Clean cars are here to stay. The Biden-Harris Administration reaffirmed what we’ve known for decades – California can rise to the challenge of protecting our people by cleaning our air and cutting pollution,” said Governor Gavin Newsom. “With more makes and models available than ever before, millions of Californians have already made the switch to clean cars.”

"These waivers support California's win-win policy priorities: slashing harmful pollution and related health costs while driving investment, innovation, job creation and opportunity," said California Secretary for Environmental Protection Yana Garcia.

“California’s ongoing success in tackling pollution challenges and improving public health is possible thanks to landmark regulations that support technological innovation and move us toward a zero-emissions future for transportation,” said CARB Chair Liane Randolph. “Consumers and fleets are increasingly making the choice to drive clean vehicles, and today’s waiver approvals will further that progress.”

The approvals make it possible to move forward with significant public health and pollution reduction benefits from the transportation sector:

- [ACC II](#) requires an increasing number of clean vehicles to be delivered for sale each year. By 2035, all those vehicles must be zero-emission, which includes the option to sell plug-in hybrid vehicles. The regulation does not ban fossil fueled cars and pickup trucks; residents can drive existing internal combustion vehicles as long as they want. The regulation will save drivers of clean vehicles \$7,500 in maintenance and fuel costs over the first 10 years of use. It also will cut harmful pollutants by over 25%, save lives and save Californians \$13 billion in health costs related to respiratory illnesses.
- The [Omnibus regulation](#) will require manufacturers to comply with more stringent emissions standards. It will cut heavy-duty NOx emissions by 90%, overhaul engine testing procedures, and further extend engine warranties, which will help California meet federal air quality standards and achieve critical public health goals. The expected public health benefits from reduced illnesses and other improvements are \$23 billion.

Consumers are increasingly choosing clean vehicle options. With more than 2 million zero-emission passenger cars sold in California, [recent data](#) shows that clean vehicles represent 26% of sales. The same success is reflected in the medium- and heavy-duty sector, with [sales ahead of schedule](#) two years in a row, well in advance of the state’s requirements.