METROPOLITAN
TRANSPORTATION
COMMISSION

Agenda Item 5b
Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105
TEL 415.778.6700
WEB www.mtc.ca.gov

Memorandum

TO: Legislation Committee DATE: June 2, 2017

FR: Executive Director W. I. 1131

RE: AB 544 (Bloom): Clean Air Vehicle Access to High-Occupancy Vehicle (HOV) Lanes

Background
Under the state's Clean Air Vehicle (CAV) Program, the California Department of Motor Vehicles (DMV) is authorized to issue stickers to allow certain low-emission, plug-in hybrid, electric and alternative fuel vehicles to obtain decals allowing usage of HOV lanes without the required number of occupants. The program features two distinct decals:

- Green stickers available to owners of plug-in hybrid vehicles that meet the "enhanced advanced technology partial zero-emission vehicles (enhanced AT PZEV) standard or transitional zero-emission vehicle (TZEV)" standard
- White stickers available to owners of zero-emission vehicles, such as electric vehicles (EVs) and certain alternative fuel vehicles, such as hydrogen fuel cell, liquefied petroleum gas and compressed natural gas.

AB 544 would retain the 2019 sunset date for vehicles with stickers issued on or before January 1, 2018 and set a four-year limit on stickers issued after January 1, 2018. The bill also provides that motorists may not qualify for a CAV decal if they have also received a tax rebate, unless they meet certain income restrictions. The entire program would sunset in 2025.

Recommendation: Oppose Unless Amended

Discussion

The cap on the number of stickers and the CAV program's expiration date has been extended multiple times due to its popularity as an incentive for the purchase of alternative fuel and zero-emission vehicles. Last year, the Legislature enacted a budget trailer bill (SB 838) that eliminated an 85,000 cap on the number of green stickers but retained a 2019 sunset date for both programs. Last year, MTC took an "oppose-unless-amended" position on AB 1964 (Bloom), a similar bill. MTC's proposed amendment would have retained a cap on the number of stickers, a sunset date of 2021, and the three-year rolling sticker period.

The increased availability of EVs with a longer range has led demand for white stickers (which have never been capped) to more than triple over the last four years from roughly 41,000 at the end of 2013 to almost 128,000 today – now exceeding the total number of green stickers. As of mid-May, DMV had issued a combined total of 240,911 stickers for the program as a whole, up from just 69,554 at the end of 2013. Of that total, 38 percent are registered to Bay Area drivers.

While the CAV program – together with certain tax incentives – encourages the purchase of low-emission, alternative fuel vehicles, the power of this incentive depends on HOV lanes offering a significant time savings relative to the general purpose lanes. According to the 2015 California HOV Lane Degradation Report by Caltrans, 58 percent of the Bay Area's HOV lanes were degraded in 2015, failing to achieve the minimum federal performance standard of 45 mph speeds at least 90 percent of the time. In Los Angeles, performance is even worse at 68 percent degraded.

Clean Air Vehicles Are Hurting HOV Lanes, But Cheaters are the Real Culprit In 2015, an MTC data collection effort undertaken as part the Managed Lane Implementation Plan (MLIP) found that an average of 8 percent of vehicles using the Bay Area's HOV lanes were CAVs. On some HOV segments in the South Bay where ownership of CAVs is the highest in the region, the rate was as high as 18 percent. While it is clear that the presence of CAVs in HOV lanes contributes to the deterioration of speeds, a much bigger factor is usage by unauthorized single occupant vehicles (SOVs), i.e. "cheaters." MTC's MLIP found an average 24 percent violation rate by SOVs in the afternoon commute, and a 19 percent violation rate in the morning commute.

An Opportunity for Better Enforcement? Since unauthorized SOVs are the largest culprit in HOV lane degradation, improved enforcement could create capacity for CAVs to use the lanes without causing them to be degraded. Notably, the MLIP study found that reducing the number of vehicles using an HOV lane by just 5-10 percent can significantly *increase* the speed of the lanes, underscoring the potential of improved enforcement (as well as the downside of increased CAVs).

MTC Proposed Amendments: Enhance Performance Monitoring & Enforcement AB 544 presents an opportunity to improve HOV performance monitoring and enforcement in exchange for extending the CAV program. Staff seeks approval for an "oppose unless amended" position with the following amendments:

1. Require that all HOV lanes to be monitored twice a year.
2. Require the California Highway Patrol to dedicate officers to work on HOV enforcement and authorize the use of technology to assist in enforcement.
3. Double the cost of the CAV decal from $22 to $44 to help offset enforcement costs.
4. Require that DMV issue CAV decals at the same time or after issuance of license plate to aid enforcement and monitoring of SOV violations.

Known Positions

Support
Alliance of Automobile Manufacturers (sponsor)
Global Automakers
Hyundai
California New Car Dealers Association
California Electric Transportation Coalition

Oppose
None on File

Steve Heminger

SH: rl
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