



May 26, 2021

The Honorable Toni Atkins
Senate President *Pro Tempore*

The Honorable Anthony Rendon
Speaker of the Assembly

The Honorable Nancy Skinner
Senate Budget Committee Chair

The Honorable Phil Ting
Assembly Budget Committee Chair

Submitted via Email

Re: Proposed 2021-22 Budget for Cleaning up Our Air and Providing Clean Mobility to All

Dear President *Pro Tempore* Atkins, Speaker Rendon, Chair Skinner and Chair Ting:

Most of our state fails to meet national ambient air quality standards set to protect public health. That means nearly all Californians encounter unhealthful air quality days. That results in lost days at school, emergency room visits and hospitalizations, and lost days at work, not to mention human suffering. In addition, we are already seeing severe effects of climate change on our state, with wildfires, drought, heat waves and sea level rise threatening our health and prosperity.

Transportation is the largest source of the emissions making people sick and changing our climate. Fortunately, the state has consistently taken action to reduce emissions and is a world leader for its vehicle emissions reduction regulations. The state has also learned, through years of experience and through observation of policies in other countries, that a consistent flow of incentives is important to ensure and accelerate consumer demand for clean vehicles and to advance clean technology. These incentives include vehicle purchase vouchers, reliable and available vehicle fueling infrastructure, and pilot and demonstration projects for advanced technologies. The state has also launched innovative equity projects to bring clean mobility to our disadvantaged communities, including scrap-and-replace incentives, EV car-sharing, and rural school buses. But most of our incentive projects have exhausted their funds or soon will, and they urgently need replenishment.

In order to reduce the emissions that cause air pollution and climate change, making communities more walkable, bikeable, and with increased access to public transportation must also be part of the equation. California has consistently fallen short in reducing emissions in the

transportation and land use sector. In 2018, the Air Resources Board (ARB) released a report that found that California was not on track to meet the greenhouse gas (GHG) reductions expected under SB 375 for 2020, with emissions from statewide passenger vehicle travel per capita increasing and going in the wrong direction. Reducing vehicle miles traveled (VMT) generates many benefits, including alleviating traffic congestion, reducing air pollution, reducing GHG emissions, reducing our dependence on foreign oil, improving public health through increased exercise, and enhancing interactions within our communities. The pandemic has increased our understanding about how important these benefits are. California will not achieve the necessary emission reductions without significant changes to how communities and transportation systems are planned, funded, and built.

The current budget surplus creates opportunities to make smart investments that will pay huge dividends in cleaner air and improved mobility. Therefore, we recommend that the Legislature:

- **Allocate \$1.3 billion for Zero-Emission Trucks, Buses and Off-Road Equipment**, as proposed by the Governor. Fine particulate matter produced by diesel trucks, buses and off-road engines is particularly health-threatening. It is responsible for about 95 percent of pollution-related health impacts in the world. In California, communities of color are most burdened by this diesel truck pollution.
- **Invest \$1 billion in zero-emission infrastructure** through the Clean Transportation Program at the Energy Commission. Continued public support for charger and hydrogen fueling deployment is essential to meeting the state's ZEV, air quality and climate needs. We believe that this budget action should be accompanied by a policy bill that ensures that the infrastructure serves disadvantaged and low-income communities.
- **Allocate \$750 million to the Clean Truck – Anti-Diesel Budget Proposal** put forth by 15 Assemblymembers. The turnover of dirty, heavy-duty (HD) diesel trucks to clean zero-emission and low-NOx truck technology (the low-NOx trucks should be required to run on low-carbon renewable fuel) is the best way to reduce harmful air pollution from toxic diesel exhaust in the near term.
- **Allocate \$500 million for Clean Cars 4 All and other Transportation Equity Projects.** These investments expand the benefits of clean mobility to all Californians, including disadvantaged and low-income communities, by increasing transportation equity investments -- including EV purchase incentives for low and moderate income buyers, scrap-and-replace subsidies, van-pooling, and community-driven clean mobility projects. These programs are perpetually over-subscribed. Following a devastating 2020, the budget can send a strong signal that these investments provide even greater benefits in areas most harmed by the COVID-19 pandemic, disadvantaged and low-income communities, communities of color, the underemployed or unemployed, and to those Californians struggling with re-entry following incarceration.
- **Fund at least \$325 million for Community Air Protection (AB 617)**, which focusses on reducing the cumulative impacts of air pollution in disadvantaged communities that have been hit hard by unhealthy air, climate change, the pandemic and recession.

- **Make a one-time augmentation of \$1 billion for Active Transportation.** The additional funding would provide immediate benefits and investments to projects that benefit disadvantaged communities throughout the state. Improving bicycle and pedestrian facilities boosts health, improves mobility, and enhances connectivity to housing, health care facilities, grocery stores, essential community services, transit, schools, jobs, and recreation. In the longer term, we support the funding priorities identified by the Climate Action Plan for Transportation Infrastructure (CAPTI) as essential to meeting our transportation, climate and air quality needs.
- **Approve the Governor's Requests for Rail and Transit Funding.** These investments will help Californians reach destinations without adding to pollution and congestion in our communities.
- **Appropriate \$10 million to establish a statewide Electric Bicycle Incentive Pilot Program,** to provide grants and vouchers to provide electric bicycles for low income consumers who otherwise would not have access to them. This is an extremely cost-effective way to reduce vehicle miles traveled by replacing car trips with bicycle trips.
- **Allocate \$75 million to phase out gas-powered small engines.** The funds would allow the California Air Resources Board (CARB) to administer an incentive program to support small landscaping companies and sole proprietorships in the transition to zero-emission lawn and gardening equipment, including leaf blowers and lawn mowers. This program would make replacing gas-powered lawn and gardening equipment more feasible for the small businesses that rely on this equipment, thereby promoting a more rapid transition to cleaner, greener, battery-powered alternatives.
- **Approve \$150 million to End Agricultural Burning,** as proposed by both the Senate and the Governor. Funds would support the phase out of open agricultural burning by incentivizing the use of alternatives aimed at reducing fine particulate matter air pollution in the San Joaquin Valley. Funding should be restricted to non-combustion alternatives to agricultural burning, like chipping the material and either incorporating it into the soil or leaving it on the field.

Thank you for considering our views.

Respectfully,

A handwritten signature in cursive script that reads "Bill Magavern".

Bill Magavern
Policy Director