SENATE COMMITTEE ON ENVIRONMENTAL QUALITY
Senator Allen, Chair
2021 - 2022 Regular

Bill No:	SB 1010		
Author:	Skinner		
Version:	4/6/2022	**Hearing Date:**	4/20/2022
Urgency:	No	**Fiscal:**	Yes
Consultant:	Jacob O'Connor		

SUBJECT: Air pollution: state vehicle fleet: zero-emission vehicles

DIGEST: Requires 50% of vehicles newly purchased by the Department of General Services and other state agencies that weigh 8,501 pounds or more to be zero-emission vehicles by 2025 and 100% be zero-emission vehicles by 2028. Requires 100% of light-duty vehicles purchased by the department for the state vehicle fleet to be zero-emission vehicles beginning in the 2026-27 fiscal year.

ANALYSIS:

Existing law:

1) Establishes the Department of General Services (DGS) to centralize the business management services and functions of state government. (Government Code (GOV) §14600 et seq.)

2) Requires that by 2026 at least 15% of vehicles weighing 19,000 pounds or more, newly purchased by DGS and other state agencies, be zero emission vehicles and that at least 30% be zero emission vehicles by 2031. (Public Resources Code (PRC) §25722.11)

3) Allows DGS to cease implementing the zero-emission requirement for fleet vehicles weighing over 19,000 pounds if it finds it cannot meet the needs of the state while fulfilling this requirement, engages in a year-long plan to address the issues preventing implementation, and still finds that it cannot meet the needs of the state.

4) Requires that by the 2024-25 fiscal year DGS shall ensure at least 50% of the light-duty vehicles purchased for the state vehicle fleet are zero-emission vehicles and 100% be zero emission by the 2029-30 fiscal year. (PRC §25724)

5) Allows DGS to cease implementing the zero-emission requirement for light-duty vehicles if it finds it cannot meet the needs of the state while fulfilling this requirement.

6) Exempts from these requirements any vehicles that have special performance requirements necessary for public safety as determined by DGS.

This bill:

1) Requires that by December 31, 2024 at least 50% of vehicles weighing 8,501 pounds or more, newly purchased by DGS and other state agencies, be zero emission vehicles and that 100% be zero emission vehicles by December 31, 2027.

2) Requires that by the 2026-27 fiscal year DGS shall ensure 100% of the light-duty vehicles purchased for the state vehicle fleet are zero-emission vehicles.

3) Requires ARB to establish a baseline for emissions of greenhouse gases (GHGs) from vehicles in the state vehicle fleet by July 1, 2024.

4) Requires DGS to consult with ARB to adopt and implement targets for reducing the emissions of GHGs by vehicles measured in grams of carbon dioxide per mile in the state vehicle fleet below the baseline by January 1, 2025.

Background

1) *GHG emissions in California.* The primary duties of ARB are to protect the public from the harmful effects of air pollution and develop programs and actions to fight climate change. ARB is tasked with the ambitious goal of achieving a 40% reduction of GHG emissions below 1990 levels by 2030 as set by SB 32 (2016). In order to meet this goal, California will need to reduce its GHG emissions by approximately 4% each year, but during the latest year emission data are available the state reduced its GHG emissions by only 1.6% (2021 California Green Innovation Index). In order to increase the rate of GHG emission reduction the state will need to dramatically decrease its emissions.

2) *Transportation emissions.* According to ARB's GHG Emission Inventory, transportation is the largest economic sector contributing to California's GHG emissions. It accounts to about 40% of the state's GHG emissions, with light-duty vehicles being the primary contributor. Furthermore, ARB has determined that on-road mobile source emitters, the vehicles affected by this bill, contributed 45% of smog-forming oxides of nitrogen (NO_x) emissions in the state in 2017.

3) *The health impacts of vehicle air pollution*. Fossil fuel combustion from vehicles emit criteria air pollutants and their precursors, including NO_X. While these emissions are harmful in themselves, NO_X is also a precursor to ozone, which can cause irritation and damage lung tissue, worsen asthma and chronic illnesses, and reduce lung function. In addition to contributing to ozone, the biggest impact on health from NOx emissions comes when they are converted to fine particulate matter (PM2.5) in the atmosphere. PM2.5 pollution contributes to more fatalities than other air pollutants, and can lodge deep in the lungs or pass through the lungs to enter the blood stream and affect the heart, brain, and other organs. Exposure to PM2.5 pollution is associated with increased hospitalizations and emergency room visits for heart and lung illnesses, impaired lung development in children, the development and exacerbation of asthma, and premature death. Because of redlining and other discriminatory practices, communities of color and low-income communities are disproportionally located closest to highways and other high concentrations of vehicle emissions which increases the health burdens in these communities.

