

AMENDED IN ASSEMBLY APRIL 20, 2021

AMENDED IN ASSEMBLY MARCH 23, 2021

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1110**

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**Introduced by Assembly Member Robert Rivas  
(Coauthors: Assembly Members Chiu, Cristina Garcia, and Stone)**

February 18, 2021

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An act to amend Sections 63048.92 and 63048.93 of, and to add Chapter 14 (commencing with Section 14990) to Part 5.5 of Division 3 of Title 2 of, the Government Code, relating to climate catalyst projects.

LEGISLATIVE COUNSEL'S DIGEST

AB 1110, as amended, Robert Rivas. Zero-emission vehicles: *Office of the California Clean Fleet Accelerator Program*: ~~Accelerator Program~~: *Accelerator*: Climate Catalyst Revolving Loan Fund Program.

(1) Existing law, the Charge Ahead California Initiative, administered by the State Air Resources Board, includes goals of, among other things, placing in service at least 1,000,000 zero-emission and near-zero-emission vehicles by January 1, 2023, and establishing a self-sustaining California market for zero-emission and near-zero-emission vehicles in which zero-emission and near-zero-emission vehicles are a viable mainstream option for individual vehicle purchasers, businesses, and public fleets.

This bill would establish the *Office of the California Clean Fleet Accelerator Program*, *Accelerator*, administered by the ~~Department of General Services (DGS)~~. ~~The Governor's Office of Business and Economic Development (GO-Biz)~~. *The bill would also create the Clean*

*Vehicles Ombudsperson, to be appointed by and report directly to the Director of GO-Biz, to oversee the activities of the Office of the California Clean Fleet Accelerator. The bill, among other things, would require the ombudsperson, in consultation with the Department of General Services (DGS), to consult with specified 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, as described below, and to convene an advisory committee to aid the activities of the Office of the California Clean Fleet Accelerator. The bill would also require the ombudsperson to develop, and recommend that DGS adopt, criteria for evaluating vehicle bulk purchase options, as provided.*

*The bill would require DGS, in consultation with ~~specified state agencies and regional and local entities~~, the ombudsperson and taking into account the recommendations of the advisory committee and the criteria recommended by the ombudsperson as described above, to ~~develop~~ issue a nonmandatory master service agreement to solicit bids from eligible vendors for ~~standardized~~, the bulk purchase options for the acquisition of zero-emission fleet vehicles, as defined, by a public agency, as defined. The bill would require that the master service agreement, at minimum, establish standard pricing for bulk purchases of zero-emission fleet vehicles, taking into consideration applicable financial incentives and low-cost financing options. The bill would require DGS to provide for the first round of zero-emission fleet vehicle acquisitions under the master service agreement no later than ~~January 31~~, June 30, 2022, to the extent feasible, or otherwise as soon thereafter as is reasonably practicable. ~~The bill would establish the Office of the Clean Vehicles Ombudsperson, under the control of a director known as the Clean Vehicles Ombudsperson, within the Governor's Office of Business and Economic Development (GO-Biz) and require the ombudsperson, among other things, to provide technical assistance to a public agency in the procurement of zero-emission fleet vehicles upon request.~~ *practicable, and annually thereafter, as provided.**

(2) Existing law, the Bergeson-Peace Infrastructure and Economic Development Bank Act, establishes the California Infrastructure and Economic Development Bank (I-Bank) in GO-Biz and, among other things, authorizes the I-Bank to make loans, issue bonds, and provide financial assistance for various types of projects that qualify as economic development facilities or public development facilities, as those terms are defined. Existing

