



May 6, 2022

Senator Toni Atkins
 President Pro Tempore
 California State Senate
 State Capitol, Room 205
 Sacramento, CA 95814

Assemblymember Anthony Rendon,
 Speaker
 California State Assembly
 State Capitol, Room 219
 Sacramento, CA 95814

Senator Nancy Skinner, Chair
 Chair Senate Budget Committee
 1021 O Street, Suite 8630
 Sacramento, CA 95814

Assemblymember Phil Ting,
 Assembly Budget Committee
 1021 O Street, Suite 8230
 Sacramento, CA 94249

RE: State Budget Priorities for Zero-Emission Goods Movement Initiatives

Dear Senator Skinner and Assembly Member Ting:

We are writing you to express our strong support for the important human operated zero-emission (ZE) transportation investments priorities laid out in the Governor’s budget proposal and to call for

expanded and accelerated investments for human operated zero-emissions goods movement initiatives, especially for the 2022-2023 budget year.

We applaud the Governor's clean transportation budget proposal, which includes \$400 million for port electrification over 5 years as well as his proposal to invest \$1.2 billion for port-related high-priority projects including railyard expansions, bridges, and ZE modernization efforts and \$875 million for human operated ZE port equipment, drayage trucks and infrastructure. These multi-year funding proposals are essential and, given the need to rapidly transform the trucking sector to achieve our state goals, we can be even bolder.

The need for state investment to accelerate human operated ZE vehicle adoption has never been more urgent, nor has the state had the means, as it does today, to enact change. The state surplus presents a unique opportunity to lay the strong foundation for an accelerated and equitable transition to a ZE freight transportation system.

We urge you to consider investing a total of **\$3.31 Billion** this year to accelerate the state's transition to human operated zero-emissions for drayage trucks and cargo handling equipment. This aligns with Executive Order N-79-20, our urgent need for clean air, the LACI Transportation Electrification Partnership's target for 40% ZE drayage trucks in Los Angeles County by 2028, and our ambitious yet achievable shared goals of achieving 100% human operated ZE cargo handling equipment and drayage trucks by 2035.

As you know, the ongoing supply chain logistics challenges have highlighted the need to accelerate emissions reduction from goods movement, including the [pollution from ships idling off of California's coasts](#). In order to begin to drastically reduce harmful pollution and emissions from diesel trucks impacting port-adjacent communities throughout the state, we must prioritize investments in port trucks and infrastructure to dramatically reduce the pollution burdens on some of our most vulnerable communities. ***That is why we recommend that the State's investment include \$100 million for additional human operated zero-emission pilot charging infrastructure projects to be expediently deployed to serve the most congested and polluted transportation freight corridors—prioritizing the I-710 freeway and related corridors-- to support the trucks on the road now and those coming over the next couple of years.***

The ports of LA and Long Beach have already passed new truck rate that will help generate local funding for ZE trucks, but without additional state support, we won't bring sufficient investments in truck electrification to fruition to meet our immediate air quality and climate crises.

The Port of LA has recently developed a first-in-the-nation program - *the ZE25 Program* - to deploy ZE trucks to handle cargo movement to destinations within a 25-mile radius and the Port of Long Beach will soon be commissioning the first-ever Public, Heavy-Duty Charging Stations for Drayage Trucks. By accelerating development and deployment of ZE port trucks, the ports will deliver air quality benefits to those port-adjacent communities hardest hit by congestion. Funding for this program will come from the Port, but with state matching funds the impact could be dramatically accelerated.

State investment, coupled with supporting regulation and policies can establish a strong market for human operated ZE freight vehicles. Investments are needed in vehicles, supporting infrastructure, workforce training to operate and maintain human operated zero-emission equipment and infrastructure, and a means to offset the insurance costs for these new vehicles. Specifically, we are asking for the 2022-23 California budget to include:

- \$2 Billion for the California Air Resources Board's Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), Zero and Near Zero-Emission Freight Facilities (ZANZEFF), and Clean Off-Road Equipment (CORE) programs to fund human operated zero-emission drayage and cargo handling equipment, as well as for Port ZE25 initiatives;
- \$1 Billion for the California Energy Commission to fund charging infrastructure that supports EO N-79-20 implementation at California's container ports;
- \$100 Million for expanding the availability and affordability of zero-emission drayage truck insurance for truck owners/drivers;
- \$100 Million for investment to expediently deploy public charging pilot projects along the most polluted and congested freight corridors--prioritizing the I-710 and related goods movement corridors--through a regional partnership(s) with key stakeholders; and
- \$110 Million for Goods Movement Workforce Training Center to train, maintain and operate human operated zero- emission goods movement vehicles and supporting equipment.

