



Voucher Incentive Program
REDEEM AND CLEAN!

CARL MOYER PROGRAM FOR
ON-ROAD HEAVY-DUTY VEHICLES

REVISED AND APPROVED: November XX, 2022



SUMMARY

These guidelines describe the minimum criteria and requirements for the Carl Moyer Memorial Air Quality Standards Attainment Program (Moyer Program) On-Road Heavy-Duty Vehicles Voucher Incentive Program (VIP). The VIP operates as a standalone program for small fleet owners of 10 vehicles or less and, unless otherwise specified in these VIP Guidelines, is subject to the administrative processes, cost-effectiveness limits, and emission reduction calculation methodologies of the Moyer Program Guidelines. The VIP provides a streamlined approach to reduce emissions by replacing existing, high-polluting vehicles with newer, ~~lower~~ zero-emission vehicles. The VIP provides real emission benefits by retiring the high-polluting vehicle earlier than would have been expected through normal attrition or by regulation. Moyer Program funds for voucher projects are used to offset part of the cost of the replacement vehicle.

Air pollution control and air quality management districts (air districts) shall utilize these guidelines as a stand-alone document. Air districts must follow all VIP guidelines in order to offer vouchers as a funding option. Air districts have the discretion to set certain local eligibility requirements based upon local priorities. The California Air Resources Board, as an intended third-party beneficiary, reserves the right to enforce the terms of the VIP at any time during the three-year voucher term to ensure emission reductions are obtained. These guidelines provide implementation documents in the appendices section that must be used for funding voucher projects and may not be modified (unless otherwise noted).

CARL MOYER MEMORIAL AIR QUALITY STANDARDS ATTAINMENT PROGRAM

VOUCHER INCENTIVE PROGRAM GUIDELINES FOR ON-ROAD HEAVY-DUTY VEHICLES

A. Projects Eligible for Funding

The following heavy-duty vehicle VIP projects are eligible for funding:

New or Used Replacement Vehicle Purchase: The purchase of a new or used vehicle with a 2013 or later model year engine certified to a Standard (STD) level of 0.20 grams per brake horsepower hour (g/bhp-hr) Oxides of Nitrogen (NO_x) and 0.01 g/bhp-hr Particulate Matter (PM) or cleaner a motor or powertrain that is certified to the ZE standard [no oxides of nitrogen (NO_x), reactive organic gas (ROG), and particulate matter (PM) emissions] and is an equivalent or newer model year to the existing vehicle to replace the existing vehicle that is to be scrapped.

B. Project Funding Amounts

The maximum total project funding amounts associated with reducing the eligible costs of a VIP project are pre-determined and shown in Appendix O, to be updated annually. Funding amounts are determined based on surplus emission reductions dependent on the compliance path chosen under the Truck and Bus Regulation, or other applicable regulations, as detailed in Appendix O. Projects located in a community with a priority population as identified by the Climate Change Investments interactive map are not subject to funding caps for ZE replacements. Fleets of three vehicles or less qualify for up to an additional 15 percent of eligible costs and fleets of four to ten vehicles qualify for up to an additional 10 percent of eligible costs. More details regarding project funding amounts for replacements in a priority population are located in Appendix O.

Vehicles reported under mileage-limited compliance options will be funded no more than the mileage limits of the compliance option and must provide mileage documentation. Vehicles reported under the NO_x Exempt Areas Option will only be funded for mileage in the NO_x Exempt areas as indicated in the usage map in the application. Low-Use exemption vehicles are not eligible. Funding amounts shown in Appendix O are not applicable to vehicles with 2010 model year emissions equivalent engine requirements before January 1, 2021. Each funding table provides guidance on when funded vehicles can count toward meeting compliance requirements.

C. Program Requirements

1. General Program Criteria

(A) Fleet Size Limitations:

Only fleets with ten or fewer vehicles are eligible to participate. Determination of

fleet size must be based on the definitions and criteria in the Statewide Truck & Bus Regulation at California Code of Regulations, title 13, section 2025. Diesel vehicles with an original manufacturers Gross Vehicle Weight Rating (GVWR) greater than 14,000 pounds regardless of whether the vehicles operate in California, that are under common ownership or control even if they are part of different subsidiaries, division, or other organizational structures of a company or agency, including those leased for more than one year, must be included when determining fleet size. Drayage trucks must also be included when determining fleet size.