*Existing law, the Climate Catalyst Revolving Loan Fund Act of 2020, establishes the Climate Catalyst Revolving Loan Fund ~~Program and Program~~, authorizes the I-Bank to provide financial assistance to any eligible sponsor or participating party for eligible climate catalyst projects, as provided, and defines various terms for these purposes. Existing law requires the Strategic Growth Council, in consultation with the Labor and Workforce Development Agency, to advise the Legislature before the end of each calendar year of potential categories of climate catalyst projects that would focus on the state’s key climate mitigation and resilience priorities, as provided. Existing law creates the Climate Catalyst Revolving Loan Fund and makes moneys available, upon appropriation, for expenditure for purposes of the Climate Catalyst Revolving Loan Fund Program.*

This bill would expressly provide that the acquisition of a zero-emission fleet vehicle pursuant to the master service ~~agreement agreement~~, developed ~~in accordance with the California Clean Fleet Accelerator Program~~, as described above, is a climate catalyst project eligible for financial assistance under the Climate Catalyst Revolving Loan Fund Program. The bill would require ~~that the Strategic Growth Council to review and make a recommendation on providing~~ financial assistance under the program *to include 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 that master service ~~agreement. agreement or other agreements pursued upon the advice of the Clean Vehicles Ombudsperson to accelerate zero-emission vehicle adoption by public agencies.~~*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
 State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Chapter 14 (commencing with Section 14990)  
 2 is added to Part 5.5 of Division 3 of Title 2 of the Government  
 3 Code, to read:

4  
 5 CHAPTER 14. CALIFORNIA CLEAN FLEET ACCELERATOR  
 6 PROGRAM

7  
 8 14990. For purposes of this chapter:

1 (a) “Accelerator” means the Office of the Clean Fleet  
2 Accelerator created in Section 14992.

3 (b) “Director” means the Director of the Governor’s Office of  
4 Business and Economic Development.

5 ~~(a)~~

6 (c) “Eligible vendor” means a person that is any of the  
7 following:

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

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

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

18 ~~(b)~~

19 (d) “Office” means the Governor’s Office of Business and  
20 Economic Development.

21 ~~(e)~~

22 (e) “Ombudsperson” means ~~the Office of the Clean Vehicles~~  
23 Ombudsperson created in Section 14992.

24 ~~(d)~~

25 (f) “Public agency” means all of the following:

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

28 (2) The Regents of the University of California.

29 (3) The Trustees of the California State University.

30 (4) A county.

31 (5) A city.

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

36 (A) A school district.

37 (B) A transit district.

38 (7) Any other political subdivision of this state.

39 ~~(e)~~

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

3 (f)

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

12 14992. (a) (1) There is hereby established the *Office of the*  
13 *California Clean Fleet Accelerator Program, Accelerator*, which  
14 the ~~department~~ *office* shall administer in accordance with this  
15 chapter.

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

19 (b) There is within ~~the office~~ the Office of *the California Clean*  
20 *Fleet Accelerator* the Clean Vehicles Ombudsperson, ~~which shall~~  
21 ~~be under the control of a director known as the Clean Vehicles~~  
22 ~~Ombudsperson.~~ *who shall oversee the activities of the accelerator.*  
23 The Clean Vehicles Ombudsperson shall be appointed by, and  
24 serve at the pleasure of, the director and shall report directly to the  
25 director.

26 (c) *The ombudsperson shall do all of the following:*

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

30 (2) *In cooperation with the department, assist a public agency*  
31 *in procuring zero-emission fleet vehicles by bulk purchase under*  
32 *the master service agreement developed pursuant to Section 14994.*

33 (3) *Actively reach out to small and rural communities to offer*  
34 *technical assistance and other state resources.*

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

1 (d) In carrying out its duties under this section, the  
2 ombudsperson shall prioritize assisting public agencies that serve  
3 disadvantaged communities.

4 (e) The ombudsperson, in consultation with the department,  
5 shall consult with each of the following entities in identifying all  
6 available programs and incentives offered by the state that can  
7 help to reduce costs and increase participation in the master  
8 service agreement described in Section 14994, as well as any  
9 barriers that may prevent programs and incentives offered by these  
10 entities from being made available to participants:

11 (1) The office.

12 (2) The Transportation Agency.

