Bay Area Air District

BOARD OF DIRECTORS
Policy, Grants, and Technology Committee
November 18, 2026

COMMITTEE MEMBERS

VICKI VEENKER – CHAIR
KEN CARLSON
NOELIA CORZO
RICO MEDINA
MARK SALINAS

JUAN GONZÁLEZ III – VICE-CHAIR
BRIAN COLBERT
JOELLE GALLAGHER
RAY MUELLER
LENA TAM

MEETING LOCATION(S) FOR IN-PERSON ATTENDANCE BY COMMITTEE MEMBERS AND MEMBERS OF THE PUBLIC

Bay Area Metro Center
1st Floor Board Room
375 Beale Street
San Francisco, CA 94105

Alameda County
Board of Supervisors District 3
101 Callan Ave., Suite 103
San Leandro, CA 94577

Napa County Administration Building
1195 Third Street, Suite 310
County Executive's Office
Napa, CA 94559

San Mateo County
Board of Supervisors' Office
5th Floor
500 County Center
Redwood City, CA 94063

City of San Bruno
567 El Camino Real, Room 138
San Bruno, CA 94066

Contra Costa County
2255 Contra Costa Blvd., Suite 202
Pleasant Hill, CA 94523

THE FOLLOWING STREAMING OPTIONS WILL ALSO BE PROVIDED

These streaming options are provided for the public's convenience. In the event that streaming connections malfunction for any reason, the Policy, Grants, and Technology Committee may continue with the meeting without remote webcast and/or Zoom access in accordance with the Air District's Broadcast Technology Disruption Policy.

The public may observe this meeting through the webcast by clicking the link available on the Air District's agenda webpage at https://www.baaqmd.gov/bodagendas

Members of the public may participate remotely via Zoom at https://bayareametro.zoom.us/j/86459772485 or may join Zoom by phone by dialing (669) 900-6833 or (408) 638-0968. The Webinar ID for this meeting is: 864 5977 2485

PUBLIC COMMENT ON AGENDA ITEMS

The public may comment on each item on the agenda as the item is taken up. Members of the public who wish to speak on a matter on the agenda will have two minutes each to address the Committee on that agenda item, unless a different time limit is established by the Chair. No speaker who has already spoken on an item will be entitled to speak to that item again.

The Committee welcomes comments, including criticism, about the policies, procedures, programs, or services of the Air District, or of the acts or omissions of the Committee. Speakers shall not use threatening, profane, or abusive language which disrupts, disturbs, or otherwise impedes the orderly conduct of a Committee meeting. The Air District is committed to maintaining a workplace free of unlawful harassment and is mindful that Air District staff regularly attend Committee meetings. Discriminatory statements or conduct that would potentially violate the Fair Employment and Housing Act – i.e., statements or conduct that is hostile, intimidating, oppressive, or abusive – is *per se* disruptive to a meeting and will not be tolerated.

POLICY, GRANTS, AND TECHNOLOGY COMMITTEE MEETING AGENDA

WEDNESDAY, NOVEMBER 18, 2026
10:00 AM

Chairperson, Vicki Veenker

1. **Call to Order - Roll Call**

   The Committee Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members.

2. **Pledge of Allegiance**

3. Public Comment on Non-Agenda Matters

   Pursuant to Government Code Section 54954.3, members of the public who wish to speak on matters not on the agenda will be given an opportunity to address the Committee. Members of the public will have two minutes each to address the Committee, unless a different time limit is established by the Chair. If public comment lasts more than 30 minutes, this item may be continued to later in the meeting. Any person who has not had an opportunity to speak on matters not on the agenda may provide their comment at that time.

   The Committee welcomes comments, including criticism, about the policies, procedures, programs, or services of the Air District, or of the acts or omissions of the Committee. Speakers shall not use threatening, profane, or abusive language which disrupts, disturbs, or otherwise impedes the orderly conduct of a Committee meeting. The Air District is committed to maintaining a workplace free of unlawful harassment and is mindful that Air District staff regularly attend Committee meetings. Discriminatory statements or conduct that would potentially violate the Fair Employment and Housing Act – i.e., statements or conduct that is hostile, intimidating, oppressive, or abusive – is per se disruptive to a meeting and will not be tolerated.

CONSENT CALENDAR (Item 4)

The Consent Calendar consists of routine items that may be approved together as a group by one action of the Committee. Any Committee member or member of the public may request that an item be removed and considered separately.

4. Approval of the Draft Minutes of the Policy, Grants, and Technology Committee Meeting of September 16, 2026

   The Committee will consider approving the Draft Minutes of the Policy, Grants, and Technology Committee Meeting of September 16, 2026.

DISCUSSION ITEM(S)

Discussion items are items in which no formal action by the Committee is requested or recommended. These items are intended primarily to provide information and an opportunity for the Committee to discuss the matter. The Committee may nevertheless take any action within the scope of the agendized item.

5. 2027 Legislative Platform

   The Committee will discuss the Proposed 2027 Legislative Platform. Feedback from the Committee will be incorporated into the next iteration of the Proposed 2027 Legislative Platform, which will be presented as an action item at the first Committee meeting in 2027. At that time, the Committee will consider recommending to the Board of Directors that the Board adopt the 2027 Legislative Platform. This item will be presented by Viet Tran, Deputy Executive Officer of Public Affairs.

6. Update on Volkswagen Environmental Mitigation Trust Grant Program

   The Committee will discuss an update on the Volkswagen Environmental Mitigation Trust Grant Program, including a program overview, the Air District's role as a fund administrator, and current program status. This item will be presented by Jessica DePrimo, Grants and Community Program Supervisor in the Strategic Incentives Division.

OTHER BUSINESS

7. Committee Member Comments

Any member of the Committee, or its staff, on their own initiative or in response to questions posed by the public, may: ask a question for clarification, make a brief announcement or report on their own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)

8. Time and Place of Next Meeting

Wednesday, December 16, 2026, at 10:00 a.m. The meeting will be held in-person at the Bay Area Metro Center and at satellite locations as may be specified on the meeting agenda using a remote teleconferencing link. Members of the Policy, Grants, and Technology Committee and the public may attend at any of those in-person locations, and members of the public may also attend virtually via webcast.

9. Adjournment

The Committee meeting shall be adjourned by the Chair.

CONTACT:
MANAGER, EXECUTIVE OPERATIONS **(415) 749-4941**
375 BEALE STREET, SAN FRANCISCO, CA 94105 **FAX: (415) 928-8560**
vjohnson@baaqmd.gov **Air District homepage:**
www.baaqmd.gov

Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body less than 72 hours before the meeting shall be made available at the Air District's offices at 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

Accessibility and Non-Discrimination Policy

The Bay Area Air District (Air District) does not discriminate on the basis of race, national origin, ethnic group identification, ancestry, religion, age, sex, sexual orientation, gender identity, gender expression, color, genetic information, medical condition, or mental or physical disability, or any other attribute or belief protected by law.

