AB 1267

Electric Vehicle Incentive for Gasoline Superusers

Assemblymember Phil Ting
19TH DISTRICT

SUMMARY

California has a variety of incentive programs aimed at getting more drivers into zero emission vehicles (ZEVs), but there is still slow adoption of ZEVs among the biggest gasoline users ("superusers"). To reduce greenhouse gas (GHG) emissions efficiently and equitably, the state must invest incentive resources to maximize gasoline reduction, especially among lower-income consumers.

BACKGROUND

The transportation sector is the largest source of GHG emissions in California, accounting for 40% of all statewide emissions. Burning gasoline in our cars, trucks and SUVs is the single biggest source of California's CO2 emissions, at 25.5% of the total.[1] The California Air Resources Board Scoping Plan approved on December 15, 2022 calls for a 50% reduction in gasoline use between 2021 and 2030 to meet statutorily mandated GHG reduction requirements. But despite this, gasoline use has stayed essentially flat over the last decade, and it's forecast by the Energy Commission to decrease just 10% by 2030, despite new ZEV sales requirements.

On September 23, 2020, Governor Gavin Newsom issued executive order N-79-20, which requires all new cars purchased after 2035 to be ZEVs. To that end, the state has invested resources into facilitating the transition to ZEVs for consumers across the state. This includes funding ZEV incentive programs such as the Clean Vehicle Rebate Program and Clean Cars 4 All administered by the California Air Resources Board (CARB). However, none of the state's current incentive programs focus on maximizing or measuring gasoline reductions.

In a 2020 report, the California State Auditor noted that CARB has not done enough to measure the GHG emissions reductions its incentive programs achieve. As the state moves to meet its ambitious climate and transportation goals, it is crucial to create programs to are both equitable and focus on reducing our reliance on fossil fuels.

Many gasoline superusers are lower-income consumers who cannot afford to live near their workplaces and must spend much of their income on fuel. An analysis from Coltura found that superusers making less than $50,000 per year spend on average 23% of their income on fuel, whereas consumers making more than $100,000 spend less than 3%. By creating a program that helps the biggest gasoline users transition to EVs, the state can accelerate our progress in meeting our ambitious climate and transportation goals.

THIS BILL

AB 1267 requires CARB to create an additional ZEV incentive award for gasoline superusers. CARB would set a definition for a gasoline superuser based on the average amount of gallons of gasoline used by a consumer in a vehicle registered to them in a year. It would verify superusers with their VIN and current odometer reading.

This bill would also require CARB to report on the amount of GHG emissions reduced per dollar spent on ZEV incentives and the impacts of ZEV programs in terms of quantifiable emission reductions for low and moderate income individuals.

SUPPORT

Coltura (Sponsor)

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[1] https://ww2.arb.ca.gov/ghg-inventory-graphs