SENATE COMMITTEE ON HOUSING Senator Scott Wiener, Chair 2021 - 2022 Regular

Bill No:	AB 965	Hearing Date:	7/8/2021
Author: Version: Urgency: Consultant:	Levine 6/29/2021 No Erin Riches	Fiscal:	Yes

SUBJECT: Building standards: electric vehicle charging infrastructure

DIGEST: This bill requires the state Department of Housing and Community Development (HCD) and the California Building Standards Commission (CBSC) to propose for adoption, building standards for electric vehicle (EV) charging infrastructure for parking spaces in existing non-residential development, as specified. It also requires HCD to contemplate specified factors when considering proposed building standards for future EV charging infrastructure in existing multifamily dwellings.

ANALYSIS:

Existing law:

- 1) Establishes the CBSC within the Department of General Services and requires any building standards adopted or proposed by state agencies to be submitted to, and approved by, the CBSC prior to codification into the California Building Standards Code.
- 2) Requires HCD to propose the adoption, amendment, or repeal of building standards to the CBSC for residential buildings including hotels, motels, lodging houses, apartment houses, dwellings, buildings, and structures.
- 3) Requires the CBSC to publish the California Green Building Standards Code (CALGreen) in its entirety once every three years, as part of the California Building Standards Code.
- 4) Establishes building standards for EV charging infrastructure in new residential development and new non-residential development.
- 5) Requires HCD to actively consult with interested parties including but not limited to, investor-owned utilities, municipal utilities, manufacturers, local

building officials, commercial building and apartment owners and the building industry, in developing proposed standards for EV charging infrastructure.

This bill:

- 1) Requires HCD, when considering proposed building standards for future EV charging infrastructure in existing multifamily dwellings, to consider both of the following:
 - a) Whether the standards shall apply only to multifamily dwellings or only to an addition, alteration, demolition, repair, or other construction activity requiring a building or electrical permit, in order to minimize costs.
 - b) Whether to require up to 20% of parking spaces in existing multifamily dwellings to support future installation of EV charging infrastructure.
- 2) Requires HCD and the CBSC to research, develop, and propose for adoption, on or before July 1, 2024 or in the next interim code cycle, whichever is sooner, building standards, including thresholds below which the standards would not apply, for the installation of future EV charging infrastructure for parking spaces in existing non-residential development.
- 3) Includes community choice aggregators, EV manufacturers, EV supply equipment manufacturers, and labor unions in the list of interested parties that HCD and the CBSC must consult in developing EV charging infrastructure standards.
- 4) Requires HCD and the CBSC to review the standards for multifamily dwellings and non-residential development every 18 months and update the standards as needed.

COMMENTS:

1) *Author's statement*. "Greenhouse gas emissions from transportation are the largest contributor to greenhouse gas emissions in California. In September 2020, Governor Newsom issued an Executive Order to phase out the sale of new internal combustion engine vehicles by 2035. Building codes that require parking spaces to be ready for EVs are one of the most cost-effective tools to facilitate charging station deployment. The Air Resources Board has stated that significant costs can be avoided if building managers and property owners install the proper infrastructure to support charging stations in new buildings at the time of construction, as it avoids costs associated with tearing up concrete

for retrofits later on. If existing buildings are already conducting retrofits for other reasons, they should take advantage of this opportunity to also comply with EV-ready building codes which reduce the total costs of EV charging. AB 965 authorizes HCD and the BSC to develop and implement building standards for EV charging stations at existing multifamily housing and non-residential building developments. With ongoing confusion between public agencies, housing developers, and the EV industry, this measure is necessary to provide clear guidance to ensure the equitable deployment of EV charging infrastructure across California."

- 2) *Background: building standards*. The California Building Standards Code (Title 24) serves as the basis for the design and construction of buildings in the state. California's building codes are published in their entirety every three years; intervening code adoption cycles produce supplement pages halfway (18 months) into each triennial period. Amendments to California's building standards are subject to a lengthy and transparent public participation process throughout each code adoption cycle. Through this process, relevant state agencies propose amendments to building codes, which the CBSC must then adopt, modify, or reject. HCD is the relevant state agency for residential building codes.
- 3) *CALGreen*. Since 2008, the CBSC has maintained a separate chapter of the California Building Standards Code known as CalGreen. CALGreen includes the first mandatory green building standards code in the country and is intended to help meet the state's greenhouse gas (GHG) reduction goals. In addition to the mandatory standards, CALGreen provides "tiers" of voluntary green building standards as a model for cities and counties. The CBSC is authorized to propose CALGreen standards for non-residential structures that include, but are not limited to, new buildings or portions of new buildings, additions and alterations, and all occupancies where no other state agency has the authority to adopt green building standards applicable to those occupancies.

CALGreen requires new multifamily buildings with 17 or more units to install EV charging infrastructure in at least 3% of parking spaces. CALGreen also requires at least 10% of total parking spaces in a new non-residential development to be designated for low-emitting, fuel-efficient, and carpool/vanpool vehicles, including EVs. Incorporating charging facilities into plans for new construction can help reduce the costs of such infrastructure. However, since only new developments fall under this requirement, it has limited impact. Retrofitting existing developments for EV charging infrastructure poses significantly higher costs than incorporating this infrastructure into the design of new developments.

