

## Electric Bicycle Incentives Project Workgroup 1 Public Comment Summary

This document provides a summary of public comments from the Electric Bicycle Incentives Project August 30, 2021 work group, and has been split into several categories: Bike safety training/education, "Scrap and replace", funding amounts, voucher types, program administration, eligible bike shops, program eligibility, and miscellaneous. The comments do not necessarily reflect CARB policy or the direction the program will take; it is merely a summary of the public comments provided during the August 30 workgroup. Some comments may have been shortened to reflect key elements but have not been edited for formatting or content.

### Bike Safety Training/Education

- Safety and education are paramount. Having online classes adds to the quality of the consumer experience rather than a road block.
- Education is also encouragement and confidence building.
- E-bike education classes, in addition to building safety and confidence, should include what types of bike are out there and what to get in the first place.
- Having educational material and training available would be great, but requiring educational training is not a good idea.
- Work with a local or state bike organization to create, host, and distribute the educational program.
- Maybe e-bike training could include educational information for a variety of alternative transportation options and be provided to all vehicle incentive beneficiaries, receiving electric cars and bikes.
- Make the bike class voluntary, not mandatory.
- Rather than requiring safety training, the program should provide a free helmet to people who complete free safety training.
- On the bike education front, I'm not sure it is very cost effective for this program.
- A training requirement is ridiculous. No such requirement exists for cars so it is out-of-place to require it for bikes. Additionally, there's often a lack of training opportunities available in various communities so that would be another barrier to entry. Along the same lines, the suggestions that incentives should be prioritized to communities with better infrastructure/policies would be a problem as well as many people are already biking in.

## Eligible Bike Shops

- I support using local bike shops (LBS) for the program. LBS are usually much better at after sales service. Given that this program may get many new or novice riders, and that e-bikes are inherently more complex than pedal bikes, it is essential that owners have local support.
- Another argument for supporting brick and mortar is the support they provide. And they provide fully assembled and tuned-up e-bikes. Most consumers don't have the expertise a shop has in assembling e-bikes and making sure they are ready and safe to ride.
- Consider giving a higher incentive level when using a brick & mortar shop. I also like the ideas of requiring the online dealers to develop a relationship with a local shop for support
- Maybe limit online purchases to 50% of the incentive verses 100% incentive you could get if you shopped at a brick and mortar store. Stores have more overhead and offer more of a personal shopping experience than just online.
- Local bike shops typically make less than 10% on bike sales and 30-50% on parts sales/service. There will be an immediate wealth transfer out of LBS (local bike shops) to legacy manufacturers as they raise prices to dealers relative to incentives being offered by the state. This is already being anticipated in industry circles due to increasing battery costs and a desire to raise prices.
- I've been told by one of our local e-bike dealers that a problem with internet sales is that the device requires assembly -- they are boxed for shipping. And that very few of the purchasers do a completely competent job of assembly and those folks end up in his shop for remediation. So one way to offer the rebate is to any vendor that delivers assembled bikes ready to ride the day of purchase.
- Online retailers should be allowed only if their primary business address is based in California.
- Brick and mortar can limit growth and opportunities to improve the technology and price point. There should be a mix of both B&M and online.
- There are small start-up LLCs who cannot afford a brick and mortar building given the high overhead.
- It might be a good idea to vet the bicycle providers (perhaps more important for web based only). I would hate to see individuals duped with unreliable bicycles.
- Allow online purchases: to not limit consumer choice of brand/style/price, to make the program available for people living in cities that don't have bike shops, to make it available for people who can't get to bike shops and/or get their bikes home (i.e. because they live too far from the shop and don't have a car -or insufficient transit - to get to a city with a bike shop).

- Unfortunately there has been a significant equity drift toward high income participants fostered by the cycling industry over the last 20yrs, with LBS playing a secondary role due to their dependence on legacy bicycle manufacturer relationships and parts sales/repair on common brands, which has become the bread and butter of a slowly dying point of sale business model. As it stands, LBS do not typically make enough money from direct bicycle sales due to manufacture's excessive control of markup, therefore this incentive will be used by manufacturers to raise prices to local dealers and continue the equity drift in the cycling industry toward higher income participants.
- Online vendors could be important for a lot of e-bike types, and people with poor access to bike shops.