- (B) *Weight Class:* Vehicles with GVWR greater than 14,000 pounds are eligible to participate in the VIP under the corresponding funding amounts ~~specified~~ referenced in Appendix O.
- (C) *Fleet Compliance Information:* All fleet owners must provide a current Truck Regulation Upload, Compliance, and Reporting System (TRUCRS) report and certificate showing the fleet is currently in compliance. Drayage truck owners may provide a copy of the Drayage Truck Registry (DTR) Compliance Search Page showing the Vehicle Identification Number (VIN) and compliance status. Other compliance tools issued by California Air Resources Board (CARB) may be used as they become available. Air pollution control and air quality management districts (air districts) are ~~not required to validate~~ verify fleet information, which could include verifying through CARB, and but air districts will not be held liable by CARB if fleet owners falsify fleet information.
- (D) The following vehicles are not eligible for funding:
 - (1) Vehicles subject to the solid waste collection vehicle rule commencing with California Code of Regulations, title 13, section 2021;
 - (2) On-road diesel-fueled heavy-duty vehicles over 14,000 pounds owned or operated by a municipality that are subject to the fleet rule for public agencies and utilities commencing with California Code of Regulations, title 13, section 2022;
 - (3) Vehicles subject to the Innovative Clean Transit regulation or other fleet rule for transit agencies commencing with California Code of Regulations, title 13, section 2023;
 - (4) Vehicles subject to the rule for mobile cargo handling equipment at ports and intermodal rail yards commencing with California Code of Regulations, title 13, section 2479;
 - (5) Vehicles with a GVWR of 14,000 pounds or less.
- (E) *Emission Reduction Technologies:* Emission reduction technologies must be certified by the California Air Resources Board (CARB) and must comply with durability and warranty requirements. For the purposes of the VIP, a technology granted a conditional certification by CARB is considered certified.

- (F) *Vehicle Leasing is Not Allowed:* If financing is necessary, the vehicle purchase must be financed with a conventional purchase loan.
- (G) *Obtaining Financing:* The participant may obtain public and/or private financing to assist in the purchase of a replacement vehicle, ~~but and~~ may ~~not~~ apply for additional public funded grants to co-fund with VIP where allowed by applicable law, subject to meeting the full requirements of all funding programs involved.
- (H) *Co-Funding:* Air districts are encouraged to leverage VIP funds with other incentive programs to maximize benefits. See additional guidance in the CMP Guidelines, Chapter 3 (L).
- (I) ~~(H)~~ Emission reductions obtained through VIP projects must not be required by any federal, State or local regulation, memorandum of agreement/understanding with a regulatory agency, settlement agreement, mitigation requirement, or other legally binding document. VIP projects, including any associated emission reductions, cannot be used as leverage for, or to settle or dispute a local, state or federal enforcement action.
- (J) ~~(I)~~ No emission reductions generated by the VIP shall be used as marketable emission reduction credits, or to offset any emission reduction obligation of any person or entity.
- (K) ~~(J)~~ No project funded by the VIP shall be used for credit under any federal or State emission averaging banking and trading program during the funded surplus period.
- (L) ~~(K)~~ Engines operating under a regulatory compliance extension such as a settlement agreement granted by the CARB, a local air district, or the United States Environmental Protection Agency (U.S. EPA) are not eligible for funding. Engines operating under extensions and options incorporated in the regulation are eligible.
- (M) ~~(L)~~ Emission reductions funded by the VIP may not be used to generate a compliance extension or extra credit for determining regulatory compliance, and must be excluded when determining regulatory compliance during the funded surplus period. VIP projects, including any associated emission reductions, cannot be used to demonstrate compliance with any regulatory or statutory obligation
- (N) ~~(M)~~ Projects funded by the VIP and vehicles registered as non-operational must be included when defining the size of the fleet to determine regulatory requirements.
- (O) ~~(N)~~ *Local Eligibility Requirements:* Air districts have the option to limit eligibility to applicants that reside within the air district's air basin or expand eligibility to allow applicants to operate their vehicles within specified air basins.

