
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair
2021 - 2022 Regular Session

AB 794 (Carrillo) - Air pollution: purchase of new drayage and short-haul trucks: incentive programs: eligibility: labor and workforce standards

Version: July 12, 2021

Urgency: No

Hearing Date: August 26, 2021

Policy Vote: E.Q. 5 - 0, L., P.E. & R. 4 - 1

Mandate: No

Consultant: Ashley Ames

Bill Summary: This bill would attach labor and workforce standards to eligibility for various clean vehicle incentive programs administered by the California Air Resources Board (ARB) for fleet purchasing in port drayage and short-haul trucking service.

******* ANALYSIS ADDENDUM – SUSPENSE FILE *******

**The following information is revised to reflect amendments
adopted by the committee on August 26, 2021**

Fiscal Impact:

- Unknown but likely significant ongoing costs, possibly in the millions of dollars annually (General Fund and Greenhouse Gas Reduction Fund [GGRF]) for ARB to update impacted incentive programs, amend funding guidelines, process and track grant agreements, and enforce the provisions of this bill, among other things.
- Unknown costs for the Labor and Workforce Development Agency (LWDA) to collaborate with ARB.

Author Amendments: The proposed amendments would determine shared roles and responsibilities between ARB and LWDA. Specifically, these amendments would:

1. Define “applicable law” as California laws within the LWDA’s jurisdiction related to the misclassification of employees as independent contractors, including the failure to pay wages, imposing unlawful expenses on employees, failure to provide workers’ compensation insurance, and failure to remit payroll taxes as required under the Unemployment Insurance Code.
2. Narrow the definition of “incentive” to mean for the purchase of new drayage and short-haul trucks, as specified.
3. Remove provisions related to workforce standards.
4. Strike the requirement for ARB to adopt operational guidelines for the implementation of this bill.
5. Make other changes.

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