## Program Eligibility

- All funding should be used for equity.
- Vouchers should be available upfront to low-income workers.
- I would suggest the incentive qualification and amounts should be based on \*type\* of bicycle beyond income qualifications. People will absolutely buy \$5000 dollar e-bikes designed for recreation/trail riding then flip them on the secondary market, however, if this program were restricted to utility e-bikes designed for carrying passengers/cargo you are increasing proliferation of bicycles designed to reduce vehicular traffic.
- I would suggest not limiting this to low income. This isn't yet another program designed to offset income differences, but rather the lower emissions.
- Why just low income? Consider starting getting people into the mindset early – high school, regardless of income of their parents. Also consider targeting people who are most likely to use it for commuting. This is NOT income-based.
- Minimize the barrier to entry as much as possible.
- Please make vouchers to individuals available statewide from the start in 2022, and not limit geographically. The whole \$10MM should go to individuals to get onto e-bikes soon, for the climate.
- Benefits should be made available to universities making bicycle purchases.
- I am skeptical about rebates to universities and other institutions. The idea is to shift carbon VMT and VT to ZE VMT and VT. Many intra-campus trips are currently by walking and pedal cycling, and in case are short. Rebates should be crafted to replace ICE trips.
- CARB should set aside some portion of the funds to establish and support programs to allow people to try e-bikes out for a few weeks or months before committing to the purchase, which for many low-income people, even with a subsidy, is going to be a lot of money. Community based lending libraries or rent-to-own arrangements would

help a lot with outreach, awareness and converting people who are maybe uncertain that an e-bike is right for them.

- Considering that vehicles and bikes are often only used a small percentage of the time, I would strongly recommend considering some carve-out or perhaps project merit-based incentives (i.e. performance based over time rather than up-front) for non-profit organizations that create bike-share programs. (noting the challenges of incentives that are not upfront, yet anticipating some CARB/CA desire to maximize the trips per incentive dollar).
- There could be some additional benefits of putting e-bikes to work for goods movement / delivery, e.g. if an individual person is a delivery driver using their car that they pay for on their own and they can use an e-bike instead it could save them a lot of \$\$\$.
- Could you tie the institutional/bulk purchase incentive to commitments to improve safe bike infrastructure? E.g., if a local city, university, or large employer wanted to get the rebate on a bulk purchase of e-bikes, they would have to provide a local bike network analysis and commit to working on addressing gaps/barriers in infrastructure.
- Incentives for seniors should be a part of this program with population demographics aging and also on fixed income.
- Will there be a minimum age for an applicant and/or limit per individual? If there is a limit per individual, the program will need to collect some manner of PII; (1) SSN or (2) DMV-issued ID Card could be options for younger applicants, such as high school students.
- I would consider both direct to consumers and employer TDM in this program. Large employers could get great discounts by buying many bikes so this could be efficient. Lots of evidence that e-bike lending/leasing by employers works well in Europe, evidence more limited in the US.
- It might be a cool idea to create a special incentive package/program that rolls directly into/through commute VMT reduction programs.
- Constrain this program to specific types of e-bikes. Most bicycles have been designed over the last 20yrs to appeal to higher income participants \*for recreation/sports only\*. The relative markup between a Walmart bicycle and a bicycle sold by a local bike dealer is enormous, no less so for e-bikes designed by legacy manufacturers.

## Program Administration

- The SBCCOG is working with "disadvantaged communities" on deleting the digital divide. We would like to extend this work into micro-mobility as there is also a mobility-divide in the same community. We would like to introduce a pilot project where we give deep discounts to multi-family building owners for device sharing among their tenants. Those buildings would also be on our "Local Travel Network."

- The CVRP model would be the best way to provide incentive. That program checks residence.
- Moreover, the CVRP program restrictions are also economic restrictions. The tax base and depreciation on a car is higher than on an e-bike. A brand new e-bike on the secondary market has a higher scarcity and is often going to net profits based on the incentives proposed.
- Local / regional admin is best. More voices will help outcomes and perhaps rebate efficiency delivery with local support processes.
- Is there an opportunity to embed the voucher program into Commuter Check-type programs, and have the vouchers be managed by the agencies that already run them? Like SF Department of the Environment.
- Partnerships like AARP California would be worthwhile and local CBOs.
- Local CBO partnerships and prioritize B&M bike shops could be key for inventory control and leads to empowering the community and the program.

## Funding/Voucher Amounts

- Rebates don't work as well as vouchers for low-income users who don't have the cash to put up front.
- There should be a higher incentive for low-income individuals.
- The incentive for a foldable e-bike would have to be significant.
- Segment rebates and incentives by the type of bike.
- I think the monies should be distributed say 30% income 30% disability, 30% geographic location.
- If average e-bike purchase costs \$2600. Please make that much available at a minimum. More for cargo bikes.
- Incentive levels (take a look at local CA incentives in Contra Costa, PCE, etc. They range from ~\$150 to ~\$850). Consider the North American study on ebike incentive amounts: <https://www.tandfonline.com/doi/full/10.1080/03081060.2021.1956806>
- Certainly, providing for more e-bikes to be purchased and to develop this ZEV market the incentive program is great. How about pushing hard on the idea - perhaps through a marketing program where 100% of an e-bike is provided through folks who agree to a significant mode shift...i.e., giving up their car...big PR splash...that kind of thing.
- There appears to be a non-qualifying incentive beyond income qualifications being proposed, namely that there will be no attempt to determine what qualifies as an e-bike deserving of this program. Let's be a little more specific shall we? Does a \$15,000 e-bike designed only for shuttling via car to a trail to be ridden by a doctor deserve as much incentive as a cargo bike designed to carry children and groceries?
- I think trying to vary the incentive by type of bike might be difficult (A lot more e-bikes are available compared to EVs). Perhaps payload would be one parameter to help with

this (bikes with greatest payload could haul more kids/stuff). But depending on the goals, perhaps this isn't needed.

