

March 3, 2017

The Honorable Jim Beall Chair, Senate Transportation and Housing Committee State Capitol, Room 4203 Sacramento, CA 95814

## **RE: SB-4 (Goods movement) – SUPPORT**

The Coalition for Clean Air (CCA) is dedicated to restoring clean, healthy air to California by advocating for effective public policy and practical business solutions. The California Bicycle Coalition (CalBike) aims to double the amount of bicycling in the Golden State by 2017 and triple it by 2020, based on a vision in which California communities thrive economically, and streets are safe, with few injuries and only very rare fatalities. CCA and CalBike work together to reduce emissions from the transportation sector - the largest source of health-damaging and climate-disrupting air pollution in California - with a particular focus on freight transportation. We are heavily involved in implementation of the California Sustainable Freight Action Plan (CSFAP) and have a strong interest in how California invests federal and state transportation dollars to meet the goals and targets established in the CSFAP. Therefore, we submit this letter to express support for Senate Bill 4 (Mendoza), because it will provide dedicated funding that is needed to create a more sustainable freight transportation system in California. Another reason we support this bill is the emphasis on sustainability in directing how California invests in freight infrastructure improvements; we intend to work with the bill author, Senator Mendoza, on amendments to better ensure improved air quality and community health and well-being result from these infrastructure projects.

CCA and CalBike strongly support the proposal to continue funding the Goods Movement Emission Reduction (GMER) Program, create a new incentive program to expand the use of zero- and near-zero emission trucks, and require both programs to prioritize projects identified in the CSFAP. These funding measures will reduce the environmental and public health impacts from the state's freight investment efforts to date, to create a more sustainable freight system, and are critical to the state's ability to attain near-term air quality and climate change standards. The Air Resources Board expects the GMER Program, for instance, to reduce emissions of cancer-causing particulate matter by 2,500 tons and smog-forming nitrogen oxides (NOx) by 85,000 tons, which will lower the health risk from freight transportation for communities located near major freight hubs and along trade corridors. GMER monies were fully allocated in 2016; however, significant funding is needed to continue retrofitting and replacing older trucks and locomotives, installing shore-side electrical power for docked ships, and upgrading cargo-handling equipment at ports and railyards. While more manufacturers are piloting a wider range of advanced technology trucks with the support of Greenhouse Gas Reduction Fund (GGRF) monies, the proposal in SB 4 for a new, dedicated funding source can play an important role in facilitating greater production and deployment of zero- and near-zero emission trucks.

In addition, we support targeting clean truck funds to regions dealing with the worst air quality in the state and nation. The air pollution control districts serving these regions (South Coast and San Joaquin Valley) have indicated a need for approximately one billion dollars each per year in incentive funding to support dramatic emissions reductions and attain health-based air quality standards. Although it cannot meet the entire need of California's severe and extreme non-attainment regions, the proposals in SB 4 represent a sizable and dedicated funding source that could leverage private fleet investments and local agency dollars.

CCA and CalBike recognize the importance of goods movement to California's economy, and the need to improve freight infrastructure as the volume of freight transported within and through California rises. We also appreciate that SB 4 acknowledges the importance of the state's role in setting freight infrastructure funding priorities, while still making federal and state funds available to regional corridor coalitions that were formed around the Trade Corridors Improvement Fund. However, we believe amendments are warranted to ensure that freight infrastructure projects supported by this bill meet their congestion- and emissions-reducing objectives. We are concerned that projects to increase capacity will fail to improve the efficiency of goods movement and reductions in pollution and health burdens on freight-impacted communities in the in the long-term. Therefore, we recommend changes to the screening and evaluation criteria to encourage or prioritize operational improvements and truck-only lane projects through the scoring of project nominations. We also recommend requiring the California Transportation Commission (CTC) to adhere to the guiding principles of the CSFAP when referenced in Section 2 of the bill. Lastly, we suggest placing a greater emphasis on the assessment of nominated projects' environmental and community impacts and the reporting of project outcomes to evaluate the public benefits of these investments.

CCA and CalBike are pleased to support SB 4 for the reasons stated above, and we look forward to working with Senator Mendoza on our suggested amendments as the bill proceeds in the Legislature. We respectfully urge the Senate Transportation and Housing Committee to pass SB 4.

Sincerely,

Shrayas Jatkar, Policy Associate Coalition for Clean Air Jeanie Ward-Waller, Policy Director California Bicycle Coalition

Cc: Senator Tony Mendoza