

CONCURRENCE IN SENATE AMENDMENTS

AB 117 (Boerner Horvath)

As Amended August 11, 2022

Majority vote

SUMMARY

Establishes the Electric Bicycle Incentive Project (e-bike Project) to provide incentives, in the form of vouchers, to income-eligible individuals for the purchase of e-bikes at participating retailers.

Senate Amendments

- 1) Remove specific guidance related to incentive amount and income eligibility and instead generally require the California Air Resources Board (CARB) to a) ensure that incentives are adjusted to maximize participation from low-income individuals and b) set eligibility, as part of a public process, based on income.
- 2) Remove the requirement that the e-bike Project be created in conjunction with the Clean Vehicle Rebate Project.
- 3) Remove the date by which CARB must establish the Project because that date has since passed, and instead specify that the Project is established.

COMMENTS

With these amendments, the bill is substantially similar to the bill that was heard in the Assembly.

The Budget Act of 2021 (Skinner), Chapter 69, Statutes of 2021, allocated \$10 million to establish the Electric Bicycle Incentives Project, no later than July 1, 2022, to provide financial incentives for purchasing e-bikes. Up to 10% of the total funding was made available to support related programs such as safety education programs. E-bikes eligible for the incentives include, but are not limited to, those designed for people with disabilities; utility bicycles for carrying equipment or passengers, including children; and folding bicycles.

With the passage of the Budget Act, and the \$10 million allocation for e-bikes, this bill stalled in Senate Appropriations in August 2021.

According to CARB's Fiscal Year 2021-22 Funding Plan for Clean Transportation Incentives, which serves as the blueprint for expending the Low Carbon Transportation and Air Quality Improvement funds appropriated to CARB in the state budget:

The e-bike Project is a new project that aims to provide "on-the-saddle" rebates to reduce the purchase price for e-bikes to income qualified consumers. The pilot will be designed to help Californians reduce their vehicle miles traveled (VMT) by lowering barriers to e-bike ownership, as well as learn about bicycle safety and support local businesses.

The Electric Bicycle Incentives Project will pilot an approach that aims to 1) help people replace car trips with e-bike trips, 2) increase access to electric bicycles, and 3) reduce greenhouse gas (GHG) emissions.

The e-bike Project is currently under development. CARB staff anticipates having a project administrator in place by mid-to-late 2022. Solicitation, policy, and implementation public work groups was held throughout the rest of 2021 and will continue throughout 2022.

According to the Author

"As we continue electrifying transportation in California, we need to keep an eye to equitable incentives that help working Californians choose to get out of their cars. Many working families need to go on bicycle to get to where they need to go-for work, recreation-and, in many cases, this is their only reliable form of transportation. For many families, living in older, multifamily apartments, electric vehicles remain unattainable because there is no charging infrastructure where they can park. However, e-bikes are a more affordable and practical solution for solving the first/last mile problem, which in much of our state is a five mile problem. [This bill] will provide an incentive for e-bikes, offering a more environmentally friendly alternative to encourage the expansion of biking as a viable form of transportation."

Arguments in Support

"Increasing the number of trips that Californians make by bicycle, in combination with land use changes and improvements to walking and transit, is essential to achieving the reduction in VMT called for in SB 375, and is absolutely necessary if we are to achieve our GHG reduction goals. The emergence of e-bikes is hugely beneficial to this goal and should be bolstered. Unfortunately, the expense of an e-bike makes them inaccessible to low-income people and deters even middle-income people from buying an e-bike. The adoption rate of e-bikes in the [United States], as a proportion of the bicycle market, is a small fraction of the adoption rate in many other countries. Financial assistance is necessary at this stage to foster their adoption at the rate necessary to take advantage of their utility to help meet California's climate, air quality, and health goals."

Arguments in Opposition

No opposition on file.

FISCAL COMMENTS

According to the Senate Appropriations Committee:

- 1) Depending on the level of funding provided to the program in the future, CARB may need additional dedicated resources to implement EBIP, potentially in the low-hundreds of thousands annually. To date, CARB has absorbed the workload associated with implementation. (General Fund)
- 2) Ongoing cost pressures of approximately \$10 million annually, beginning in 2022-23, to provide local assistance funding for e-bike incentives (General Fund, Air Quality Improvement Fund, or Greenhouse Gas Reduction Fund). Staff notes that the 2021-22 budget includes a one-time \$10 million General Fund appropriation to establish an e-bike incentive voucher program.

VOTES:

ASM TRANSPORTATION: 11-0-4

YES: Friedman, Berman, Cunningham, Daly, Gipson, Kalra, Lee, Medina, Nazarian, O'Donnell, Ward

ABS, ABST OR NV: Fong, Davies, Nguyen, Wicks

ASM APPROPRIATIONS: 12-3-1

YES: Lorena Gonzalez, Calderon, Carrillo, Chau, Gabriel, Eduardo Garcia, Levine, Quirk, Robert Rivas, Akilah Weber, Holden, Luz Rivas

NO: Bigelow, Megan Dahle, Davies

ABS, ABST OR NV: Fong

ASSEMBLY FLOOR: 74-2-3

YES: Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Berman, Bigelow, Bloom, Boerner Horvath, Bryan, Burke, Calderon, Carrillo, Cervantes, Chau, Chen, Chiu, Choi, Cooley, Cooper, Cunningham, Megan Dahle, Daly, Frazier, Friedman, Gabriel, Cristina Garcia, Eduardo Garcia, Gipson, Lorena Gonzalez, Gray, Grayson, Holden, Irwin, Jones-Sawyer, Kalra, Kiley, Lackey, Lee, Levine, Low, Maienschein, Mathis, Mayes, McCarty, Medina, Mullin, Muratsuchi, Nazarian, Nguyen, O'Donnell, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Seyarto, Smith, Stone, Ting, Valladares, Villapudua, Voepel, Waldron, Ward, Akilah Weber, Wicks, Wood, Rendon

NO: Davies, Gallagher

ABS, ABST OR NV: Flora, Fong, Patterson

SENATE FLOOR: 37-0-3

YES: Allen, Archuleta, Atkins, Becker, Borgeas, Bradford, Caballero, Cortese, Dahle, Dodd, Durazo, Eggman, Glazer, Gonzalez, Grove, Hertzberg, Hueso, Hurtado, Jones, Kamlager, Laird, Leyva, Limón, McGuire, Min, Nielsen, Ochoa Bogh, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener, Wilk

ABS, ABST OR NV: Bates, Melendez, Newman

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