**** JEDE AMENDMENTS ****

AB 1110 (R. Rivas): Amended Assembly 4/20/21 Submitted by: Toni Symonds, JEDE Committee Staff

Proposed Amendments

- 1. Relocate the statute creating the OCFA from DGS statute to GO-Biz statute.
- 2. Set a specific date for the first meeting of the advisory committee.
- 3. Require the advisory committee to meet at least annually.
- 4. Authorize the development of a leverage procurement agreement, in addition to a master purchase agreement.
- 5. Make other technical and conforming changes.

SECTION 1. Article 9 (commencing with 12100.87) Chapter 14 (commencing with Section 14990) is added to Part 5.5 of Division 3 of Title 2 of the Government Code, to read: -CHAPTER 14. Article 9. California Clean Fleet Accelerator

12100.87 14990. For purposes of this **article** chapter:

(a) "Accelerator" means the Office of the Clean Fleet Accelerator created in Section 14992.

(b) "Director" means the Director of the Governor's Office of Business and Economic Development.

(c) "Eligible vendor" means a person that is any of the following:

(1) A dealer, as that term is defined in Section 285 of the Vehicle Code, that sells a medium- or heavy-duty zeroemission fleet vehicle to a public agency.

(2) Any vendor, eligible under the laws of this state to contract with a public agency, of a zero-emission vehicle that is off-road equipment engaged in the sale of that equipment.

(3) Any vendor, eligible under the laws of this state to contract with a public agency, of a zero-emission vehicle that is an electric bicycle, as that term is defined in Section 312.5 of the Vehicle Code, or electric cargo bicycle.

(d) "Office" means the Governor's Office of Business and Economic Development.

(e) "Ombudsperson" means the Clean Vehicles Ombudsperson created in Section <u>12100.88</u> <u>-14992</u>.

(f) "Public agency" means <u>a public entity pursuant to 1100 of the Public Contract Code.</u> all of the following:

(1) The state and any state agency, as that term is defined in Section 11000.

(2) The Regents of the University of California.

(3) The Trustees of the California State University.

(4) A county.

(5) A city.

(6) Any district formed as an agency of the state, pursuant to general law or a special act, for the local performance of governmental or proprietary functions within limited geographic boundaries, including, but not limited to, the following:

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(g) "Vehicle fleet" means two or more vehicles under common ownership of, or operation by, a public agency.

(h) "Zero-emission fleet vehicle" means a vehicle, off-road equipment, including, but not limited to, a forklift, motorized construction or utility equipment, street sweeper, or other special-use municipal vehicle, an electric bicycle, as that term is defined in Section 312.5 of the Vehicle Code, or an electric cargo bicycle acquired by a public agency for use as part of its vehicle fleet that produces no emissions of criteria pollutants, toxic air contaminants, or greenhouse gases when stationary or operating.

12100.88 14992. (a) (1) There is hereby established the Office of the California Clean Fleet Accelerator, which the office shall administer in accordance with this chapter.

(2) The office may adopt, amend, or repeal guidelines and regulations and promulgate forms in order to carry out its duties under this chapter.

(b) There is within the Office of the California Clean Fleet Accelerator the Clean Vehicles Ombudsperson, who shall oversee the activities of the accelerator. The Clean Vehicles Ombudsperson shall be appointed by, and serve at the pleasure of, the director and shall report directly to the director.

(c) The ombudsperson shall <u>may</u> do all of the following:

(1) Upon the request of a public agency, provide technical assistance to the public agency in the procurement of zero-emission fleet vehicles.

(2) In cooperation with the department, assist a public agency in procuring zero-emission fleet vehicles by bulk purchase under the master service agreement <u>or leveraged procurement agreement</u> developed pursuant to Section 14994.

(3) Actively reach out to small and rural communities to offer technical assistance and other state resources **related to the use and purchase of zero emission vehicles**.

(4) Provide any other assistance to a public agency in procuring zero-emission fleet vehicles that is consistent with the purposes of this chapter, including, but not limited to, identifying available incentives and financing mechanisms.

(d) In carrying out its <u>their</u> duties under this section, the ombudsperson shall prioritize assisting public agencies that serve disadvantaged communities.

