

SB 551 (STERN)

CALIFORNIA ELECTRIC VEHICLE AUTHORITY

Updated: 03/09/21

SUMMARY

SB 551 establishes the California Electric Vehicle Authority in the Governor's Office. It will be responsible for coordinating activities among state agencies to deploy electric vehicle and zero-emission charging infrastructure, create funding and financing tools to support these deployments, while prioritizing equity in all funding and programs, economic development, and enhanced workforce training.

THE PROBLEM

California will not achieve its greenhouse gas (GHG) emission reduction targets and meet the state's clean air requirements unless the transportation sector moves away from fossil-based fuels to zero-emission vehicles (ZEV).

The transportation sector accounts for about 50% of the state's GHG emissions, surpassing emissions from the energy sector, that for over a decade has been moving from fossil-based energy resources to renewable energy sources.

California's overreliance on gasoline and diesel fuel has resulted in unhealthy levels of air pollutants that degrade local air quality and contribute to health risks such as asthma, heart and lung disease and other health problems, which disproportionately affect vulnerable and low-income communities. These same communities are often home to gasoline and diesel fuel refineries, compounding health impacts.

California faces significant barriers to achieving its ZEV goals, including:

- Many state agencies play a vital role in developing and implementing ZEV policies, but no single entity is tasked with

providing leadership and direction on ZEV policies.

- A lack of sufficient & consistent funding to build the charging infrastructure, create public and private EV fleets, and provide for affordable ZEV access for low-income residents & disadvantaged communities.
- A lack of economic development tools to grow the industry and supply chain (e.g., Lithium Valley) and investment in developing the workforce needed to support the transition to ZEVs statewide.

BACKGROUND

California is the national leader in the adoption and manufacturing of zero-emission vehicles, home to nearly 50% of all ZEVs on U.S. roads, and ZEVs are now the state's top export. California's leadership has helped spur transportation electrification to tackle the climate crisis, improve air quality and public health (particularly in disadvantaged communities), and grow cleantech industries while creating green jobs.

Over 15 years ago the California Air Resources Board (ARB) was tasked with developing regulations to reduce GHG emissions from motor vehicles (AB 1493 Pavley, Chp. 200, Statutes 2002). These foundational regulations along with the creation of the Alternative and Renewable Fuel and Vehicle Technology Program (AB 118 Nunez, Chp. 750, Statutes 2007) launched California down a path of subsequent clean vehicle policies. Last year, Governor Newsom's Executive Order (E.O. N-79-20) established the goal that 100% of in-state sales of new passenger cars and trucks be zero-emission by 2035, and medium- and heavy-duty vehicles in the state be zero-emission by 2045.

The ARB is now tasked with developing the regulations to meet this goal. This past January, Massachusetts adopted an identical goal emphasizing the national quest to transform the transportation sector.

The Governor's Office of Business and Economic Development (GO-BIZ) recently released the *Zero-Emission Vehicle Market Development Strategy* as an important tool, outlining the goals of each agency, but without a unified leader that has the authority to coordinate among agencies.

California has 800,000 ZEVs, (about half the U.S. total) on the road today with 70,000 publicly accessible ZEV charging stations and a smaller number of hydrogen fueling stations.

It will require a dedicated leader focused on ZEV policies to ensure the state achieves 1.5 million ZEVs by 2025, and 5 million by 2030.

THE SOLUTION

SB 551 establishes the California Electric Vehicle Authority in the Governor's Office, to provide ZEV policy leadership and be more responsive, accountable, and adaptive to ZEV issues. The Authority would be responsible for:

- **Creating a set of funding & financing tools to support the transition and economic development**, including enhancing existing sources for charging, mobility and vehicles, addressing gaps in related financial products, identifying new sources to unlock private capital, & coordinating related federal funding.
- **Serving as the unified face of transportation electrification and zero emissions goods movement**, coordinating statewide efforts to update interim targets, create clear responsibility and ensure accountability.

- **Prioritizing equity in all funding and programs, economic development, and enhanced workforce training.**

SPONSORS

Los Angeles Cleantech Incubator (LACI)
Transportation Electrification Partnership

SUPPORT

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