It is the Air District's policy to provide fair and equal access to the benefits of a program or activity administered by Air District. The Air District will not tolerate discrimination against any person(s) seeking to participate in, or receive the benefits of, any program or activity offered or conducted by the Air District. Members of the public who believe they or others were unlawfully denied full and equal access to an Air District program or activity may file a discrimination complaint under this policy. This non-discrimination policy also applies to other people or entities affiliated with Air District, including contractors or grantees that the Air District utilizes to provide benefits and services to members of the public.

Auxiliary aids and services including, for example, qualified interpreters and/or listening devices, to individuals who are deaf or hard of hearing, and to other individuals as necessary to ensure effective communication or an equal opportunity to participate fully in the benefits, activities, programs and services will be provided by the Air District in a timely manner and in such a way as to protect the privacy and independence of the individual. Please contact the Non-Discrimination Coordinator identified below at least three days in advance of a meeting so that arrangements can be made accordingly.

If you believe discrimination has occurred with respect to an Air District program or activity, you may contact the Non-Discrimination Coordinator identified below or visit our website at www.baaqmd.gov/accessibility to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District's Non-Discrimination Coordinator, Kimberly Leefatt, Civil Rights Officer at 415-749-4610 or by email at non-discriminationcoordinator@baaqmd.gov.

BAY AREA AIR DISTRICT
375 BEALE STREET, SAN FRANCISCO, CA 94105
FOR QUESTIONS PLEASE CALL (415) 749-4941
EXECUTIVE OFFICE:
MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

NOVEMBER 2026

TYPE OF MEETING	DAY	DATE	TIME	ROOM
Board of Directors Policy, Grants and Technology Committee	Wednesday	18	10:00 a.m.	1st Floor Board Room
Board of Directors Finance and Administration Committee - CANCELLED	Wednesday	18	1:00 p.m.	1st Floor Board Room
Community Advisory Council	Thursday	19	6:00 pm.	1st Floor, Yerba Buena Room

DECEMBER 2026

TYPE OF MEETING	DAY	DATE	TIME	ROOM
Board of Directors Meeting	Wednesday	2	10:00 a.m.	1st Floor Board Room
Board of Directors Stationary Source Committee	Wednesday	9	10:00 a.m.	1st Floor, Yerba Buena Room
Board of Directors Community Equity, Health, and Justice Committee	Wednesday	9	1:00 p.m.	1st Floor, Yerba Buena Room
Board of Directors Policy, Grants and Technology Committee	Wednesday	16	10:00 a.m.	1st Floor Board Room
Board of Directors Finance and Administration Committee	Wednesday	16	1:00 p.m.	1st Floor Board Room

11/5/26 – 11:12 a.m. HL G/Board/Executive Office/Moncal

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Vicki Veenker and Members of the Policy, Grants, and Technology Committee

From: Philip M. Fine
Executive Officer/APCO

Date: November 18, 2026

Re: Approval of the Draft Minutes of the Policy, Grants, and Technology Committee Meeting of September 16, 2026

RECOMMENDED ACTION

Approve the attached Draft Minutes of the Policy, Grants, and Technology Committee Meeting of September 16, 2026.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval are the Draft Minutes of the Policy, Grants, and Technology Committee Meeting of September 16, 2026.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

ATTACHMENT(S):

1. Draft Minutes of the Policy, Grants, and Technology Committee Meeting of September 16, 2026

Bay Area Air District
375 Beale Street, Suite 600
San Francisco, CA 94105
(415) 749-5073

Policy, Grants, and Technology Committee Meeting
Wednesday, September 16, 2026

DRAFT MINUTES

This meeting was webcast, and a video recording is available on the website of the Bay Area Air District at
www.baaqmd.gov/bodagendas

CALL TO ORDER

1. **Opening Comments:** Policy, Grants, and Technology Committee (Committee) Chairperson, Vicki Veenker, called the meeting to order at 10:01 a.m.

   Roll Call:

   Present, In-Person (Bay Area Metro Center, 375 Beale Street, 1st Floor Board Room, San Francisco, CA, 94105): Chairperson Vicki Veenker; Vice Chairperson Juan González III; and Directors Ken Carlson, Brian Colbert, and Mark Salinas.

   Present, In-Person Satellite Location: (Napa County Administration Building, 1195 Third Street, Suite 310, Crystal Conference Room, Napa, CA 94559): Director Joelle Gallagher.

   Present, In-Person Satellite Location: (San Mateo County Board of Supervisors' Office, 5th Floor, 500 County Center, Redwood City, CA 94063): Director Ray Mueller.

   Present, In-Person Satellite Location: (Alameda County Board of Supervisors District 3, 101 Callan Ave., Suite 103, San Leandro, CA 94577): Director Lena Tam.

   Absent: Directors Noelia Corzo and Rico E. Medina.

2. **PLEDGE OF ALLEGIANCE**

3. **PUBLIC COMMENT ON NON-AGENDA MATTERS**

No requests received.

CONSENT CALENDAR

4. **APPROVAL OF THE DRAFT MINUTES OF THE POLICY, GRANTS, AND TECHNOLOGY COMMITTEE MEETING OF JUNE 17, 2026**

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director González made a motion, seconded by Director Carlson, to **approve** the Draft Minutes of the Policy, Grants, and Technology Committee Meeting of June 17, 2026; and the motion **carried** by the following vote of the Committee:

AYES: Carlson, Colbert, Gallagher, González, Mueller, Salinas, Tam, Veenker.
NOES: None.
ABSTAIN: None.
ABSENT: Corzo, Medina.

INFORMATIONAL ITEM

5. **STATE AND FEDERAL LEGISLATIVE UPDATES**

Alan Abbs, Legislative Officer, gave the staff presentation *State and Federal Legislative Updates,* including: abbreviations; 2026 Legislative Session; 2026 Legislative Session Board-adopted-position bills as of September 2, 2026 – (co-sponsored bill) Senate Bill (SB) 222 (Wiener), (support bills) Assembly Bill (AB) 907 (Solache), AB 2313 (Berman), AB 2349 (Solache), SB 299 (Cabaldon), SB 899 (Grove), SB 954 (Blakespear), SB 1159 (Cabaldon), (oppose bills) SB 1392 (Cortese and Grove), (oppose unless amend bills) AB 2635 (C. Rodriguez), SB 1075 (Reyes), (additional bills of interest of discussion) AB 40 (Bonta), SB 675 (Padilla), SB 811 (Caballero), SB 1187 (Durazo), data center bills; State Budget update Fiscal Year (FY) 2026-27 – State Budget update; and California Clean Air Act Waivers and Recent Events of Significance on the Federal Level – California Clean Air Act Waivers.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the following:

- AB 40 (Bonta): concerns regarding the proposed West Oakland coal export terminal, the project status (whether a permit application been submitted yet), and how Air District regulations would apply to the terminal.
- AB 2349 (Solache): whether the structure of the bill to allow or requite the existence of Air Quality Incident Response Centers.
- SB 299 (Cabaldon): whether this bill is seen as a friction point.

