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Assembly California Legislature



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JOINT COMMITTEE ON RULES

January 28, 2019

Members
Joint Legislative Audit Committee
1020 N Street, Room 107
Sacramento, CA 95814

FEB 05 2019

Dear Members of the Committee,

I respectfully request the Joint Legislative Audit Committee approve a performance audit regarding transportation policies and programs overseen and executed by the California Air Resources Board (ARB). I hope this audit will help our State reduce harmful greenhouse gas emissions in the most efficient and effective way possible, taking into consideration the costs and benefits associated with each of these policies and programs.

Transportation is the largest source of greenhouse gas emissions in California; most of these emissions are from light-duty passenger vehicles. The State has many policies in place to help reduce greenhouse gas emissions in the transportation sector. According to the Legislative Analyst, the major categories of these policies and programs include the following approaches: (1) reducing emissions from light-duty vehicles, (2) reducing emissions from heavy-duty vehicles, (3) increasing the use of lower carbon fuels, and (4) reducing the number of vehicle miles traveled. These policies and programs often work by providing financial assistance incentives to reduce the cost of adopting lower emission technologies or increasing the costs of using higher emission technologies. Some policies and programs are targeted towards consumers of fuel, while other programs are targeted towards vehicle manufacturers and fuel producers.

A Legislative Analyst report published in December 2018 raised a number of issues related to California's climate policies in the area of transportation. It stated that the overall economic impacts and benefits related to these policies and programs are unclear. The report also identified various challenges related to the policies: (1) interactions whereby emission reductions from one policy offset those from a different policy, (2) challenges evaluating the net effects of each policy, (3) a potential lack of coordination among policies, and (4) higher administrative costs.

As a Legislature, we have committed our State to reducing greenhouse gas emissions. California has been at the forefront of addressing climate change while also maintaining a strong economy. That is why it is important we get it right. To that end, I am requesting that the Committee approve this request to have the State Auditor conduct an audit of policies and programs associated with transportation's greenhouse gas emissions. The audit should help determine the efficacy, efficiency and regional benefits of the state's greenhouse gas emissions programs to help the state achieve its goals. With that aim, I am requesting an audit of the ARB with the following scope:



1. Identify all the ARB policies and programs related to greenhouse gas emissions in the transportation sector.
 - a. To the extent practical, evaluate how the policies and programs positively or negatively interact with one another.
 - b. For a sample of these policies and programs, determine the extent to which they are effective and efficient.
 - c. To the extent practical, determine how these policies and programs impact and benefit the varying regions of the State, including the San Joaquin Valley.


2. Review and evaluate any analysis performed by the ARB when deciding whether to implement new policies or programs related to transportation emissions.
 - a. Determine the extent to which impacts and benefits to air quality, the environment, regional air quality improvements, administrative costs, the economy, disadvantaged communities etc. are considered in any analysis.
 - b. Determine the extent to which the potential interaction with current policies and programs are considered and analyzed.
 - c. Determine the extent to which measureable outcomes are considered.
 - d. Make any recommendations for improvements, to help make this analysis as robust as possible.

3. Identify and evaluate any effort by the ARB to measure or evaluate the effectiveness and efficiency of current transportation policies and programs.
 - a. Determine the extent to which the interaction of current policies and programs is considered.
 - b. Make any recommendations that would be helpful to the ARB in measuring impacts and benefits.

4. Highlight any policies and programs that are very efficient and effective in reducing greenhouse gas emissions. Identify any policies that are not.

5. Identify any current challenges the ARB is facing regarding existing policies and programs. Make any recommendations that would help the ARB and Legislature address these challenges.

Thank you for your consideration of this request. Should you have any questions or require additional information, please contact Carla Castilla at (916) 319-2032.



ROBT SALAS, Chair
Joint Legislative Audit Committee
Assemblymember, 32nd District