RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies, proposed to or pending before a local, state or federal governmental body or agency, must have first been adopted in the form of a Resolution by the City Council; and

WHEREAS, the California Air Resources Board's (CARB) Innovative Clean Transit (ICT) regulation mandates an aggressive, statewide transition to 100% zero-emission bus (ZEB) fleets by 2040, imposing strict interim purchasing requirements on large transit agencies—including the Los Angeles County Metropolitan Transportation Authority (Metro) and the Los Angeles Department of Transportation (LADOT)—to ensure that 50% of all new bus purchases are zero-emission, ramping up to 100% by 2029; and

WHEREAS, on November 9, 2017, the City Council directed LADOT to take numerous actions to ensure a transition to a one hundred percent (100%) zero-emission bus fleet by 2030 or earlier (C.F. 17-0739); and

WHEREAS, transitioning heavy-duty urban bus fleets to zero-emission technologies requires billions of dollars in upfront capital investments, not only for advanced battery-electric and fuel-cell buses but also for massive charging infrastructure, hydrogen fueling stations, maintenance facility retrofits, and workforce retraining; and

WHEREAS, Senate Bill 840 (2025) stabilized the Greenhouse Gas Reduction Fund (GGRF) by establishing a tier-based continuous appropriation system, designating critical transit and climate initiatives into "Tier 3"—which guarantees ongoing annual funding targets of $400 million for the Transit and Intercity Rail Capital Program (TIRCP), $200 million for the Low Carbon Transit Operations Program (LCTOP), and $800 million for the Affordable Housing and Sustainable Communities (AHSC) program; and

WHEREAS, TIRCP and LCTOP serve as the primary state funding mechanisms for local transit agencies to acquire zero-emission transit equipment, offset high initial capital deployment costs, and sustain green operations; while the AHSC program directly integrates affordable housing with zero-emission transit infrastructure to maximize regional greenhouse gas reductions; and

WHEREAS, recent state budget proposals and structural amendments to Cap-and-Invest compliance mechanisms threaten to significantly reduce or entirely zero-out Tier 3 GGRF funding allocations, underfunding TIRCP and LCTOP by hundreds of millions of dollars; and

WHEREAS, the LADOT has relied on $54.35 million in Tier 3 GHG reduction funds to directly fund transition battery electric buses through the purchase of zero-emission battery electric buses and purchasing and installing bus charging infrastructure at the City's bus maintenance yards;

WHEREAS, cutting or failing to fully restore Tier 3 GHG reduction funds creates a severe, multi-million dollar capital deficit for the City and County of Los Angeles, effectively shifting the financial burden of a state climate mandate onto local transit operations and forcing an unfunded mandate upon municipalities; and

WHEREAS, the LADOT has relied on formula allocation of LCTOP as matching funds to unlock Federal Transit Administration (FTA) Section 5307 85 percent urbanized are (UZA) formula funds estimated to account for $18 million a year in formula capital funds available to fund bus electrification efforts;

WHEREAS, the loss of these state matching funds severely weakens the ability of Los Angeles transit agencies to successfully leverage and secure highly competitive federal infrastructure grants, including those under the Federal Transit Administration's (FTA) Low or No Emission Vehicle Program; and

WHEREAS, pulling the financial rug out from under local transit agencies while simultaneously leaving CARB's stringent ICT purchase mandates unchanged will directly impede, stall, or jeopardize the City's ability to achieve a timely transition to a zero-emission bus fleet, ultimately threatening both local air quality improvements and the state's broader 2030 and 2045 climate goals;

NOW, THEREFORE, BE IT RESOLVED, that by adoption of this Resolution, the City of Los Angeles hereby includes in its 2025-2026 State Legislative Program OPPOSITION to any state budget actions, regulatory changes, or Cap-and-Invest modifications that reduce, defer, or eliminate Tier 3 Greenhouse Gas Reduction Fund (GGRF) allocations; and

BE IT FURTHER RESOLVED, that the City of Los Angeles strongly urges the Governor and the California State Legislature to fully restore and protect the statutory ongoing appropriations for Tier 3 programs established under SB 840—specifically ensuring the full delivery of AHSC, LCTOP, and TIRCP funds—as these investments are structurally non-negotiable if local transit agencies are to successfully satisfy the state's own mandate to operate a 100% zero-emission bus fleet under the Innovative Clean Transit regulation.

PRESENTED BY: [signature]
NITHYA RAMAN
Councilmember, 4th District

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SECONDED BY: [signature]