- SB 1187 (Durazo): the issue this bill seeks to resolve, and the rationale for the proposed changes; and whether the entire contents of meeting packets are to be translated, versus only the meeting agendas.
- SB 1392 (Cortese and Grove): the model year threshold for vehicles exempt from smog check requirements.
- Data Centers: whether the Air District has a perspective on the level of priority the State Legislature and federal government place on addressing the impacts of data centers; whether there have been discussions of implementing moratoriums related to this issue; local control vs state control; data centers' correlations to air quality; and what alternative energy sources or clean energy strategies are being encouraged for use by data centers.
- Clean Air Act: the status of legal action challenging federal actions regarding the Clean Air Act; the 60-day review clock and the "reach-back" look-back period that create a fast-track way for Congress to review and overturn federal agency actions, under the Congressional Review Act; how one ruling may affect another; and the number of lawsuits, judges, and rules in Washington, D.C., versus California.

Committee Action

No action taken.

OTHER BUSINESS

6. COMMMITTEE MEMBER COMMENTS

Vice Chair Veenker announced the upcoming retirement of Mr. Abbs from the Air District. In recognition of his service, he was presented with a proclamation, and committee members each expressed their appreciation for his contributions. Mr. Abbs also gave outgoing remarks.

7. TIME AND PLACE OF NEXT MEETING

Wednesday, October 21, 2026, at 10:00 a.m. The meeting will be held in-person at the Bay Area Metro Center and at satellite locations as may be specified on the meeting agenda using a remote teleconferencing link. Members of the Policy, Grants, and Technology Committee and the public may attend at any of those in-person locations, and members of the public may also attend virtually via webcast.

8. ADJOURNMENT

The meeting was adjourned at 11:47 a.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Vicki Veenker and Members of the Policy, Grants, and Technology Committee

From: Philip M. Fine
Executive Officer/APCO

Date: November 18, 2026

Re: 2027 Legislative Platform

RECOMMENDED ACTION

None; the Committee will discuss this item, but no action is requested at this time.

BACKGROUND

The Legislative Platform provides overall advocacy principles to the Board of Directors and its Policy, Grants, and Technology Committee (Committee), and provides guidance to Air District staff for the upcoming year. The Legislative Platform is divided into three sections – state budget, state legislation, and federal legislation and regulatory activity. The Legislative Platform does not commit the Air District to positions on every legislative proposal in the listed categories, but it does provide a metric for use in bringing proposals to the Committee for discussion and recommendations to the Board for the Board's consideration.

DISCUSSION

The Committee will discuss the Proposed 2027 Legislative Platform. Feedback from the Committee will be incorporated into the next iteration of the Proposed 2027 Legislative Platform, which will be presented as an action item at the first Committee meeting in 2027. At that time, the Committee will consider recommending to the Board of Directors that the Board adopt the 2027 Legislative Platform.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Annie Hargrove
Reviewed by: Viet Tran

ATTACHMENT(S):

1. Proposed 2027 Legislative Platform
2. Proposed 2027 Legislative Platform Presentation

Legislative Platform (2027)

State Budget

1. **State Funding for Clean Air Projects:** Advocate for new and continued funding for investment in projects that reduce air pollution and exposure in the Bay Area. The Air District will pursue funding to support programs in the Bay Area Region from all available sources, including Carl Moyer, the Greenhouse Gas Reduction Fund, and the Air Pollution Control Fund.
2. **Greenhouse Gas Reduction Fund (GGRF):** Advocate for GGRF funding of cost-effective programs that reduce greenhouse gases, short-lived climate pollutants, and related air pollution and exposure both at the state level and in the Bay Area, including funding to support transitioning low-income families to zero-NOx water and space heaters.
3. **Assembly Bill (AB) 617 Community Air Protection Program Implementation and Incentive Funding:** Monitor state budget proposals, and advocate as necessary, to ensure continuous funding to support the Air District's AB 617 Community Air Protection Program. State budgets should provide necessary resources to fund the emissions inventory, regulatory, administrative, air monitoring, and community outreach activities necessary to effectively implement AB 617 requirements. For the 2026-27 budget year and beyond, Senate Bill (SB) 840 (Limón, et al., Chapter 121, Statutes of 2025) includes a continuous appropriation from the GGRF in the amount of $250M per year for community air protection programs, subject to available funding. The approved 2026-27 state budget includes $150 million (M) on a one-time basis from the General fund ($50M for implementation, $92.5M for incentives, and $7.5M for community grants).
4. **Wildfire Mitigation and Public Health Response:** Support for funding for air districts to support prescribed fire and other forest health activities by land managers, expanded monitoring activities during wildfire events, and public health response activities such as resilience centers and filtration programs.
5. **Clean Tech Financing:** Support proposals to provide financing assistance to clean technology projects, and if possible, support for the Air District's Climate Tech Finance Program.
6. **Low-Carbon Transportation Incentives:** Support proposals for mobile source incentive programs that accelerate the turnover of older and more polluting diesel engines with cleaner alternatives, including zero-emission alternatives, that reduce emissions of greenhouse gases, criteria pollutants and precursors, and toxic air contaminants. Advocate for allocations that fairly provide funding for the Bay Area region and affected communities.

