



July 7, 2022

The Honorable Gavin Newsom, Governor of California  
 1021 O St., Suite 9000  
 Sacramento, CA 95814

Anthony Rendon, Speaker, California State Assembly  
 1021 O St., Suite 8330  
 Sacramento, CA 95814

Toni Atkins, President Pro Tempore, California State Senate  
1021 O St., Suite 8518  
Sacramento, CA 95814

Assemblymember Richard Bloom, Chair Budget Sub-Committee 3 on Natural Resources and  
Transportation  
1021 O St., Suite 8130  
Sacramento, CA 95814

Senator Bob Wieckowski,  
Chair Budget Sub-Committee 2 on Resources, Environmental Protection, and Energy  
1021 O St., Suite 6530 Sacramento, CA 95814

**SUBJECT: SB 372 (Leyva) Zero-Emission Trucks Financing - \$60 MILLION IN BUDGET**

Dear Esteemed Leaders of the great State of California:

The undersigned organizations write to request that you include \$60 million dollars for the SB 372 by Senator Leyva in the state budget. Funding this bill would provide finance and technical assistance for zero-emission vehicle (ZEV), ensuring that the right kind of ZEV financing mechanisms are available to each kind of truck fleet. In doing so, California will be able to leverage more money from the private market into the state available to accelerate our transition to these cleaner vehicles at a lower cost to the state.

Medium- and heavy-duty vehicles are currently a major source of air pollution in California, responsible for about 35% of statewide nitrogen oxide emissions and approximately 26% of total statewide diesel particulate matter emissions. This air pollution is not evenly distributed – it tends to be focused in underserved and priority communities, which tend to be located near warehouses, distribution centers, and major roadways. To address the worst impacts from these dirty vehicles, SB 372 established a target of 75% of its financial mechanisms to be deployed in underserved and priority communities.

However, this bill will not make an impact if it is not funded. The \$60 million dollars that we request represents an up-front investment in a program that will grow over time and attract more private financial capital as it does. It is designed with this premise in mind - not all truck fleets are the same size or do the same thing. In California, fleet ownership models range from multi-billion dollar companies to small business operations – this is why the assistance needs to be more customized to address the specific needs of particular fleets. SB 372 requires state agencies to develop tools that will focus direct financing on small fleets and design programs for large fleets that will leverage public funds to bring in private capital.

For these reasons, this bill received strong bi-partisan support – including your critical votes - when it passed into law in 2021. We request you provide a \$60 million budget for SB 372 to enable California to clean up our roads and communities – and to help fight climate change - all while delivering the right kind of help to each fleet type and bringing in private capital. Considerable funding is directed to ZEV vehicles this year, and some of it would be well-spent funding SB 372.

For all of these reasons, and the need for all Californians to breathe cleaner air, we urge you to fund SB 372.