



Clean Transportation Incentives

*For Low Carbon Transportation Investments and
the Air Quality Improvement Program*

Public Workshop on the Fiscal Year 2022-23 Funding Plan
September 8, 2022

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Today's Agenda

Time*	Session
4:00 pm – 4:10 pm	Introduction and Overview of Proposed Funding Allocations
4:10 pm – 5:15 pm	Clean Transportation Equity and Light-Duty Projects
5:15 pm – 5:30pm	Break
5:30 pm – 6:15 pm	On-Road Heavy-Duty Vehicle and Off-Road Equipment Investments
6:15 pm – 6:50 pm	Open Discussion
6:50 pm – 7:00 pm	Summary and Next Steps

**All times are approximate – if a topic concludes early we will proceed with the next item.*

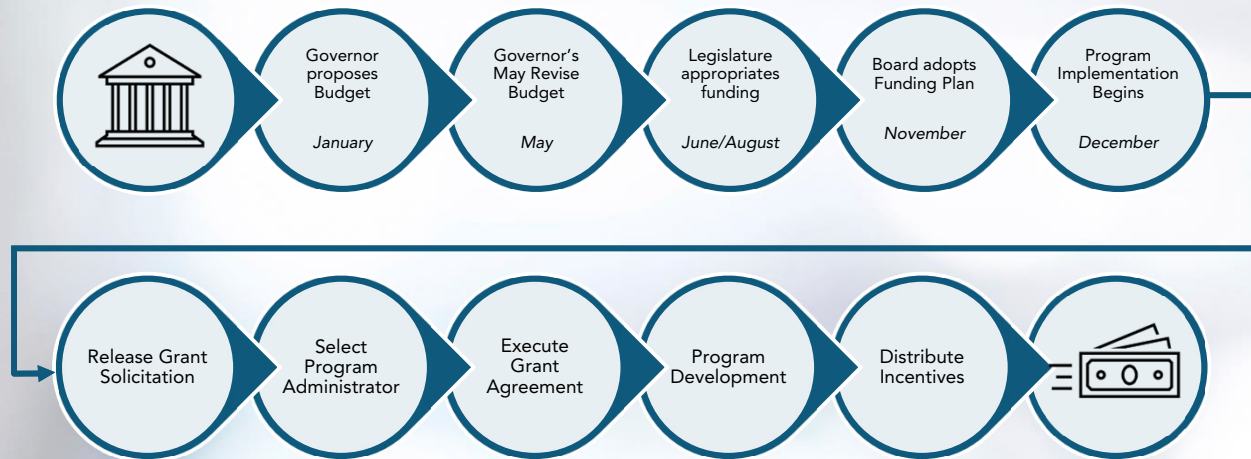
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Funding Plan Development Schedule

Milestone	Date	Completed
First Workshop	March 15, 2022	X
Category Specific Work Group Meetings	March – September 2022	X
Community Engagement	March – October 2022	X
Second Workshop	July 21, 2022	X
Final Workshop	September 8, 2022	
Release Proposed Funding Plan	October 7, 2022	
Board Consideration of Proposed Funding Plan	November 17-18, 2022	
Start Implementing Projects	December 2022	

Introduction and Overview of Proposed Funding Allocations

Overview of Funding Timeline



Budget Update

- The 2022 state budget builds upon the 2021 state budget, for a proposed total investment of approximately \$10B through Fiscal Year (FY) 2026-27
- CARB's portion of the state's multi-year investment, includes:
 - \$381M appropriated for CARB's clean transportation equity programs established under Senate Bill (SB) 1275
 - \$2.2B appropriated for heavy duty zero-emission (ZE) trucks, buses, off road equipment, and commercial harbor craft
 - \$28.64M for the Air Quality Improvement Program (AQIP)
- Funding sources include the Greenhouse Gas Reduction Fund (GGRF), the State's General Fund, Prop 98 General Funds, and the Air Quality Improvement Fund (AQIF)

Clean Transportation Incentives Proposed Allocations (millions)

Project Category	GGRF	GF	Prop 98 GF	AQIF
Clean Transportation Equity Programs Established Under SB 1275	-	-	-	-
<i>Vehicle Purchase Incentive Programs</i>	\$111	\$215	-	-
<i>Clean Mobility Investments</i>	\$15	\$40	-	-
Heavy-Duty Vehicles and Off-Road Equipment	-	-	-	-
Drayage Trucks, School/Transit Buses	-	\$362	\$1,125	-
Clean Trucks, Buses, and Off-Road	\$578	-	-	-
Demonstration and Pilot Projects (Advanced Technology and Commercial Harbor Craft)	\$42	\$93	-	-
AQIP	-	-	-	\$28.64

TOTAL \$2,610

Funding Plan Development Next Steps

- Consider feedback from today's workshop
- Continue one-on-one meetings and follow-up with stakeholders
- Release proposed Funding Plan for public comment October 7, 2022
- Board considers Funding Plan at public meeting on November 17-18, 2022

Comments and Questions



Use the raised hand function (#2 if calling in by phone) on Zoom.