13 (3) The State Energy Resources Conservation and Development  
14 Commission.

15 (4) The State Air Resources Board.

16 (5) The California Infrastructure and Economic Development  
17 Bank.

18 (6) The Public Utilities Commission.

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

21 (8) The department.

22 (f) (1) The ombudsperson shall convene an advisory committee  
23 to aid in the activities of the accelerator.

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

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

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

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

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

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

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

39 (B) Identify appropriate candidate vehicles for bulk purchase.

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

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

9 (1) Adherence to high-road labor.

10 (2) Job creation within this state.

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

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

16 ~~14994. (a) (1) The department, in consultation with those~~  
17 ~~entities specified in paragraph (2), shall develop a nonmandatory~~  
18 ~~master service agreement to solicit bids from eligible vendors for~~  
19 ~~standardized, bulk purchase options for the acquisition of~~  
20 ~~zero-emission fleet vehicles by a public agency, consistent with~~  
21 ~~the requirements of this chapter.~~

22 ~~(2) The department, in consultation with the ombudsperson,~~  
23 ~~shall consult with each of the following entities in developing the~~  
24 ~~master service agreement described in paragraph (1):~~

25 ~~(A) The office.~~

26 ~~(B) The Transportation Agency.~~

27 ~~(C) The State Energy Resources Conservation and Development~~  
28 ~~Commission.~~

29 ~~(D) The State Air Resources Board.~~

30 ~~(E) The Infrastructure and Economic Development Bank.~~

31 ~~(F) The Public Utilities Commission.~~

32 ~~(G) The California Alternative Energy and Advanced~~  
33 ~~Transportation Financing Authority.~~

34 ~~(H) Five cities with populations less than 150,000.~~

35 ~~(I) At least two regional organizations, which may include, but~~  
36 ~~are not limited to, councils of governments or metropolitan~~  
37 ~~planning organizations.~~

38 ~~(J) Two jurisdictions that, in the department's judgment, have~~  
39 ~~demonstrated experience in acquiring electric vehicles for use in~~  
40 ~~their vehicle fleets.~~

1 14994. (a) (1) The department shall issue a nonmandatory  
 2 master service agreement for the bulk purchase of zero-emission  
 3 fleet vehicles by a public agency. In developing the requirements  
 4 and conditions of the master service agreement, the department  
 5 shall consult with the ombudsperson and take into consideration  
 6 the recommendations of the advisory committee convened pursuant  
 7 to subdivision (f) of Section 14992 and the criteria developed  
 8 pursuant to subdivision (g) of Section 14992.

9 ~~(b)~~  
 10 (2) The master service agreement ~~described in subdivision (a)~~  
 11 shall, at minimum, establish standard pricing for bulk purchases  
 12 of zero-emission fleet vehicles, taking into consideration any  
 13 applicable state or federal tax credits or other financial incentives  
 14 and low-cost financing options available to public agencies for  
 15 that purpose.

16 ~~(e) (1) Subject to paragraph (2), a~~  
 17 (3) A public agency that acquires a zero-emission fleet vehicle  
 18 pursuant to the master service agreement developed pursuant to  
 19 this section shall comply with all other applicable laws and policies  
 20 governing the acquisition of that zero-emission fleet vehicle,  
 21 including, but not limited to, the Public Contract Code and the  
 22 regulations of the department.