- One thought is to offer purchase incentive to purchasers through reimbursement as they use the bike for commuting. We can track this through Strava.
- Not necessarily based on price but on range and functionality.
- One of the EV rebate programs (CVAP) provided \$ to not only purchase or lease an EV, but also \$ to install an EV charger or to pay for charging at public stations.

Following that model, the program could provide purchase support and also a credit for after sales service and repair that could be used for non-warranty repairs, supplies (spare tires, tubes, etc.) and other things at a LBS.

## “Scrap and Replace”

- France has a scheme (2,500 euro ~\$2,960) trade in car for e-bike.
- Clean Cars 4 All is not available statewide, so at least in areas where that program doesn't apply, encouraging car replacement would be a good idea.

## Voucher Types/Bike Eligibility

- Recumbent trikes should be eligible, since many seniors prefer riding recumbent trikes.
- Along with E-bikes, would Electric Stand Up Bikes (ESUB's) or electric kickbikes (E-Kickbike, E-Cruiser Deluxe) be included.
- Some cities are already limiting or eliminating the use of e-bikes on existing paths. Limiting speed would help.
- Limit the E-bikes to Class II bikes that max out at 750W and 20 MPH for safety reasons.
- Only vehicles that are able to help carry things should be incentivized for this. I.e., you can put a bag/basket on a bike, or tricycle, or recumbent to help carry things, but using a scooter or monowheel to get groceries is not very practical or safe.
- CARB will probably have to conform to the definition of an e-bike as described in the Vehicle Code section 312.5. Electric tricycles would qualify. Scooters without pedals would not qualify. Top motor power is 750 watts. Top motor-assisted speed is 28 mph.
- I would encourage making the widest range of possible bikes - including accessible bike/trikes and cargo bikes - eligible, as long as they meet the basic definition of a "bike" and don't cross the line into motorcycles. A convenient line for that is the state's current definition of a Class III e-bike, which tops out at 28 mph.
- I suggest a bike price cap (to exclude eMTBs) but otherwise allow all types of bikes.

- There should be a wide variety of cycles allowed under this incentive program - cargo cycles, trikes, etc. so it is available to people with kids or other abilities.
- Yes cargo bikes for families and delivery grocery mode Options :) Folding e-bike adds flexibility for ease of multi-modality and storage. Battery-life, weight and charging options can be limiting based on distance and terrain.
- Is there any way to set aside some of the rebate money for servicing costs? For the long term, proper service will probably be an important factor in successful transition to e-bike ownership (or any other bike ownership, for that matter).
- Would there be a rebate opportunity for consumers to purchase new batteries for an existing e-bike?

## Miscellaneous

- Data for on the ground sales of e-bikes has been a challenge to collect. Would it be possible to tie back incentives at the point of purchase to require dealers to provide sales data back to the State?
- Work with bike shops and bike industry to promote and maybe provide additional incentives to get people on e-bikes.
- I suggest three goals for this program: (1) increase access for low-income residents, (2) increase bicycling, (3) decrease VMT.
- A number of credit unions also provide loans for e-bikes!
- Ecology Action provides no interest e-bike loans up to \$1,500 for member employers who pay an annual fee.
- Reducing car use even for short trips will have an auxiliary impact way beyond the direct impact of those trips, because reduced traffic and greater support for and understanding of the utility of bikes for short trips will make it easier to redesign our streets with more space set aside for people on bikes, which is the most important thing for VMT reduction and lots of other reasons in the long run.
- It is possible to require the e-bike to be registered with a place like this: <https://www.calbike.org/register-your-bike/>. It should be possible to track ownership.
- When someone has their bicycle stolen, would they be able to get another incentive? What can CARB do to prevent theft of the bicycles that are delivered through this program?
- How do you ensure that the people who use the vouchers actually end up riding the e-bikes? Also how do you prevent folks from using the voucher and then selling the e-bike?
- Beyond resale rather focusing on increasing proliferations of bicycles designed to replace vehicular traffic is ideal to mitigate this concern over fraud.





- To avoid gaming of the system, maybe it should not be a straight up voucher from the start. It could be a lending program with option to purchase after a period of time; that way there is opportunity to observe/confirm that people are using the e-bikes as intended.