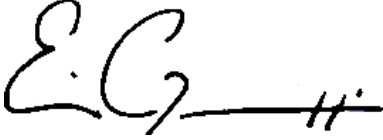
In addition to investment in equipment and infrastructure, we need complementary investment to ensure that the jobs associated with our transition are captured here in California, especially in underserved and frontline communities. Creation of green jobs must be supported by this level of investment; so too should the transition of incumbent workers into the new, greener goods movement system. The Ports of Los Angeles and Long Beach, together with the International Longshore and Warehouse Union and Pacific Maritime Association, plan to build the country's first Goods Movement Workforce Training Center, focusing on workforce training needs as we transition to human operated ZE freight equipment. The campus will play an integral role in California's efforts to accelerate research, development, and deployment of ZE human-operated equipment. This facility will ensure that California's workforce is not left behind in the transition to advanced technologies and be an asset to the State. The campus will be a state asset in that it can train the workforce from across the supply chain. The existing supply chain workforce is comprised of millions of middle-class Californians. The state must play a stronger role in funding the transition to zero-emission heavy duty trucks and equipment and building the supporting infrastructure to create strong local economies while fighting climate change and cutting air pollution.

We share your goals of reducing greenhouse gas emissions, improving air quality and public health, and transitioning to human operated zero-emission vehicles and cargo handling equipment. Our commitment to this goal is evident in our collective global leadership to innovate and implement cutting-edge emission reduction practices. To continue this trajectory, it is imperative that the state's policy leadership be accompanied by major fiscal investments to achieve these goals.

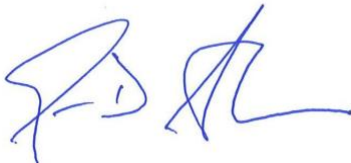
We look forward to continuing to work with you and the full Legislature on additional policy issues

accompanying fleet transition; however, we believe the time is now for the State of California to embrace its unique role in making bold “market maker” investments. This is a critical opportunity to make the essential steps towards stemming climate change with new, clean technologies.

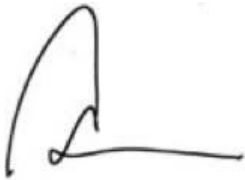
Thank you for your consideration,

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MAYOR ERIC GARCETTI
City of Los Angeles

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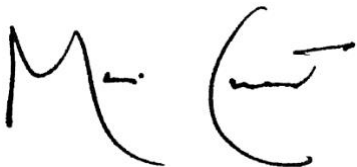
EUGENE D. SEROKA,
Executive Director, Port of Los Angeles

A handwritten signature in black ink, appearing to be 'Matt Petersen'.

Matt Petersen
CEO, Los Angeles Cleantech Incubator
Chair, Transportation Electrification Partnership

A handwritten signature in black ink, appearing to be 'Robert Garcia'.

MAYOR ROBERT GARCIA
City of Long Beach

A handwritten signature in black ink, appearing to be 'Mario Cordero'.

MARIO CORDERO
Executive Director, Port of Los Beach

Adrian Martinez
Staff Attorney
Earth Justice

Heidi Sickler
Director of Policy
AMPLY Power

Andrew Baldonado
Managing Director, State Public Affairs
Southern California Edison

Ramon Ponce
President
International Longshore and Warehouse Union, Local 13

Joe Gasperov
President
International Longshore and Warehouse Union, Local 63

Daniel Miranda
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International Longshore and Warehouse Union, Local 94

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Mike Bush
Head of Communications and Brand
NEXT Trucking

Clay Sandidge
CEO and Founder
Aeras Technology

Pete Marsh
Co-Convenor
Long Beach Sustainable Business Network

Jeanine Pierce
Founder
The California Climate Council

Ellie M. Cohen
Chief Executive Officer
The Climate Center

Naida Tushnet
Board Chair
Long Beach Area Peace Network

Bill Sive
West Coast Organizer
Queers4Climate

Cc: Senator Maria Elena Durazo, Senator Bob Wieckowski, Senator Lena Gonzalez, Assembly Member
Richard Bloom