DRAFT

Bay Area Air District

Legislative Platform (2027)

State Legislation

1. **Address Legal Barriers to Environmental Justice:** This is a key environmental justice strategy approved by the Board as part of the Strategic Plan (Strategy 2.9). There is a specific commitment to "Work with the state legislature on ideas and advocacy for changes to laws that can benefit overburdened communities."
2. **AB 617 Community Air Protection Program:** Support legislative proposals that seek to reduce emissions and exposure in overburdened communities consistent with the framework of the Federal Clean Air Act and California Clean Air Act.
3. **Vehicle Emissions and Reducing Vehicle Miles Traveled:** Support legislative proposals that encourage active transportation, reduce vehicle miles traveled, and reduce emissions in the transportation sector. Oppose legislative proposals that roll back existing smog check and vehicle maintenance requirements.
4. **Climate Change:** Support legislative proposals that align with the Air District's 2017 Bay Area Clean Air Plan and 2025 Bay Area Regional Climate Action Plan (BARCAP), including limiting fossil fuel combustion, stopping methane leaks, advancing zero-emission vehicle usage, advancing clean fuel adoption, supporting Community Choice Aggregation programs.
5. **Green and Healthy Buildings:** Support legislative proposals that accelerate low carbon buildings, support implementation of Air District Rules 9-4 and 9-6 including incentives for those with exemptions, promote electrification and electrification readiness in both new and existing buildings and protect renters in the transition to green appliances.
6. **Wildfire Smoke Public Health Response:** Support legislative proposals that would improve indoor air quality in public and non-public spaces through improved filtration or weatherization, especially in vulnerable and disadvantaged communities.
7. **Emergency Backup Generation:** Support legislative proposals that seek to reduce diesel particulate emissions in backup generation through use of cleaner generation. Oppose legislative proposals that restrict air district regulatory authority of diesel backup generators.
8. **Toxic Air Emissions:** Support legislative proposals to reduce emissions and exposure to air toxics. Oppose legislation that would potentially result in increases in exposure to air toxic emissions in the Bay Area Region.
9. **Wildfire Smoke Mitigation/Prescribed Fire:** Support legislative proposals to proactively reduce smoke from catastrophic wildfires through responsible fuel management policies, including the use of prescribed fire.
10. **Stationary Source Greenhouse Gas Authority:** Support legislative proposals to provide local air districts with expanded authority to establish stationary source greenhouse gas limits.
11. **Land Use:** Monitor legislative proposals that have the potential to directly affect local and regional air quality goals.
12. **Cumulative Health Impacts:** Support legislative proposals advancing cumulative impact work consistent with Strategic Plan (Strategy 2.11)

DRAFT

Bay Area Air District

Legislative Platform (2027)

Federal Legislation and Regulatory Activity

1. **Federal Funding for Air District Clean Air Programs:** Advocate for continuous and increased funding for Air District programs that reduce emissions and exposures, or that support monitoring and planning efforts in the Bay Area Region, including federal 103 and 105 grants, Diesel Emission Reduction Act grants, and Targeted Airshed Grants. Advocate as necessary against efforts to rescind previously awarded funding or to reduce total appropriations in existing law, including the Bipartisan Infrastructure Law and the Inflation Reduction Act.
2. **Wildfire Smoke Public Health Response:** Support federal level efforts, including legislative efforts, to improve wildfire smoke public health response and indoor air quality in the Bay Area Region.
3. **Clean Transportation Programs:** Support efforts to secure funding for clean transportation infrastructure in the Bay Area in the federal budget.
4. **Clean Energy Programs:** Support efforts to promote clean energy technology through incentive funding or tax credits, especially in disadvantaged communities in the Bay Area. Support proposals to provide financing assistance to clean technology projects, and if possible, funding for the Air District's Climate Tech Finance Program.
5. **Particulate Matter Standards:** Support the implementation of a more health-protective particulate matter standard consistent with the scientific evidence.
6. **Vehicle Emission Standards:** Support efforts to retain stringent vehicle emission standards that align with current California standards for light-, medium-, and heavy-duty vehicles. Support efforts to retain California vehicle emission standards authority. Support efforts to improve federal fuel efficiency standards and enforce existing standards.
7. **Climate Change:** Support federal level efforts, including legislative efforts, that align with the Air District's 2017 Bay Area Clean Air Plan, including limiting fossil fuel combustion, stopping methane leaks, advancing zero-emission vehicle usage, advancing clean fuel adoption, and supporting Community Choice Aggregation programs.
8. **Green and Healthy Buildings:** Support federal level efforts, including legislative efforts and budget appropriations, that accelerate low carbon buildings, support implementation of Air District Rules 9-4 and 9-6 and promote electrification and electrification readiness in both new and existing buildings.
9. **Leaded Aviation Gas:** Continue to support efforts to adopt additional regulatory and incentive programs to promote use of lower lead and no-lead alternatives at general aviation airports.

DRAFT

Bay Area Air District

Proposed 2027 Legislative Platform

Policy, Grants, and Technology Committee

November 18, 2026

Viet Tran
Deputy Executive Officer of Public Affairs
Public Affairs

Abbreviations

Assembly Bill (AB)

Senate Bill (SB)

Bay Area Regional Climate Action Plan (BARCAP)

Diesel Emission Reduction Act (DERA)

Targeted Airshed Grant (TAG) Program

Greenhouse Gas Reduction Fund (GGRF)

State Budget

1. State Funding for Clean Air Projects
2. Greenhouse Gas Reduction Fund
3. AB 617 Community Air Protection Program Implementation and Incentive Funding
4. Wildfire Mitigation and Public Health Response
5. Clean Tech Financing
6. Low-Carbon Transportation Incentives

State Legislation

1. Address Legal Barriers to Environmental Justice
2. AB 617 Community Air Protection Program
3. Vehicle Emissions and Reducing Vehicle Miles Traveled
4. Climate Change
5. Green and Healthy Buildings
6. Wildfire Smoke Public Health Response
7. Emergency Backup Generation
8. Toxic Air Emissions
9. Wildfire Smoke Mitigation/Prescribed Fire
10. Stationary Source Greenhouse Gas Authority
11. Land Use
12. Cumulative Health Impacts

Federal Legislation and Regulatory Activity

1. Federal Funding for Air District Clean Air Programs
2. Wildfire Smoke Public Health Response
3. Clean Transportation Programs
4. Clean Energy Programs
5. Particulate Matter Standards
6. Vehicle Emission Standards
7. Climate Change
8. Green and Healthy Buildings
9. Leaded Aviation Gas

Questions & Discussion

For more information:

Viet Tran | Deputy Executive Officer of Public Affairs | vtran@baaqmd.gov

BAY AREA AIR DISTRICT
Memorandum

To: Chairperson Vicki Veenker and Members
of the Policy, Grants, and Technology Committee

From: Philip M. Fine
Executive Officer/APCO

Date: November 18, 2026

Re: Update on Volkswagen Environmental Mitigation Trust Grant Program

RECOMMENDED ACTION

None; the Committee will discuss this item, but no action is requested at this time.

BACKGROUND

The Volkswagen Environmental Mitigation Trust (Trust) was established following settlement agreements approved in 2016 and 2017 related to Volkswagen's use of illegal emissions defeat devices in certain diesel vehicles. The settlements created a national Environmental Mitigation Trust to fund projects that reduce oxides of nitrogen (NOx) emissions associated with the affected vehicles. California received approximately $423 million under the Trust, and the California Air Resources Board (CARB) was designated as the lead agency responsible for implementation of California's allocation.