23 ~~(2) In awarding contracts for the bulk purchase of zero-emission~~  
 24 ~~fleet vehicles pursuant to the master agreement developed pursuant~~  
 25 ~~to this section, a public agency shall give additional consideration~~  
 26 ~~to eligible vendors that meet the following criteria:~~

27 ~~(A) The eligible vendor utilizes a skilled and trained workforce,~~  
 28 ~~as that term is defined in Section 2601 of the Public Contract Code.~~

29 ~~(B) The eligible vendor demonstrates job creation within this~~  
 30 ~~state.~~

31 ~~(C) The eligible vendor commits to providing training and hiring~~  
 32 ~~opportunities to residents in disadvantaged communities.~~

33 ~~(D) The eligible vendor has a demonstrated commitment to~~  
 34 ~~racial equity.~~

35 ~~(d)~~  
 36 (b) In carrying out its duties under this section, the department  
 37 shall, to the extent feasible, provide for the first round of  
 38 zero-emission fleet vehicle acquisition by public agencies under  
 39 the master service agreement developed pursuant to this section  
 40 no later than ~~January 31, June 30, 2022,~~ or, if that date is not



1 feasible, as soon thereafter as is reasonably ~~practicable~~; *practicable*,  
2 *and annually thereafter, provided that sufficient participation*  
3 *exists among public agencies.*

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

7 ~~14996. (a) The ombudsperson shall do all of the following:~~

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

11 ~~(2) In cooperation with the office, assist a public agency in~~  
12 ~~procuring zero-emission fleet vehicles by bulk purchase under the~~  
13 ~~master service agreement developed pursuant to Section 14994.~~

14 ~~(3) Actively reach out to small and rural communities to offer~~  
15 ~~technical assistance and other state resources.~~

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

20 ~~(b) In carrying out its duties under this section, the~~  
21 ~~ombudsperson shall prioritize assisting public agencies that serve~~  
22 ~~disadvantaged communities.~~

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

25 63048.92. The definitions contained in this section are in  
26 addition to the definitions contained in Section 63010 and together  
27 with the definitions contained in that section shall govern the  
28 construction of this article, unless the context requires otherwise:

29 (a) “Bank” means the Infrastructure and Economic Development  
30 Bank.

31 (b) “Climate catalyst project” means any building, structure,  
32 equipment, infrastructure, or other improvement within California,  
33 or financing the general needs of any sponsor or participating party  
34 for operations or activities within California that are consistent  
35 with, and intended to, further California’s climate goals, activities  
36 that reduce climate risk, and the implementation of low-carbon  
37 technology and infrastructure. “Climate catalyst project” includes,  
38 but is not limited to, the acquisition of a zero-emission fleet vehicle  
39 pursuant to the master service agreement developed in accordance  
40 with the ~~California Clean Fleet Accelerator Program (Chapter~~

1 *Chapter* 14 (commencing with Section 14990) of Part 5.5 of  
2 Division 3 of Title 2): 2.

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

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

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

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

19 63048.93. (a) (1) The bank is hereby authorized and  
20 empowered to provide financial assistance under the Climate  
21 Catalyst Revolving Loan Fund Program to any eligible sponsor or  
22 participating party either directly or to a lending or financial  
23 institution, in connection with the financing or refinancing of a  
24 climate catalyst project, in accordance with an agreement or  
25 agreements, between the bank and the sponsor or participating  
26 party, including, but not limited to, tribes, either as a sole lender  
27 or in participation or syndication with other lenders.

28 (2) ~~Financial~~ *The Strategic Growth Council shall review and*  
29 *make a recommendation on providing financial assistance provided*  
30 *under the Climate Catalyst Revolving Loan Fund Program shall*  
31 *to include, but is not be limited to, loan loss reserves, revolving*  
32 *loan funds, and other financial instruments to facilitate climate*  
33 *catalyst projects that consist of the acquisition of zero-emission*  
34 *fleet vehicles pursuant to the master service agreement developed*  
35 *pursuant to Section 14994, 14994 or other agreements pursued*  
36 *upon the advice of the Clean Vehicles Ombudsperson to accelerate*  
37 *zero-emission vehicle adoption by public agencies.*

38 (b) Chapter 3.5 (commencing with Section 11340) of Part 1 of  
39 Division 3 of Title 2 does not apply to any criteria, priorities, and  
40 guidelines adopted by the bank in connection with the Climate

1 Catalyst Revolving Loan Fund Program or any other program of  
2 the bank.

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

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

O