4) Background: GHG goals. AB 32 (Nunez and Pavley, Chapter 488, Statutes of 2006) requires the Air Resources Board (ARB) to determine the 1990 statewide GHG emissions level and approve a statewide GHG emissions limit that is equivalent to that level, to be achieved by 2020, and to adopt GHG emission reduction measures by regulation. In 2015, Governor Brown issued an executive order setting a statewide GHG emission reduction target of 80% below 1990 levels by 2050 and an interim target of 40% below 1990 levels by 2030. SB 32 (Pavley, Chapter 249, Statutes of 2016) codified the 2030 target.

According to ARB, the transportation sector is responsible for roughly 40% of GHG emissions in California. Accordingly, a number of measures have in recent years have aimed to increase use of EVs, including:

- a) SB 1275 (De León, Chapter 530, Statutes of 2014) established the Charge Ahead California Initiative, which aims to place one million electric cars, trucks, and buses on California's roads by 2023.
- b) The ZEV regulation, commonly known as the ZEV mandate, sets a goal for ZEVs and near-ZEVs to comprise 15% of new cars sold in California by 2025. If a manufacturer fails to meet its ZEV requirement, it is subject to financial penalties.
- c) Executive Order N-79-20, signed by Governor Newsom in September 2020, aims to phase out the sale of new internal combustion engine vehicles by 2035. The California Energy Commission estimates that to accomplish this goal, the state will need 1.5 million EV chargers to support driver transition to EVs in the coming decade.
- 5) *Déjà vu*. This bill is substantially similar to two prior bills:
 - a) AB 1239 (Holden, 2018), which was vetoed. In his veto message, Governor Brown stated that AB 1092 (Levine, Chapter 410, Statutes of 2013) already required the CBSC to adopt mandatory standards for installation of EV charging stations in new multifamily dwellings and non-residential buildings; in addition, the California Public Utilities Commission (CPUC) was working on a comprehensive plan to determine where IOUs could install charging stations around the state. The message stated that the Governor was directing the Government Operations Agency to work with all key parties to identify barriers to construction of charging stations in existing buildings.

- b) AB 684 (Levine, 2019), which was also vetoed. In his veto message, the Governor stated that the need to increase inclusive access to EV charging technology for Californians living in multifamily housing would be best addressed administratively, in order to balance the state's charging infrastructure objectives with its efforts to expand affordable housing. The veto message directed HCD to develop and propose a building standard that would increase the availability of EV charging infrastructure and existing multifamily properties while limiting costs for affordable housing.
- 6) *Bottom line*. Supporters state that despite the AB 684 veto message directing HCD to develop EV charging infrastructure standards, HCD had not done so by early 2021, prompting the author to reintroduce the bill. In a letter to the author's office dated April 16, 2021, HCD reported that it is "developing measured steps to apply EV charging infrastructure requirements for existing residential buildings under specific circumstances." HCD's proposal for the CALGreen code would require EV infrastructure in 10% of areas that are altered when upgrades are made to existing parking facilities. If the CBSC approves the proposal, it will go into effect on January 1, 2023.

Supporters state that while a 10% EV-readiness requirement is helpful, it is woefully inadequate for transitioning most existing multifamily developments towards an EV future; therefore, this bill is necessary to continue to push the envelope. To help address cost concerns about relating to construction and maintenance of affordable multifamily developments, this bill requires HCD to consider standards that apply only to multifamily developments, and to consider requiring – rather than simply requiring – that 20% of parking spaces in the development support future installation of EV charging infrastructure. This bill also requires HCD to consider standards that only apply when there is a major upgrade; these would presumably add on to existing standards that apply to existing buildings at the time of alteration, demolition, repair, or renovation.

RELATED LEGISLATION:

AB 684 (Levine, 2019) — would have required HCD and the CBSC to propose building standards for the installation of EV charging infrastructure for parking spaces for existing multifamily and non-residential developments. *This bill was vetoed.*

AB 1239 (Holden, 2017) — would have required HCD and the CBSC to research and propose for adoption mandatory building standards regarding the installation of EV-capable parking spaces in existing multifamily housing projects and non-

residential buildings when those buildings are being reconstructed, as specified. *The bill was vetoed.*

AB 1092 (Levine, Chapter 410, Statutes of 2013) — required the CBSC, as part of the next building code adoption cycle, to include mandatory building standards for the installation of electric vehicle charging infrastructure in multifamily dwellings and non-residential development.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Thursday, July 1, 2021.)

SUPPORT:

350 Humboldt: Grass Roots Climate Action Alliance for Automotive Innovation California Electric Transportation Coalition Ceres Chargepoint **Clean Power Alliance** Elders Climate Action, NorCal and SoCal Chapters Electric Auto Association **Electric Vehicle Charging Association Enel North America** FLO Greenlots Local Government Commission Natural Resources Defense Council **Project Green Home** Silicon Valley Leadership Group South West Energy Efficiency Project Tesla Vinfast

OPPOSITION:

None received