In 2018, CARB approved California's Beneficiary Mitigation Plan (BMP), which established five eligible mitigation action categories: Zero-Emission Transit, School and Shuttle Buses; Zero-Emission Class 8 Freight and Port Drayage Trucks; Zero-Emission Freight and Marine (ZEFM); Combustion Freight and Marine; and Light-Duty Zero-Emission Vehicle Infrastructure (LDI). CARB selected the three largest California air districts to be Program Administrators and assigned eligible mitigation action categories to each. It assigned Bay Area Air District as administrator of the statewide ZEFM and LDI programs.

The ZEFM Program supports deployment of zero-emission freight and marine technologies statewide, including all-electric airport ground support equipment, forklifts and port cargo-handling equipment, shore power system serving ocean-going vessels at berth, and zero-emission repowers of ferries, tugboats, and towboats. The original allocation was $70 million in project funding and up to $7 million in administrative funding. In August 2026, CARB approved an additional allocation of approximately $20 million derived from remaining Trust funds and earned interest, including approximately $18.26 million in project funding and $1.83 million in district administrative funding,

increasing total ZEFM funding to approximately $97 million including administration.

The LDI Program supports deployment of publicly accessible electric vehicle (EV) charging infrastructure and hydrogen refueling infrastructure statewide to accelerate adoption of zero-emission passenger vehicles throughout California. A total of $10 million was allocated to the program, with $5 million for EV charging infrastructure and $5 million for hydrogen fueling stations. An additional $1 million was allocated to the Air District for program administration.

On August 1, 2018, the Air District's Board of Directors approved the framework for implementation of the ZEFM and LDI programs. Following program development activities, statewide outreach, and establishment of program administration systems, the Air District's Board of Directors authorized the Executive Officer/APCO to enter into agreements with eligible applicants on October 2, 2019. Since that time, the Air District has administered the statewide ZEFM and LDI programs in partnership with CARB and project sponsors throughout California.

DISCUSSION

Under the ZEFM program, the Air District has awarded approximately $37.5 million out of its original $70 million allocation to 110 zero-emission freight and marine equipment units statewide. Contracted projects are expected to achieve approximately 58.1 tons per year of NOx emission reductions, and include approximately $21.4 million for forklifts and port cargo-handling equipment, $12.4 million for shore power projects, $3.1 million for ferries, tugboats, and towboats, and $0.5 million for airport ground support equipment. Approximately $50.8 million remains available for project awards, including funds from the original allocation and the additional allocation approved by CARB in 2026.

As of October 2026, 59 units representing approximately $11.2 million in awarded funding have become operational and received final payment, including 46 forklifts and port cargo-handling equipment units, 10 airport ground support equipment units, 1 ocean-going vessel shore power system, and 2 ferry engines. These completed projects are expected to achieve approximately 17.6 tons per year of NOx emission reductions.

Under the LDI Program, the Air District has awarded all $10 million available statewide. Approximately $7.68 million remains in contract, including $5 million to 1 grantee for 5 hydrogen fueling stations and $2.68 million to 7 grantees for 20 electric charging sites, with the remaining funds requiring reallocation to new projects due to fall-out. To date, 3 hydrogen fueling stations are operational, and $4,816,361 has been paid out, while 6 electric charging sites are operational, and a total of $1,092,000 has been paid out.

As ZEFM and LDI enter later stages of implementation, the Air District is focused on maximizing deployment of remaining funds while ensuring compliance with Trust requirements and program objectives, including the liquidation of original and supplemental program funding with a focus on disadvantaged and low-income communities. Current efforts include project completion and performance tracking, and liquidation of funds by October 2, 2032. The Air District remains open to accepting and administering any additional program funding that may become available through CARB or the trust. Any additional funding would be implemented in accordance with applicable program requirements and timelines.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. The Air District distributes Trust funds to grantees on a reimbursement basis. Funding for administrative costs is provided by the Trust.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Chengfeng Wang, Clair Keleher, and Jessica DePrimo
Reviewed by: Alona Davis and Minda Berbeco

ATTACHMENT(S):

