

Inflation Reduction Act Section 60105(g)

Listening Session with the National Association of Clean Air Agencies (NACAA)

June 27, 2023

Inflation Reduction Act Section 60105(g) Listening Session

Welcome to today's listening session!

We look forward to hearing your input on how to structure the new grant program for states to adopt and implement zero-emission motor vehicle and greenhouse gas standards under Section 60105(g) of the Inflation Reduction Act (IRA) of 2022 (Greenhouse Gas and Zero-emission Standards for Mobile Sources)



Today's Agenda

- Opening remarks
 - Meg Patulski Branch Director, State Measures and Transportation Planning Branch (SMTPB), EPA's Office of Transportation and Air Quality (OTAQ)
 - Kaitlyn Leffert SMTPB, OTAQ
- Overview of IRA Section 60105(g)
- Eligible recipients and activities
- Stakeholder input on Section 60105(g) grants program
- Conclusion



How Today's Listening Session Will Go:

- We will provide an overview of IRA Section 60105(g) and pose some questions that we would like feedback on.
- We are here to collect state feedback on this grant program.
- For the most part, we will be limited in what questions we can answer in order to maintain integrity in the grants process.



Overview of IRA Section

Sec. 60105(g) Grants to States to Adopt and Implement GHG and Zero-emissions Standards

"In addition to amounts otherwise available, there is appropriated to the Administrator of the Environmental Protection Agency for fiscal year 2022, out of any money in the H. R. 5376—252 Treasury not otherwise appropriated, \$5,000,000, to remain available until September 30, 2031, to provide grants to States to adopt and implement greenhouse gas and zero-emission standards for mobile sources pursuant to section 177 of the Clean Air Act (42 U.S.C. 7507)."



Eligible Recipients

- States are eligible entities
- In Clean Air Act section 302(d), "states" are defined as the 50 states, the District of Columbia, and the U.S. Insular Areas
- "States" must also be eligible to adopt and implement CA regulations under Clean Air Act section 177, i.e., must have a plan approved under Part D of the Act (such as attainment plans, maintenance plans, etc.)



Eligible Activities

- Applications for this grant program could cover adoption and/or implementation of California GHG and/or zero-emissions on-road standards, such as:
 - New implementation of already adopted standards
 - New adoption and/or implementation of standards
- Per the requirements of section 177 of the Act, adopted standards must:
 - Be identical to California standards
 - Have an EPA waiver under Clean Air Act section 209, and
 - Provide 2 years of lead time before an adopted standard can be enforced



Example Activities

- Hiring staff to facilitate adoption and/or implementation
- Development and maintenance of compliance and tracking systems
- Enforcement activities
- Other expenses related to adoption and/or implementation (e.g., contractor support)



Other Updates

- EPA is considering a competitive approach for this program due in part to the level of funding and expected interest
- We are participating in a few listening sessions with states
- We are currently developing program design options and schedule for management decision



Question #1:

What is the level of interest in this program? Are states interested in funding to support new adoptions of California GHG and/or zero-emissions on-road regulations, or in implementing already adopted standards?



Question #2:

What types of activities should be funded in order to adopt and/or implement such standards?



Question #3:

How much funding is necessary for these activities? What size of grant would be useful for states?



Question #4:

What program criteria should EPA use to evaluate applications for adopting and/or implementing such standards in CAA section 177 states?



Question #5:

What other information should EPA consider for this program?



Overview of Questions

- 1) What is the level of interest in this program? Are states interested in funding to support new adoptions of California GHG and/or zero-emissions on-road regulations, or in implementing already adopted standards?
- 2) What types of activities should be funded in order to adopt and/or implement such standards?
- 3) How much funding is necessary for these activities? What size of grant would be useful for states?
- 4) What program criteria should EPA use to evaluate applications for adopting and/or implementing such standards in CAA section 177 states?
- 5) What other information should EPA consider for this program?





Thank you!

If you have additional input, please email patulski.meg@epa.gov and leffert.kaitlyn@epa.gov by July 6th