4) *California has been acting to transition to zero-emission vehicles (ZEVs)*. Even compared to other vehicles meeting the strictest smog and GHG fleet standards, ZEVs and plug-in hybrid-electric vehicles are significantly lower emitting and will be essential for the light-duty vehicle fleet to achieve long term emission reduction goals. In 2020, Governor Newsom signed Executive Order N-79-2020, which set a state goal of banning the sale of new gas- and diesel-powered cars by 2035, with medium and heavy-duty vehicles following by 2045. To support the transition to ZEVs ARB has implemented a ZEV regulation requiring manufacturers to produce a number of ZEVs and plug-in hybrids each year based on the total number of cars they sold in California. ARB has also administered several grant and rebate programs to support the purchasing of hybrid and ZEV vehicles. The 2021 budget invested $3.9 billion over the next three years to increase the use of ZEVs and the current proposal from the Governor's budget calls for a further investment of $6.1 billion.

5) *DGS requires prioritizing purchasing ZEVs for the state fleet.* Under SB 498 (Skinner, 2017) DGS was required to ensure that starting no later than the 2024-2025 fiscal year at least 50% of light duty vehicles purchased for the state fleet are ZEVs. Under AB 739 (Chau, 2017) 15% of purchased heavy duty vehicles must be ZEVs by 2025, and 30% by 2030. In addition to these statutory targets DGS has implemented ZEV-first purchasing mandates for all state agencies, requiring prioritization of ZEVs in all new purchases, though allowing for plug-in hybrids and other vehicles to be purchased if the agency can demonstrate that a pure ZEV cannot meet their needs. The progress made

in transitioning to ZEVs can be viewed on the state's Green Fleet website which shows that in 2019 the state fleet contained 375 ZEVs, compared to 269 it had in 2017, the year the mandate went into effect. DGS' Office of Fleet and Asset Management reports that there are approximately 1,600 ZEVs in the state fleet and approximately 4% of all passenger vehicles in the state fleet.

Comments

1) *Purpose of Bill.* According to the author, "The transportation sector is the largest contributor of green-house gas emissions in the state. In addition, cars and trucks burning fossil fuels spew toxic air pollutants that create long-term health complications and negatively impacts the lives of all Californian's. Fortunately, clean zero-emission vehicles (ZEVs) exist that do not have the impacts of internal combustion engines. It's time to transition to ZEVs.

   "SB 1010 puts the state's purchasing power behind our transition to ZEVs by requiring 100% of all vehicles purchased for state fleet operations to be ZEV by 2028, and by directing the state to track and increase the miles driven by their ZEV fleet."

2) *State agencies' leadership can help ease the transition to ZEVs.* Under Executive Order N-79-2020, the state intends to stop the sale of non-ZEV light duty vehicles by 2035. By encouraging the state agencies to use their purchasing power and transition the state fleet before those deadlines this bill would help encourage increases in availability and reduction of prices in the ZEV market. Additionally, as the state fleet transitions to ZEVs it will also have to invest in charging infrastructure, which will further encourage the broader transition to ZEVs in the state.

3) *Including medium-duty vehicles covers a gap in prior legislation.* Previously the Legislature has given direction to DGS on ZEV targets for light-duty and heavy-duty vehicles, but has been silent on medium-duty vehicles. Absent legislative guidance, DGS has implemented ZEV purchasing prioritization that applies equally to medium-duty and heavy-duty vehicles. Adding guidance on medium-duty vehicles serves to affirm the existing policy.

4) *Ambitious timelines may cause DGS to find it cannot meet the goals while meeting the needs of the state.* If this happens DGS is currently required to report this finding to the Legislature, but take no further action.

   The committee may wish to amend the bill so that in the event DGS makes such a finding it must consult with ARB to develop an alternative set of

requirements that are as ambitious as possible while still allowing DGS to meet the needs of the state.