Please state your name and affiliation before asking a question or making a comment.

Clean Transportation Equity and Light-Duty Projects

Vehicle Purchase Incentives: Proposed Project Allocations (millions)

Project	GGRF	GF	Total
Clean Cars 4 All (CC4A) – Statewide Expansion	-	\$125	\$125
CC4A – Air District Programs	\$40	\$80	\$120
Financing Assistance	\$66	-	\$66
NEW Zero-Emission Assurance Project (ZAP)	-	\$10	\$10
Electric Bicycle Incentives Project	\$3	-	\$3
Access Clean California	\$1	-	\$1
California Integrated Travel Project (Cal-ITP)	\$1	-	\$1
	Total	\$111	\$215
			\$321

Clean Vehicle Rebate Project (CVRP)

Updated Proposed Recommendations

- Based on legislative direction and available funding, staff is updating the list of changes under consideration:
 - Removal of plug-in hybrid electric vehicles (PHEV) from program eligibility by January 1, 2025
 - Defer implementing second income cap decrease and rebate amount decreases originally planned for February 2023
 - Increasing lower-income increased rebate amounts for individuals by \$3,000
 - Aligning increased rebate incentive amounts for battery electric (BEV) and fuel cell electric vehicles (FCEV)
 - Including a \$2,000 pre-paid charge card with every increased rebate issued
 - Expanding pre-qualification statewide for lower-income car buyers

Current & Proposed CVRP Increased Rebate Incentive Amounts for New Vehicles at $\leq 400\%$ Federal Poverty Level (FPL)

Vehicle Type	Current Incentive Amount	Proposed Incentive Amount
PHEV	\$3,500	\$6,500
BEV	\$4,500	\$7,500
FCEV	\$7,000	\$7,500

*Example: 400% FPL translates to a max household income of \$73,240 for a family of two or a max of \$111,000 for a family of four.

Proposed CC4A Funding Allocations

CC4A Program Allocations (millions)

Program	GF	GGRF	Total
Statewide	\$125	-	\$125
Districts	\$80	\$40	\$120
Total	\$205	\$40	\$245

CC4A District Allocations (millions)

District	Allocation
South Coast AQMD	\$41
San Joaquin Valley APCD	\$29
Bay Area AQMD	\$26
Sac Metro AQMD	\$12
San Diego APCD	\$12

CC4A

Proposed CC4A Allocation Formula (millions)

Air District	Baseline	>1,000 Annual Projects	Population Share	Total
South Coast AQMD	\$12	\$12	\$17	\$41
San Joaquin Valley APCD	\$12	\$12	\$5	\$29
Bay Area AQMD	\$12	\$12	\$2	\$26
Sac Metro AQMD	\$12	-	-	\$12
San Diego APCD	\$12	-	-	\$12
Total	\$60	\$36	\$24	\$120

CC4A

Current & Proposed CC4A Incentive Amounts & Income Tiers for New Vehicles

	Income Tier	PHEV	BEV	FCEV
Current	300-400% FPL	\$5,500	\$5,500	\$5,500
	225-300% FPL	\$7,500	\$7,500	\$7,500
	225% FPL and below	\$9,500	\$9,500	\$9,500

	Applicant Type	PHEV	BEV	FCEV
Proposed	300% FPL and below	\$9,500	\$10,000	\$10,000
	≤300% & in disadvantaged communities (DAC)	\$11,500	\$12,000	\$12,000

*Example: 300% FPL translates to a max household income of \$54,930 for a family of two or a max of \$83,250 for a family of four.

CC4A

Additional Proposals

- Directing existing air district-run CC4A programs to provide incentives for their entire territory and not just DACs
- Setting income limits at 300% FPL and below for both statewide and air district-run CC4A programs

Financing Assistance

Current & Proposed Financing Assistance Incentive Amounts & Income Tiers for New Vehicles

	Income Tier	PHEV	BEV	FCEV
Current	300-400% FPL	\$4,500	\$5,000	\$5,000
	225-300% FPL	\$4,500	\$5,000	\$5,000
	225% FPL and below	\$5,000	\$5,000	\$5,000

	Income Tier	PHEV	BEV	FCEV
Proposed	300% FPL and below	\$7,000	\$7,500	\$7,500

*Example: 300% FPL translates to a max household income of \$54,930 for a family of two or a max of \$83,250 for a family of four.

Financing Assistance

Additional Proposals

- Increasing incentive amounts for prepaid charging cards from \$1,000 to \$2,000 to align with CC4A and the proposal for CVRP.
 - Eligible applicants would continue to receive a portable charger if selecting the prepaid charge card option.