(e) The ombudsperson, in consultation with the department, shall consult with each of the following entities in identifying all available programs and incentives offered by the state that can help to reduce costs and increase participation in the master service agreement <u>or leveraged procurement agreement</u> described in Section 14994, as well as any barriers that may prevent programs and incentives offered by these entities from being made available to participants:

(1) The office.

(2) The Transportation Agency.

- (3) The State Energy Resources Conservation and Development Commission.
- (4) The State Air Resources Board.
- (5) The California Infrastructure and Economic Development Bank.

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(6) The Public Utilities Commission.

(7) The California Alternative Energy and Advanced Transportation Financing Authority.

(8) The department.

(f) (1) The ombudsperson shall <u>at least annually</u> convene an advisory committee to aid in the activities of the accelerator. The first advisory committee meeting shall be on or before March 15, 2022.

(2) The advisory committee shall include vehicle fleet managers or other appropriate persons representing, at minimum, the following:

(A) Five cities with populations less than 150,000.

(B) At least two regional organizations, which may include, but are not limited to, councils of governments or metropolitan planning organizations.

(C) Two jurisdictions that, in the office's judgment, have demonstrated experience in acquiring electric vehicles for use in their vehicle fleets.

(D) As appropriate, representatives of the entities described in subdivision (e).

(3) The advisory committee shall do all of the following:

(A) Identify and publish best practices in adopting zero-emission fleet vehicles.

(B) Identify appropriate candidate vehicles for bulk purchase <u>or leveraged procurement agreement</u>.

(C) Assist in promoting and encouraging participation in the California Clean Fleet Accelerator Program.

(g) The ombudsperson shall develop, and recommend that the department adopt, criteria for evaluating vehicle bulk purchase **and leveraged procurement agreement** options pursuant to Section 14994, giving additional consideration to offers of sale of zero-emission fleet vehicles produced by manufacturers that are able to demonstrate a pattern of activity showing superior performance in meeting the following criteria:

(1) Adherence to high-road labor.

(2) Job creation within this state.

(3) Providing training and hiring opportunities to residents in disadvantaged communities.

(4) Demonstrated commitment to racial and gender equity, as indicated by proportionate representation of women and persons of color among all levels of employees.

SEC 2. Chapter 14 (commencing with Section 14990) is added to Part 5.5 of Division 3 of Title 2 of the Government Code, to read: CHAPTER 14. California Clean Fleet Purchasing Accelerator

14990. For the purpose of this chapter:

(a) "Eligible vendor" means a person that is any of the following:

(1) A dealer, as that term is defined in Section 285 of the Vehicle Code, that sells a medium- or heavy-duty zero-emission fleet vehicle to a public agency.

(2) Any vendor, eligible under the laws of this state to contract with a public agency, of a zero-emission vehicle that is off-road equipment engaged in the sale of that equipment.

(3) Any vendor, eligible under the laws of this state to contract with a public agency, of a zero-emission vehicle that is an electric bicycle, as that term is defined in Section 312.5 of the Vehicle Code, or electric cargo bicycle.

(b) "Public agency" means a public entity pursuant to 1100 of the Public Contract Code.

(c) "Vehicle fleet" means two or more vehicles under common ownership of, or operation by, a public agency.

(d) "Zero-emission fleet vehicle" means a vehicle, off-road equipment, including, but not limited to, a forklift, motorized construction or utility equipment, street sweeper, or other special-use municipal vehicle, an electric bicycle, as that term is defined in Section 312.5 of the Vehicle Code, or an electric cargo bicycle acquired by a public agency for use as part of its vehicle fleet that produces no emissions of criteria pollutants, toxic air contaminants, or greenhouse gases when stationary or operating.

14994. (a) (1) The department shall issue a nonmandatory master service agreement <u>or leveraged procurement</u> <u>agreement</u> for the bulk purchase of zero-emission fleet vehicles by a public agency. In developing the requirements and conditions of the master service agreement, the department shall consult with the ombudsperson and take into consideration the recommendations of the advisory committee convened pursuant to subdivision (f) of Section 14992 and the criteria developed pursuant to subdivision (g) of Section 14992.

(2) The master service agreement **and leveraged procurement agreement** shall, at minimum, establish standard pricing for bulk purchases of zero-emission fleet vehicles, taking into consideration any applicable state or federal tax credits or other financial incentives and low-cost financing options available to public agencies for that purpose.