1. Program Update Presentation

Bay Area Air District

Update on Volkswagen Environmental Mitigation Trust Grant Program

Policy, Grants, and Technology Committee

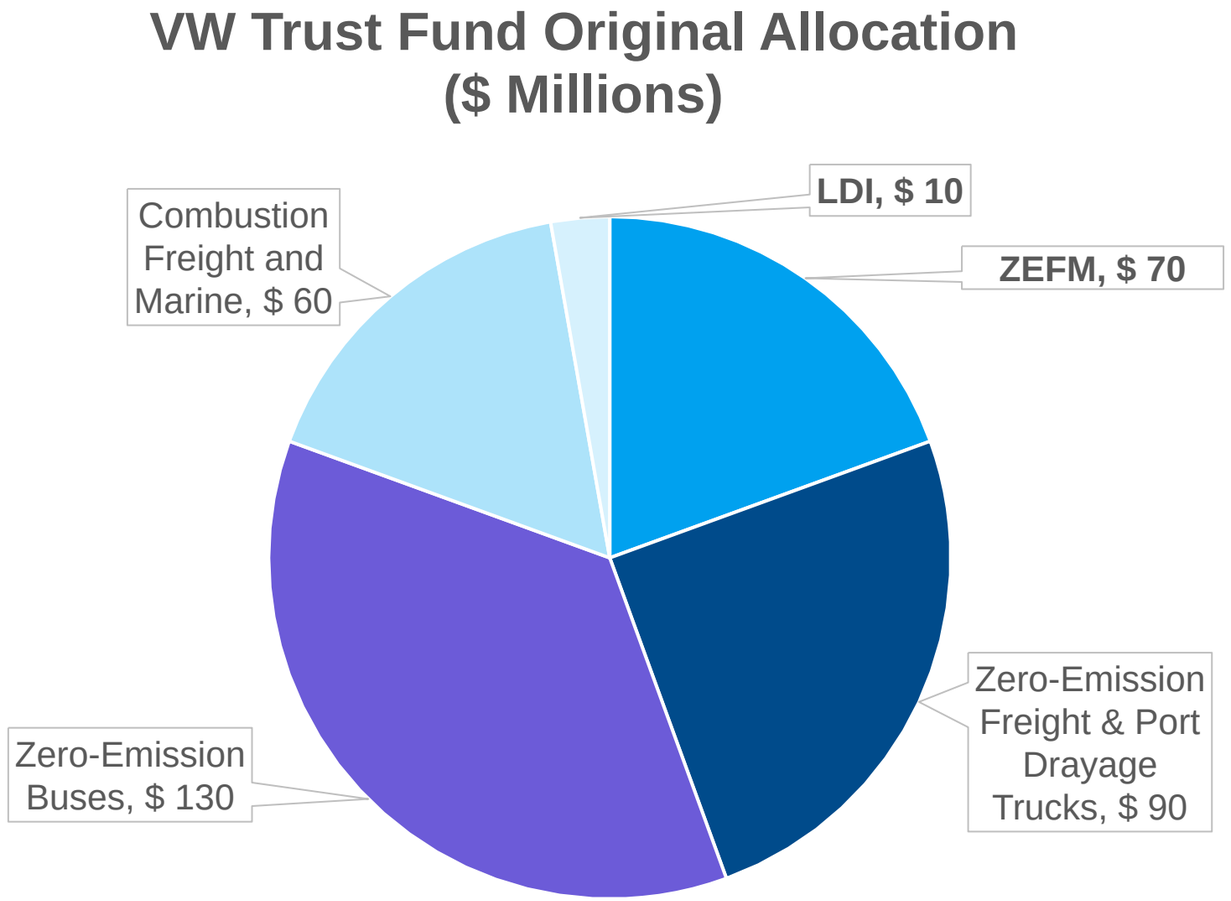
November 18, 2026

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Strategic Incentives Division

Overview of Volkswagen (VW) Trust

- Established to offset excess Nitrogen Oxides (NOx) emissions caused by VW's use of illegal emissions-testing defeat devices
- California (CA) received approximately $423 Million (M)
- California Air Resources Board (CARB) serves as CA lead agency
- Three largest CA air districts administer the funds statewide
- Bay Area Air District administers:
  - Zero-Emission Freight and Marine (ZEFM) program
  - Light-Duty Zero-Emission Vehicle Infrastructure (LDI) program

California VW Trust Fund Allocation



ZEFM Program Overview

Eligible Project Categories

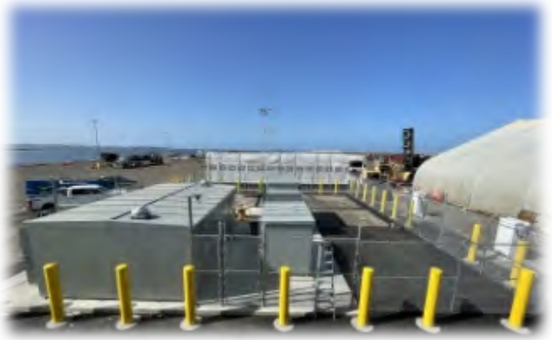
- Ferries / Tugboats
- Shore Power
- Airport Ground Support Equip.
- Forklifts & Port Cargo Handling

Program Goals

- Reduce NOx
- Accelerate Zero-Emission deployment
- Benefit disadvantaged and low-income (DAC/LIC) communities



