

March 26, 2021

The Honorable Sabrina Cervantes
Chair, Assembly Committee on Jobs, Economic Development, and the Economy
1020 N Street, Room 359
Sacramento, CA 95814

RE: Assembly Bill 1110 (Rivas) CA Clean Fleet Accelerator Program - SPONSOR

## **Dear Chair Cervantes,**

NextGen California is proud to sponsor AB 1110 (Rivas), the California Clean Fleet Accelerator Program, and we respectfully request your support for the bill. AB 1110 will provide smaller local governments and rural public entities with much needed technical assistance and financial support to procure zero emission vehicles (ZEVs) for their fleets.

AB 1110 seeks to address three primary barriers to ZEV adoption by smaller public entities. First, many small school districts, rural transit agencies, and small local governments face serious logistical hurdles and technical challenges in their efforts to procure ZEVs, given their limited staffing numbers. This bill will establish a single point of contact within state government to help these entities gain access to information on technical assistance and financial incentive programs.

Second, although medium- and heavy-duty zero-emission vehicle technology offers lifetime savings on fuel and maintenance costs compared to older fossil fuel vehicles, the up-front capital expenditures associated with upgrading fleets can still be higher for ZEV equipment. AB 1110 helps to overcome this barrier by creating a process for realizing cost savings through leveraged buying power and bulk purchasing.

Third, smaller public entities may lack access to low-interest financing tools that can help them realize cost savings from ZEV adoption. AB 1110 creates a process for the state to mobilize significant amounts of private capital to offer these entities low-cost financing, without relying on large capital expenditures by the state or program participants. This financing can help entities begin to realize immediate, sustained cost savings from ZEV conversion without making a large, up-front capital outlay.



Many smaller public entities throughout the state are eager to replace their most polluting school buses, garbage trucks, and medium- and heavy-duty vehicles and equipment but they need assistance to do so.

AB 1110 is designed to ensure that the fiscal cost savings as well as public health and environmental benefits associated with converting to ZEV fleets are available to all public entities in our state. As California works to achieve its greenhouse gas emission reduction goals and lower regional air pollution levels, it must move towards a zero-emission transportation system. It is therefore vital that our smaller cities, towns, school districts, and public agencies are not left behind.

NextGen California prioritizes policies and programs that promote ZEV procurement and equitably address climate change. For the above reasons, we respectfully request your "aye" vote on AB 1110.

Sincerely

Arnold Sowell Jr.

Executive Director, NextGen California