(3) A public agency that acquires a zero-emission fleet vehicle pursuant to the master service agreement <u>or</u> <u>leveraged procurement agreement</u> developed pursuant to this section shall comply with all other applicable laws and policies governing the acquisition of that zero-emission fleet vehicle, including, but not limited to, the Public Contract Code and the regulations of the department.

(b) In carrying out its duties under this section, the department shall, to the extent feasible, provide for the first round of zero-emission fleet vehicle acquisition by public agencies under the master service agreement <u>or</u> <u>leveraged procurement agreement</u> developed pursuant to this section no later than June 30, 2022, or, if that date is not feasible, as soon thereafter as is reasonably practicable, and annually thereafter, provided that sufficient participation exists among public agencies.

(c) Nothing in this section alters or revokes any existing authority of the department to engage in activities related to the purchase of zero-emission fleet vehicles.

SEC 3. SEC. 2. Section 63048.92 of the Government Code is amended to read:

63048.92. The definitions contained in this section are in addition to the definitions contained in Section 63010 and together with the definitions contained in that section shall govern the construction of this article, unless the context requires otherwise:

(a) "Bank" means the Infrastructure and Economic Development Bank.

(b) "Climate catalyst project" means any building, structure, equipment, infrastructure, or other improvement within California, or financing the general needs of any sponsor or participating party for operations or activities within California that are consistent with, and intended to, further California's climate goals, activities that reduce climate risk, and the implementation of low-carbon technology and infrastructure. "Climate catalyst project" includes, but is not limited to, the acquisition of a zero-emission fleet vehicle pursuant to the master service agreement developed in accordance with Chapter 14 (commencing with Section 14990) of Part 5.5 of Division 3 of Title 2.

(c) "Climate Catalyst Revolving Loan Fund" means revolving funds by that name created under, and administered pursuant to, this article to provide financial assistance for climate catalyst projects.

(d) "Climate Catalyst Revolving Loan Fund Program" means the program of that name to administer the Climate Catalyst Revolving Loan Fund and to provide financial assistance for climate catalyst projects, to be administered by the bank pursuant to this article and criteria, priorities, and guidelines to be adopted by the bank board.

(e) "Sponsor" and "participating party" shall mean the same as defined in Section 63010, but also include federally recognized Native American tribes and tribal business enterprises located in California.

SEC 4. SEC. 3. Section 63048.93 of the Government Code is amended to read:

63048.93. (a) (1) The bank is hereby authorized and empowered to provide financial assistance under the Climate Catalyst Revolving Loan Fund Program to any eligible sponsor or participating party either directly or to a lending or financial institution, in connection with the financing or refinancing of a climate catalyst project, in accordance with an agreement or agreements, between the bank and the sponsor or participating party, including, but not limited to, tribes, either as a sole lender or in participation or syndication with other lenders.

(2) The Strategic Growth Council shall review and make a recommendation on providing financial assistance under the Climate Catalyst Revolving Loan Fund Program to include, but not be limited to, loan loss reserves, revolving loan funds, and other financial instruments to facilitate climate catalyst projects that consist of the acquisition of zero-emission fleet vehicles pursuant to the master service agreement <u>or leveraged procurement</u> <u>agreement</u> developed pursuant to Section 14994 or other agreements pursued upon the advice of the Clean Vehicles Ombudsperson to accelerate zero-emission vehicle adoption by public agencies.

(b) Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 does not apply to any criteria, priorities, and guidelines adopted by the bank in connection with the Climate Catalyst Revolving Loan Fund Program or any other program of the bank.

(c) Repayments of financing made under the Climate Catalyst Revolving Loan Fund Program shall be deposited in the appropriate account created within the Climate Catalyst Revolving Loan Fund.

(d) The Strategic Growth Council, in consultation with the Labor and Workforce Development Agency, shall advise the Legislature prior to the end of each calendar year, commencing with the calendar year of 2020, of potential categories of climate catalyst projects that would focus on the state's key climate mitigation and resilience priorities. The Strategic Growth Council's recommendations may include indicative percentages of investment allocations across identified priority sectors. The Strategic Growth Council shall inform the bank of the advice provided to the Legislature.