

December 23, 2020

The Honorable Gavin Newsom Governor of California California State Capitol, Suite 1173 Sacramento, CA 95814

In re: 2021-22 Budget and Sustainable Transportation Investment

Dear Governor Newsom:

On behalf of the American Lung Association, I write to express our support for achieving the vision set out in Executive Orders N-19-19 and N-79-20. We urge you to take strong actions within your 2021-22 budget proposal to move more rapidly to the healthier, more equitable and more sustainable transportation system envisioned in those orders.

We are deeply concerned by the convergence of multiple health crises facing Californians today, and the disproportionate impacts that COVID-19, air pollution and climate change are having on our most vulnerable communities. The recently released Lancet medical journal's 2020 Climate Change Countdown report noted the urgency of bringing climate change investments into focus as we emerge from the COVID-19 pandemic: "Ensuring that the recovery from the pandemic is synergistic with the long-term public health imperative of responding to climate change will be crucial in the coming months, years, and decades."

The transportation sector is the leading source of harmful air and climate pollution in California, generating a wide range of health impacts including asthma attacks, heart attacks and strokes, lung cancer and premature death, as well as disparities in exposure to harmful air pollution these negative outcomes. Conversely, the widespread transition to zero emission transportation could yield up to \$22 billion in annual public health benefits in California, according to the American Lung Association's recent Road to Clean Air report. We call on you to redouble California's leadership by directing significant transportation and climate investments to support health and reduce disparities today:

Executive Orders N-19-19 and N-79-20 rightly focused on aligning transportation spending with health-protective climate standards and accelerating the transition to zero-emission transportation. Achieving the vision laid out in these Executive Orders is critical to protecting public health and will require strong, consistent and increasing levels of investment in cleaning up the transportation sector and shifting to healthier transportation options. We urge you to increase investment in existing programs through the Greenhouse Gas Reduction Fund (GGRF) and other funding sources:

Increase Low Carbon Transportation investments within the GGRF, and prioritizing investment in our most disadvantaged communities. We recommend the following GGRF investments:

• \$300 million for Clean Vehicle Rebate Program and Equity-based programs. As California moves to achieve 100 percent zero emission vehicle sales by 2035, light-duty consumer incentives should increasingly shift to supporting low- and moderate-income consumers. We encourage a greater focus on programs that expand the primary and

secondary zero-emission vehicle market for low- and moderate-income consumers, such as the Clean Cars 4 All program that provides the opportunity to replace high-polluting vehicles with cleaner vehicles, or other clean mobility options that can also reduce vehicle miles traveled.

• \$250 million for the Clean Truck and Bus Program. The rapid clean-up of the heavy-duty vehicle sector is critical to achieving clean air and climate standards, as well as addressing disparities in diesel exposure and negative health outcomes. In order to accelerate the transition to zero emission truck technologies — including in the port drayage category slated for full transition to zero emission by 2035 — significant and continued investment in the Clean Truck and Bus Program is needed.

We urge your ongoing commitment to Air Toxic and Criteria Pollutants (AB 617) program, and other programs targeting community-level air quality improvement. As the list of AB 617 communities continues to expand and evolve, funding must keep pace in terms of supporting emission reductions, community engagement and local implementation. We also encourage continued attention to agricultural, freight and other equipment in further support of achieving a full transition to zero emissions in the off-road category by 2035 as outlined in N-79-20.

We encourage you to add resources beyond the GGRF to accelerate progress on meeting our air pollution and climate standards:

- Propose a Climate Bond including a minimum of \$1.5 billion to bolster existing programs to accelerate zero emission transportation in addition to GGRF and other funds. Because existing programs are continuously oversubscribed, additional investments are needed to accelerate deployment of zero emission vehicles and equitable access to infrastructure in support of N-79-20. We also encourage additional investment in transit, active transportation and land use programs that reduce vehicle miles traveled and boost healthier transportation options as envisioned in your Executive Orders, and which are critical to achieving our clean air and climate standards.
- Support the reauthorization of the Air Quality Improvement Program and Clean
 Transportation Program which fund clean vehicle projects at the California Air
 Resources Board and infrastructure projects through the California Energy Commission.
 These funding sources are critical to achieving our clean air and climate standards, but
 are authorized only through 2023. As noted in the Energy Commission's December 2020 report on infrastructure needs, "strategic charging infrastructure installation is
 necessary to increase access for all Californians, including low-income households."

In conclusion, to achieve our clean air and climate standards, California must accelerate investments aligned with achieving the zero emission and sustainable transportation vision outlined in Executive Orders N-19-19 and N-79-20. We look forward to your budget proposal and thank you for considering our perspective.

Sincerely,

William Barrett

Director, Clean Air Advocacy