Vehicle Purchase Incentives

Updated Stacked Incentive Amounts with Proposed Increases to Incentives

**New Purchases without Scrap
(CVRP + Financing Assistance, at 300% FPL or lower)**

PHEV	\$13,500
BEV	\$15,000
FCEV	\$15,000

**New Purchases with Scrap
(CVRP + CC4A, at 300% FPL or lower)**

Vehicle Type	≤300% FPL	≤300% FPL & in DAC
PHEV	\$16,000	\$18,000
BEV	\$17,500	\$19,500
FCEV	\$17,500	\$19,500

Proposed Recommendations

- **Background:** Established by Assembly Bill 193 (Cervantes, Chapter 363, Statutes of 2018) to help lower-income Californians reduce the risk of buying a used ZE vehicle by providing a rebate or vehicle service contract for the replacement battery or fuel cell component
- ZAP 18-month data collection pilot began in April 2022
- **Proposed allocation: \$10M**
 - Staff will work with stakeholders through the public process to determine the design of the program and next steps

Clean Mobility Investments: Proposed Project Allocations (millions)

Program	FY 2022-23
Planning and Capacity Building	\$5
Clean Mobility Options (CMO) Voucher Pilot Program	\$20
Clean Mobility in Schools (CMiS)	\$15
Sustainable Transportation Equity Project (STEP)	\$15
Total	\$55

Comments and Questions



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Break
Return at 5:30 p.m.

On-Road Heavy-Duty Vehicle and Off-Road Equipment Investments



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Heavy-Duty and Off-Road Equipment Proposed Allocations (millions)

Project Category	Allocation
Advanced Technology Demonstration and Pilots	\$75
Demonstration and Pilot Projects–Commercial Harbor Craft (CHC)	\$60
Clean Truck and Bus Vouchers (HVIP) Standard	\$265
HVIP - Public Transit Buses	\$70
HVIP - Public School Buses	\$1,260
HVIP - Drayage Trucks	\$157
HVIP - Innovative Small e-Fleets Pilot	\$35
Clean Off-Road Equipment Voucher Incentive Project (CORE)	\$273
Truck Loan Assistance	\$28.64
Zero-Emission Truck Loan Pilot	\$5



Total \$2,228.64

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Demonstrations and Pilots

Tier-4 and Cleaner CHC Incentives

- Legislative direction to maximize emission reductions from vessels subject to CHC regulation
 - Ferries, commercial passenger fishing vessels, research vessels, and excursion vessels
 - Showcase CHC regulation compliant technologies
 - ZE and clean combustion



Clean Truck and Bus Vouchers

Fleet Size Limits

- Align HVIP fleet size limits with upcoming Advanced Clean Fleets Regulation
 - Beginning January 1, 2024, HVIP is limited to fleets of 50 vehicles or less
- Next year, large fleets may adopt ZE technologies in advance of regulatory deadlines
- Reserve 70 percent of HVIP standard and the drayage set-aside for fleets of 100 vehicles or less

Voucher Adjustment Amounts

Fleet Size	Voucher Adjustment Amount
Fleets with 10 vehicles or fewer	+15%
Private fleets with 101-500 vehicles	-20%
Private fleets with 500+ (bulk purchase requirements also apply)	-50%

- Private fleets between 11-100, and all public fleets with 11+ vehicles retain existing incentive amounts
- Fleet size modifiers adjust the base voucher amount and compound with other modifiers
 - Staff is considering recategorizing the Plug In Hybrid and In Use Converted/Remanufactured voucher modifiers to also compound with other modifiers
- Allow small fleets with 10 vehicles or fewer to stack with other State incentives programs

Bulk Purchase Requirements for Large Fleets

- Private fleets with 501+ vehicles can only access HVIP incentives if they present a purchase order for more than 30 vehicles.
- HVIP vouchers only for vehicles domiciled in DAC
- An incentive (50% base voucher amount) is available for each order over 30.
 - Still subject to voucher request cap (50 vouchers/year for drayage, 30 vouchers/year for all other vehicles)
 - Example: A fleet with 600 vehicles orders 55 vehicles.
 - 25 vehicles would be eligible for HVIP.
 - All 25 vehicles receiving HVIP vouchers must be domiciled in DAC

Guideline Update

- Statewide emission reduction program eligible for State Implementation Plan credit, supports multiple categories
- Update off-road ZE cost-effectiveness limit to \$500,000 per ton
- Consistent with update to on-road ZE cost-effectiveness limit the Board made last year
- Ensures Carl Moyer Program focuses on providing incentives and deploying most advanced ZE technologies in off-road sector.

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Open Discussion

Comments and Questions



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Additional Information

- [Clean Transportation Equity and Light-Duty Projects](#)
- [On-Road Heavy-Duty Vehicle and Off-Road Equipment Investments](#)
- Funding Plan Development:
 - [Low Carbon Transportation Investments and AQIP](#)
 - [Low Carbon Transportation Investments and AQIP Meetings and Workshops](#)
- [Carl Moyer Program](#)

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