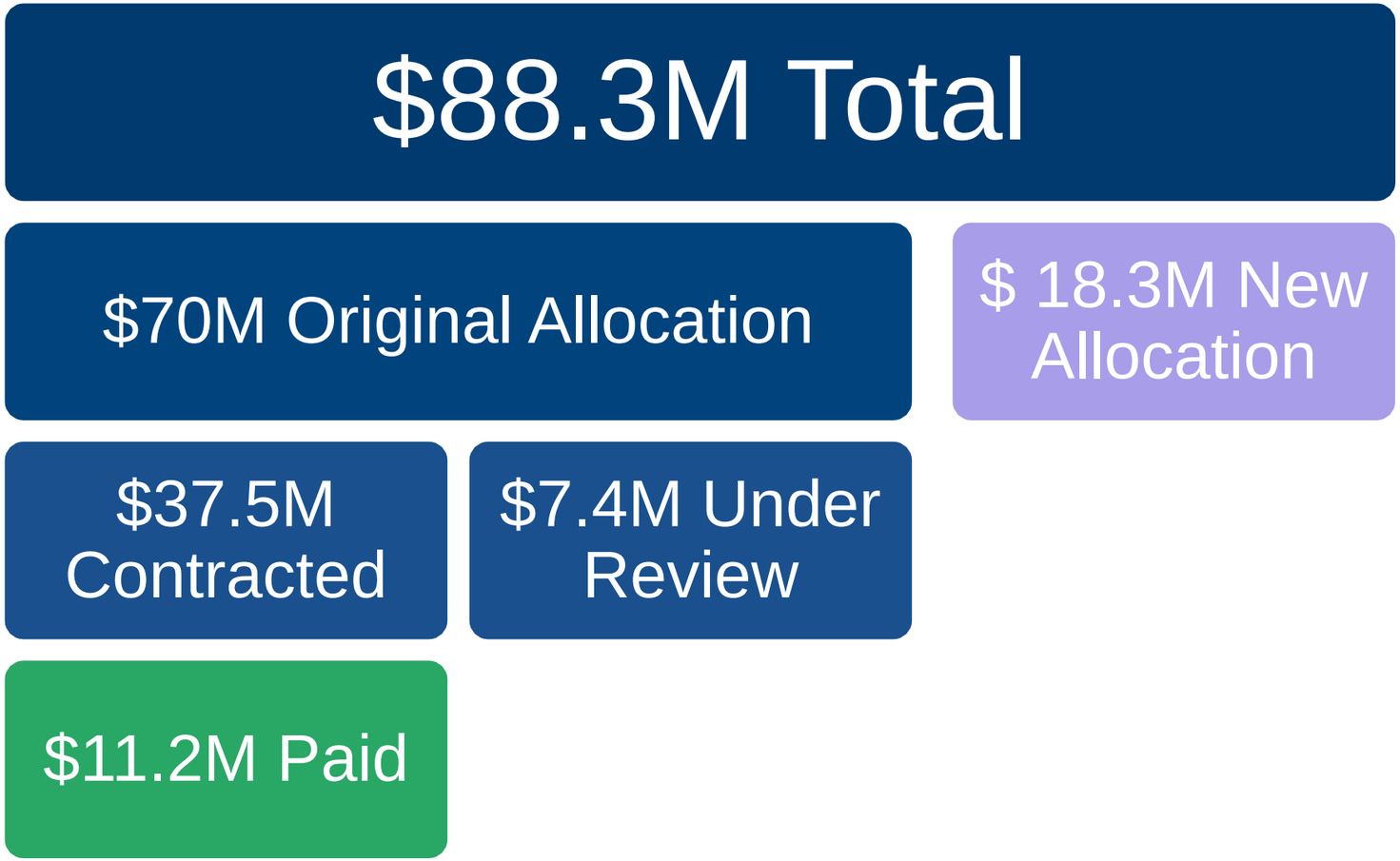






Minimum 75% of project funding benefits DACs and LICs

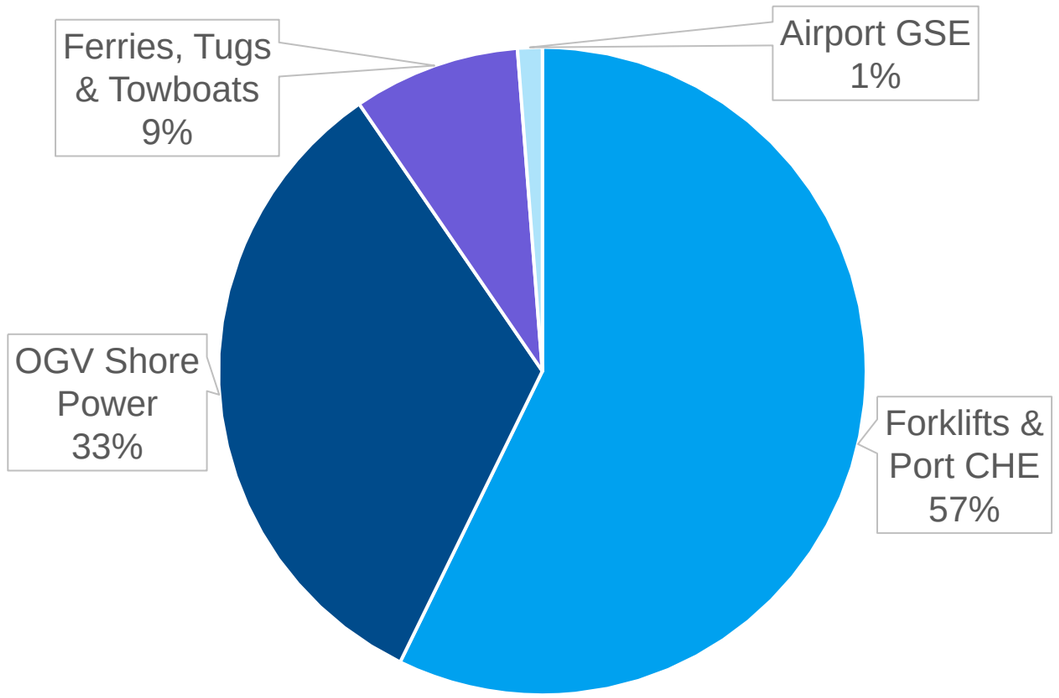
ZEFM Project Funding Overview



ZEFM Contracted Projects

$37.5M Contracted

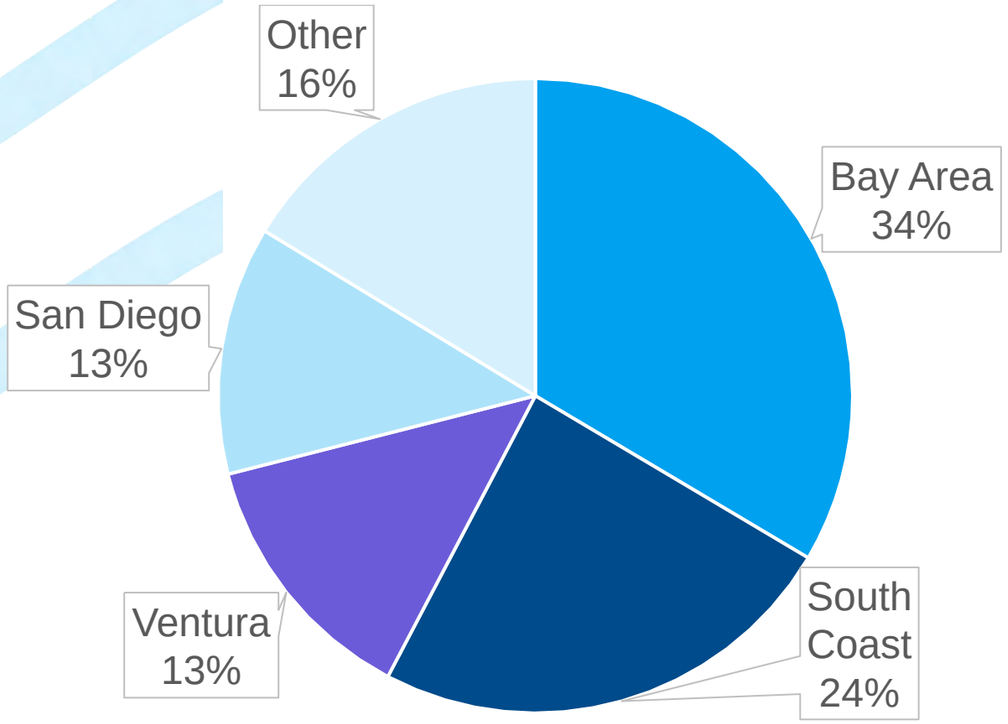
Project Type	Award Amount	Number of Units	Estimated NOx Reduction (TPY)
Forklifts & Port Cargo Handling Equipment (CHE)	$21,436,900	90	10.92
Ocean-going Vessel (OGV) Shore Power	$12,432,600	4	41.05
Ferries, Tugs & Towboats	$3,122,300	6	4.28
Airport Ground Support Equipment (GSE)	$460,300	10	1.83
Total	**$37,452,100**	**110**	**58.08**

