



Assemblymember Robert Rivas, 30th Assembly District

AB 1110 – California Clean Fleet Accelerator Program

SUMMARY

Local school districts, small government entities, and other public entities face multiple barriers to adopting zero-emission vehicles. These small entities have limited resources and bandwidth to acquire the Zero-Emission-Vehicles (ZEVs) needed to help meet California’s ambitious climate goals and comply with Governor Newsom’s Executive Order that bans the sale of new gasoline cars by 2035.

Assembly Bill 1110 creates a single point of contact within state government to help these entities navigate and gain access to technical assistance and incentive programs. This legislation also creates a process for realizing cost savings through leveraged buying power, a state sales tax exemption, and the development of creative financing tools that would not otherwise be available.

BACKGROUND

Former Governor Brown and Governor Newsom have issued Executive Orders to encourage the development and success of ZEVs by having 1.5 million ZEVs on California’s roads by 2025, 5 million ZEVs on California’s roads by 2030, and phasing out the sale of gasoline-powered cars by 2035. CARB has also recently approved the Advanced Clean Trucks regulation, which has two components: (1) a manufacturers ZEV sales requirement and (2) large trucking employers are required to report information about shipments and shuttle services. These efforts all coincide with meeting the state’s ambitious climate goals and reduce emissions within the transportation sector. California is strongly incentivizing privatize industries and individuals to transition to ZEVs, but no distinct effort to help local government entities, especially smaller ones, replace their fleets with ZEVs has been made.

Larger municipalities have access to existing purchasing programs and a greater level of purchasing power that allow for discounts on replacing vehicles; however, smaller cities often do not have the resources necessary to implement such purchases, making fleet upgrades difficult. Smaller public entities need access to technical assistance, streamlined financing options, and reduced costs for equipment upgrades in order to successfully comply with state greenhouse gas and fleet mandates and realize long-term cost savings.

PROBLEM

Local governments face three primary barriers to ZEV adoption, especially for medium- and heavy-duty vehicles, which tend to be higher polluting and remain in service longer than light duty vehicles.

First, smaller local governments may not have the staffing resources needed to effectively identify and pursue available state grants, technical assistance, and other tools available to jurisdictions with a dedicated full-time fleet manager.

Second, medium- and heavy-duty zero-emission vehicle technology is still relatively young, resulting in fewer models available and higher up-front costs compared to their fossil-fuel counterparts, despite the lifetime savings they offer on fuel and maintenance costs. Cash-strapped local governments may be eager to adopt ZEVs as soon as possible but lack the bargaining power of larger jurisdictions to negotiate or other up-front savings options.

Third, local governments may lack access to low-interest creative financing tools that can help them realize cost savings from ZEV adoption right away. As a result, most vehicle purchases are made through a large up-front capital outlay, which significantly reduces the buying power of the jurisdiction and prolongs expensive vehicle maintenance backlogs.

SOLUTION

Assembly Bill 1110 provides public entities with access to technical assistance and streamlined financing options for equipment upgrades in order to successfully comply with state ZEV mandates and realize long-term cost savings by:

- Establishing a ZEV Ombudsman tasked with helping jurisdictions to navigate technical requirements and government programs for ZEV adoption;
- Making zero emission vehicles available at reduced cost through a state sales tax exemption and a streamlined bulk purchase process; and
- Requiring state agencies to work with local and regional entities to develop financing tools that will enable the long-term cost savings associated with ZEV adoption.

Assembly Bill 1110 will help smaller local government entities navigate and gain access to technical assistance



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and incentive programs to replace their gas-powered fleets with ZEVs. As California works towards achieving its greenhouse gas reduction goals, moving towards a zero-emission transportation system, and reducing dangerous air pollution, it is vital that our small cities and towns are not left behind.

SUPPORT

- NextGen California (Sponsor)
- Coalition for Clean Air
- ClimatePlan

FOR MORE INFORMATION

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