



Second Work Group Meeting on Transitioning to Need-Based Model in Financing Assistance for Lower-Income Consumers Project

May 31, 2022

Agenda

- Introduction
- Program Information and Data
- Need-Based Model and Criteria
- Next Steps
- Contact Info

Introduction

- Project Goals
 - Provide financial resources to help lower-income Californians purchase advanced clean vehicles by:
 - Grants as purchase price buydown at the point of sale
 - Securing affordable and fair financing through low-interest loans
 - Charging grants through EVSE installation or charge cards
- Two pilot programs
 - Drive Clean Assistance Program (DCAP)
 - Clean Vehicle Assistance Program (CVAP)

Vehicle Type Distribution

- Majority of consumers purchased new vehicles
- PHEVs & BEVs are the most popular vehicle technology types amongst different income groups

Vehicle Type	Count	Proportion	Avg. Income
New	3,124	70%	\$42,930
Used	1,314	30%	\$35,301
Battery Electric	3,258	73%	\$41,530
Plug-In Hybrid	1,026	23%	\$39,410
Hybrid	123	3%	\$29,056
Fuel Cell	31	1%	\$38,255

Community Distribution

- Average vehicle purchase price is similar across communities

Community Type	Avg. Income	Avg. Vehicle Purchase Price	Avg. FPL
All Grantees	\$40,671	\$38,843	204%
DAC	\$38,748	\$35,492	193%
Non-DAC	\$41,134	\$39,649	207%

Cross Analysis

- Higher income groups purchase new PHEV/BEVs with larger down payments & undertake larger loans

Type	Avg. Income	Avg. Vehicle Purchase Price	Avg. Down Payment	Avg. FPL	Count In DAC	In DAC	Avg. Loan Amount	Sample Size
New PHEV/BEV	\$43,287	\$47,273	\$13,454	225%	482	17%	\$28,532	2,841
Used PHEV/BEV	\$35,633	\$18,097	\$4,040.13	161%	283	24%	\$14,560	1,160
New HEV	\$35,225	\$33,564	\$5,367	159%	8	25%	\$26,809	32
Used HEV	\$27,264	\$19,624	\$2,474	94%	33	38%	\$16,211	87

The Need for Need-based Model

- Transitioning from first-come, first-served model to:
 - Be more intentional towards supporting lower-income consumers
 - Provide more tailored assistance to lower-income applicants
 - Keep program open year round

Needs-Based Model Criteria

- Measurable criteria for needs assessment and application prioritization under consideration:
 - Income level
 - DAC residency
 - Compelling and immediate need for a vehicle
 - Need for financial counselling or planning
 - Categorical eligibility (Medicaid, SSI, CAPI, CalWorks, HUD/Section 8, etc.)
 - Other?

Next Steps

- Continue work on:
 - Analysis of program and market data
 - Implementation approaches for individual needs-based criteria
 - Consider expanding needs-based model to other programs
- Workgroup in Summer

Contact Us

Ali Koohestani – Lead Staff
Ali.Koohestani@arb.ca.gov

Lisa Macumber – Manager
Lisa.Macumber@arb.ca.gov

Subscribe to GovDelivery

<https://public.govdelivery.com/accounts/CARB/subscriber/new?preferences=true#tab1>