5) *Infrastructure for light duty vehicles may take longer to install than for heavy duty vehicles.* Because heavy duty vehicles are kept at depots, installing enough charging stations for every heavy-duty vehicle is relatively straightforward. Light duty vehicles are scattered across many geographic locations requiring more individual projects that may make implementation under the timelines of the bill more difficult. *The author may wish to consider amending the bill to consider the availability of charging infrastructure when setting the timeline goals for light-duty vehicles.*

6) *Committee amendments.* ***Staff recommends the committee adopt the bolded amendments contained in comment 4 above.***

Related/Prior Legislation

SB 1251 (Gonzalez) would establish an office in the Governor's office to set an equity agenda for the deployment of light-, medium-, and heavy-duty zero-emission vehicles, the supporting infrastructure, and workforce development. It was heard in the Senate Governmental Organization Committee on April 5, 2022 and was passed out of committee on a vote of 9-4 and referred to the Senate Committee on Transportation.

AB 2731 (Ting) would require 100% of all newly purchased, contracted, or operated school buses to be ZEVs by January 1, 2035. It was referred to the Committee on Education on March 24th, 2022.

AB 1110 (Rivas, 2021) would have established the Clean Vehicles Ombudsperson to identify available programs and incentives offered by the state that can help reduce costs and increase participation in a statewide contract or leveraged procurement agreements. The bill would have also required DGS to evaluate the existing programs the department operates to accelerate ZEV adoption and require DGS to issue a statewide contract or leveraged procurement agreement for ZEV fleet vehicles. It was ordered to the inactive file by the author on September 9, 2021.

AB 1218 (McCarty) would have declared that it is the goal of the state, as established Executive Order No. N-79-20, that 100% of in-state sales of new passenger vehicles and light-duty trucks be zero-emission by 2035 and required ARB to develop regulations requiring increasing volumes of new ZEVs sold in the

state towards the target of 100% 0f in-state sales by 2035. It died on third reading on February 1, 2022.

SB 498 (Skinner, Chapter 628, Statutes of 2017) required ARB to review all state programs related to the adoption of ZEVs and make recommendations to the Legislature and required DGS to meet a 50% ZEV target for the state's purchases of new light duty-vehicles by 2024-25.

AB 739 (Chau, Chapter 639, Statutes of 2017) required DGS to meet a 15% ZEV target for the state's purchases of new heavy-duty vehicles by 2026 and a 30% target by 2031.

DOUBLE REFERRAL: This measure was heard in Senate Governmental Organization Committee on March 29, 2022, and passed out of committee with a vote of 11-3.

SOURCE: Author

SUPPORT:

350 Bay Area Action
350 Humboldt: Grass Roots Climate Action
350 Sacramento
350 Silicon Valley
4 Gen Logistics, LLC
American Lung Association in California
Amply Power
Arrival Automotive Usa, INC.
Breathe Southern California
Byd North America
California Association of Professional Scientists
California Business Alliance for A Clean Economy
California Environmental Voters (formerly Clcv)
California Indivisible State Strong
California Nurses for Environmental Health and Justice
Calstart INC.
Center for Climate Change & Health
Center for Community Action and Environmental Justice
Central California Asthma Collaborative
Ceres
Climate Health Now
Climate Reality Project, San Fernando Valley
Coalition for Clean Air

Coltura
Elders Climate Action, Norcal and Socal Chapters
Electric Vehicle Charging Association
Environment California
Environmental Defense Fund
Evnoire
Forum Mobility, INC
Indivisible CA Statestrong
Let's Green California
Lion Electric Co. USA Inc.; the
Physicians for Social Responsibility - San Francisco Bay Area Chapter
Regional Asthma Management and Prevention (RAMP)
Sierra Club California
The Climate Reality Project: Silicon Valley

OPPOSITION:

None received

ARGUMENTS IN SUPPORT: According to the Coalition for Clean Air, "SB 1010 keeps California at the forefront of reducing air pollutants and greenhouse gas emissions from transportation, which harm people's health and endanger the climate. Additionally, the bill will help sustain and create new jobs in California, drive innovation in the ZEV market, and showcase California's continued leadership in the fight for clean air and a safe climate."

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