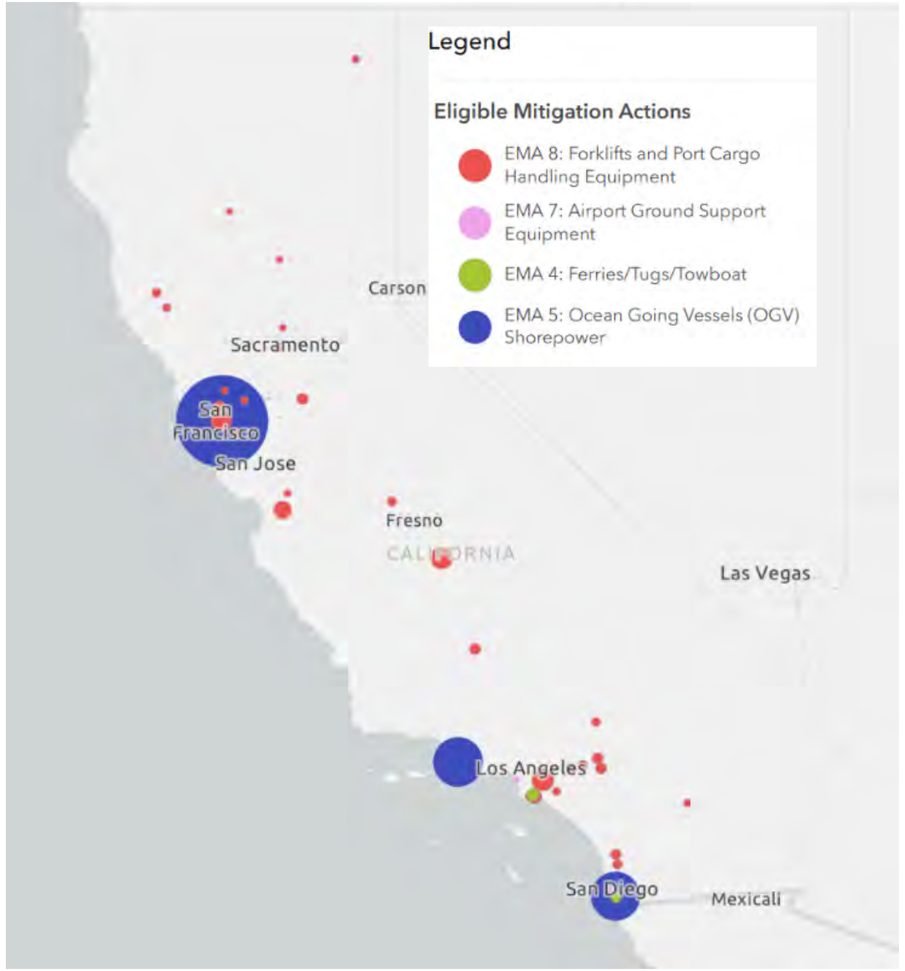


To date, 59 units operational, ~$11.2M paid

ZEFM Statewide Distribution

Projects deployed throughout California





ZEFM Current Status & Next Steps

- Approximately $50M available for future project awards
- Program remains open and accepting applications
- Continue coordinating with CARB to deploy remaining Trust funds
- Award remaining funds to eligible zero-emission projects
- Open to administering additional VW Trust funds if made available

Light-Duty Zero Emission Infrastructure

Background

- $10 Million
  - $5 Million for Electric Vehicle Charging Infrastructure
  - $5 Million for Hydrogen Fueling Infrastructure
- Competitive Programs
- Reimbursement-based program



Light-Duty Zero Emission Infrastructure (cont.)

EV Charging

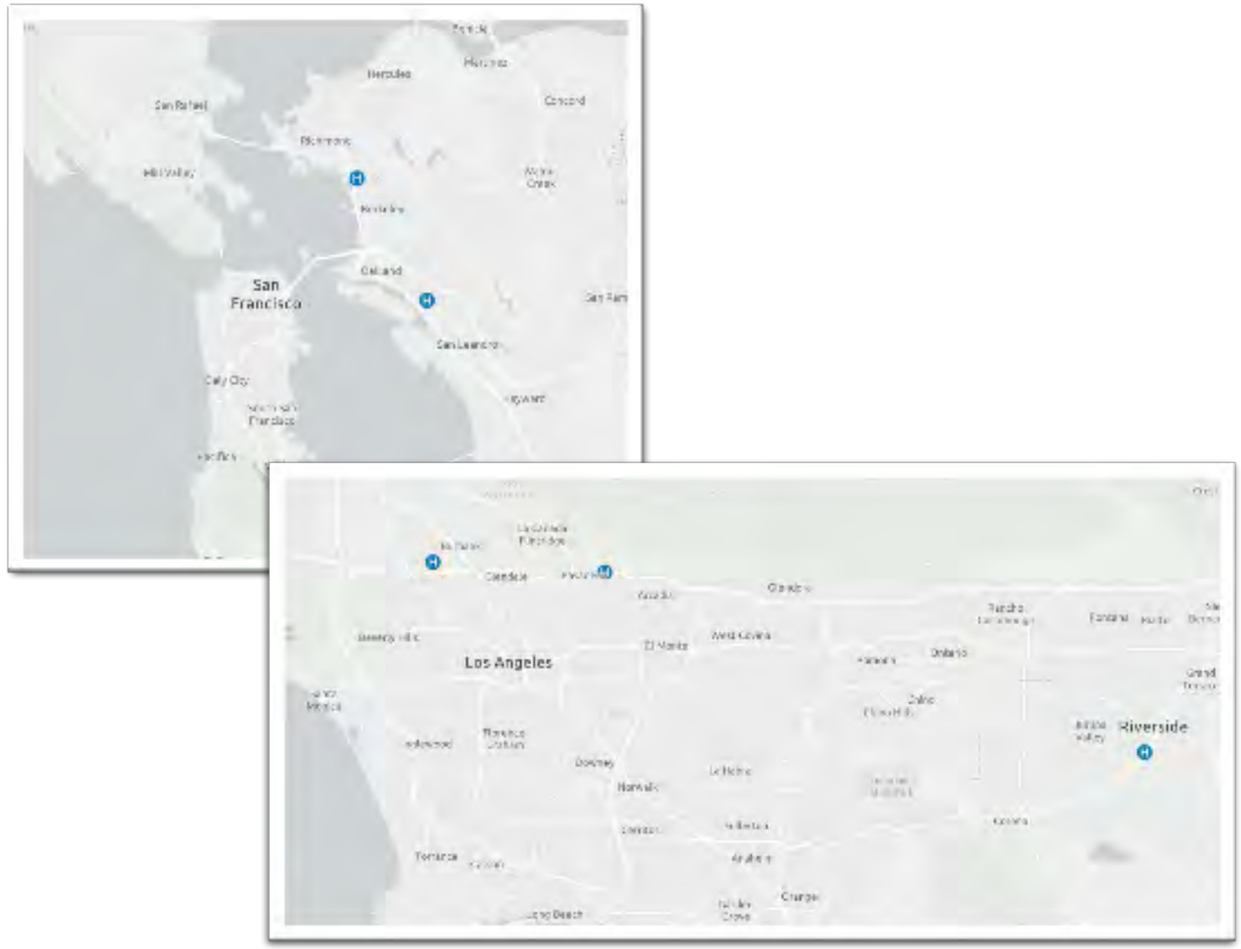
- 7 grantees & 20 sites contracted
- 6 sites completed
- $2,685,382 contracted
  - $1,092,000 paid to date
- $2,314,618 under review for reallocation



Light-Duty Zero Emission Infrastructure (cont.)

Hydrogen Fueling

- 5 sites co-funded with California Energy Commission
- 3 sites completed
- $5,000,000 contracted
  - $4,816,361 paid to date
- All funds awarded



Questions & Discussion

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