

# APPENDIX A: TEXT OF SENATE BILL 498



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## Senate Bill No. 498

### CHAPTER 628

An act to add Section 43018.8 to the Health and Safety Code, and to add Section 25724 to the Public Resources Code, relating to vehicular air pollution.

[Approved by Governor October 10, 2017. Filed with Secretary of State October 10, 2017.]

### LEGISLATIVE COUNSEL'S DIGEST

SB 498, Skinner. Vehicle fleets: zero-emission vehicles.

(1) Existing law generally designates the State Air Resources Board as the State agency with the primary responsibility for the control of vehicular air pollution. The Charge Ahead California Initiative, administered by the State board, includes goals of, among other things, placing in service at least 1,000,000 zero-emission and near-zero-emission vehicles by January 1, 2023, and increasing access for disadvantaged, low-income, and moderate-income communities and consumers to zero-emission and near-zero-emission vehicles.

Existing law establishes the Air Quality Improvement Program, administered by the State board, to fund projects related to, among other things, the reduction of criteria air pollutants and improvement of air quality. Pursuant to the Air Quality Improvement Program, the State board has established the Clean Vehicle Rebate Project to promote the production and use of zero-emission vehicles and the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project to provide vouchers to help California fleets purchase hybrid and zero-emission trucks and buses.

This bill would require the State board, in consultation with stakeholders, to review all programs affecting the adoption of light-duty, medium-duty, and heavy-duty zero-emission vehicles in the State and report to the Legislature no later than July 1, 2019, recommendations for increasing the use of those vehicles for vehicle fleet use and on a general-use basis in the State, as specified.

(2) Existing law requires the Secretary of Government Operations, in consultation with the Department of General Services and other specified State agencies, to develop, implement, and submit to the Legislature and the Governor a plan to improve the overall State vehicle fleet's use of alternative fuels, synthetic lubricants, and fuel-efficient vehicles by reducing or displacing the consumption of petroleum products by the State fleet when compared to the 2003 consumption level, based on a specified schedule.

This bill would require the Department of General Services, beginning no later than the 2024–25 fiscal year, to ensure at least 50% of the light-duty vehicles purchased for the State vehicle fleet each fiscal year are zero-emission vehicles, except as specified.

Vote: majority

Appropriation: no

Fiscal Committee: yes

Local Program: no

## **BILL TEXT**

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

### **SECTION 1.**

The Legislature finds and declares all of the following:

- (a) Governor Edmund G. Brown in Executive Order B-16-2012 stated a goal of having 1.5 million zero-emission vehicles on the road by 2025.
- (b) The low adoption rate of zero-emission vehicles can be attributed, in part, to the lack of charging and fueling infrastructure for those vehicles.
- (c) Zero-emission vehicle charging and fueling infrastructure will expand as more of those vehicles are sold.
- (d) Fleets represent a large number of motor vehicles owned and operated in the State.
- (e) Fleet vehicles are replaced more frequently than single-owner passenger vehicles.
- (f) Owners of fleet vehicles are more likely to have access to vehicle charging and fueling infrastructure.
- (g) Demand from fleet owners can help expand the vehicle charging and fueling infrastructure available to the general public.
- (h) The Legislature has established the Charge Ahead California Initiative at the State Air Resources Board (Chapter 8.5 (commencing with Section 44258) of Part 5 of Division 26 of the Health and Safety Code) to provide incentives that increase the availability of zero-emission vehicles and set a target for placing one million of these vehicles on California’s roadways by January 1, 2023.
- (i) A number of programs have been established at the State Air Resources Board to address transportation sector emissions, including programs designed to encourage the adoption and deployment of zero-emission vehicles.
- (j) In order to achieve California’s climate change goals, the State board must maximize efforts to increase fleet deployment of zero-emission vehicles.

(k) In order to make informed policy decisions with regard to increasing fleet deployment of zero-emission vehicles, the Legislature requires detailed information regarding the effectiveness of existing zero-emission vehicle programs.

## **SEC. 2.**

Section 43018.8 is added to the Health and Safety Code, to read:

**43018.8.** (a) For purposes of this section, "vehicle fleet" means 10 or more vehicles under common ownership or operation.

(b) The State board, in consultation with stakeholders, including, but not limited to, the Institutes of Transportation Studies of the University of California, shall review all State board programs affecting the adoption of light-duty, medium-duty, and heavy-duty zero-emission vehicles in the State and report to the Legislature no later than July 1, 2019, with policy recommendations for increasing the use of those vehicles for vehicle fleet use and on a general-use basis in the State. Specifically, the report shall include a review of the State board's zero-emission vehicle programs, including the specific greenhouse gas or air quality improvement goal for each program; the status of each program with respect to meeting the respective goals for each program; a cost-benefit analysis of each program; and, to the extent feasible, a comparison of the State board's zero-emission vehicle programs with other states' and countries' zero-emission vehicle programs. Based on this information, the report shall also make recommendations on how to maximize the effectiveness of existing programs to expand the use of these vehicles in vehicle fleet use and on a general-use basis in the most cost-effective manner possible that achieves the greatest reduction in greenhouse gas emissions and maximizes improvements to air quality.

(c) The State board shall consider public comments on a draft report of its policy recommendations prepared pursuant to subdivision (b) at a public hearing held at least 30 days before the State board submits the report to the Legislature. The State board may modify the draft report in response to comments received at the public hearing and any other feedback on the draft report provided to the State board.

(d) The State board shall also include in the report recommendations as to how vehicle fleet operators can increase the number of zero-emission vehicles in vehicle fleet use.

(e) The State board, in preparing the report, shall take into account the results of the study required by Section 48 of Chapter 5 of the Statutes of 2017.

(f) A report to be submitted pursuant to this section shall be submitted in compliance with Section 9795 of the Government Code.

## **SEC. 3.**

Section 25724 is added to the Public Resources Code, to read:

**25724.** (a) Beginning no later than the 2024–25 fiscal year, the Department of General Services shall ensure that at least 50 percent of the light-duty vehicles purchased for the State vehicle fleet each fiscal year are zero-emission vehicles.

(b) This section shall not apply to vehicles that have special performance requirements necessary for the protection of public safety, as defined by the Department of General Services.

(c) (1) If the Department of General Services determines that it cannot meet the needs of the State while fulfilling the requirements of this section, the department shall hold a public hearing to make that finding, notify the Secretary of State of the finding, and cease to implement this section.

(2) The Department of General Services may base the finding required pursuant to paragraph (1) on a determination that fulfilling the requirements of this section would result in costs that are not substantially absorbable by the department when purchasing those light-duty vehicles.