~~(O) For trucks reported in TRUCRS under the Log Truck Phase-In option: The replacement truck must exclusively engage in logging for the duration of the funded surplus period.~~

2. Participant Requirements

- (A) *General Participant Requirements:* All participants must meet the following requirements to be eligible for funding:
- (1) *Ownership Requirements:* The participant must currently own and operate the existing vehicle, documented through providing a copy of the current existing vehicle title. If the existing vehicle title is not available at the time of application, all of the following may be used as alternative ownership documentation until a duplicate title is received from the California Department of Motor Vehicles (DMV):
 - a. copy of current and valid vehicle registration, and 2) copy of the DMV Vehicle Registration Inquiry Report, and 3) copy of the DMV receipt for duplicate title request. A copy of the duplicate title must be received by the air district before payment is issued to the dealership.
 - (2) *Prior Minimum Usage Requirement:* The existing vehicle must have met the mileage or fuel usage requirements referenced in Appendix O, as applicable, in each 12-month period for the previous ~~24~~30 months. Participants must submit documentation verifying usage for throughout the previous 24 months usage period for the existing vehicle. Any gap between the two 12-month periods may be permitted for usage consideration if reasoning and supporting documentation demonstrating the need for the gap are provided for air district evaluation and are subsequently approved by the district. Examples of documentation may include, but are not limited to: logbooks, fuel records, maintenance records, and tax records. Depending on the compliance option used, mileage documentation may be required.
 - (3) *Operation in California:* The applicant must certify on the application that the existing vehicle(s) has operated at least 75 percent of the time in California during each 12-month period for the previous ~~24~~30 months.
 - (4) *Military Service Provision:* If an applicant has been on active military duty at any time during the previous 24 months, documentation prior to deployment and covering the same length of time as the deployment period may be used to meet the title, registration, usage, and operation in California requirements as described in Sections C.2.(A)(2)-(3) and C.3.(D)-(F). The applicant must submit a copy of DD Form 214, Certificate of Release or Discharge from Active Duty to verify military service during the deployment period.
 - (5) *Local Eligibility Requirement:* Applicants must meet at least one of the following conditions as specified by the air district:

- a. The owner/applicant resides within the air district's air basin. The owner/applicant's address or business address (P.O. Boxes not eligible) must be documented either on the vehicle title, DMV registration, or vehicle's insurance documents.
 - b. The owner/applicant operates the existing vehicle(s) within the eligible operational areas specified by the air district. The owner/applicant must indicate in the operational area map in the application the percentage of annual mileage or usage that occurs in each area within California.
- (6) *Applying for Funding in a Participating Air District:* Applicants may only apply to and receive funding from one participating air district at a time.
- (7) *Application Package:* To be approved for VIP funds, the applicant must meet all guideline requirements, submit an application, and submit all of the documentation listed in the Application Package (Appendix A). Applicant receipt of VIP funding triggers on-going obligations which must continue to be met in accordance with program requirements. Failure to comply with these ongoing obligations can result in a forfeiture or return of VIP funds and/or disqualification from participation in the VIP program.
- (B) *Participant Requirements for Replacement Projects:* All replacement project participants must meet the following requirements to be eligible for funding:
- (1) *Specified Participating Dealership:* The participant must specify the participating dealership used for the purchase of the replacement vehicle. If the application is approved, the participant must purchase the replacement vehicle from the specified dealership. If the participant chooses to change dealerships, the participant must submit a new VIP application to the air district.
 - (2) *Voucher Redemption Deadline:* The dealer and owner must agree on a date in which the replacement vehicle will be delivered. The voucher will be redeemable within 30 calendar days of issuance or by the delivery date agreed upon by the dealer and owner, whichever is later. Except as described below, the vehicle must be delivered in the same calendar year that funding was approved by the air district. If the delivery date occurs in the a calendar year following the application approval date, the air district must determine the eligible funding amount based on ~~the funding tables in~~ Appendix O for the year in which delivery occurs and verify with CARB. If the owner is unable to purchase the replacement vehicle after a voucher has been issued, the owner must notify the dealer and air district immediately so that funds can be reallocated.
 - (3) *Two-for-One Option:* ~~Except for log trucks reported in TRUCRS under the Log Truck Phase-In option, Owners may replace two existing~~

vehicles with one replacement vehicle as long as all VIP requirements are met. The two existing vehicles must have cumulatively met the mileage or fuel usage requirements referenced in Appendix O. If the two existing vehicles have different engine model years, then the newest engine model year shall be used to determine the funding amount. Participants who utilize this option must submit a complete application for each existing vehicle. The two existing vehicles must be in the same GVWR class of 14,001-19,500 pounds, 19,501-33,000 pounds, or 33,001 pounds or greater. The applicant should specify on each application that the applicant is choosing this option by checking the Two-for-One Option box. Replacement trucks are eligible for only one grant based on combined usage – the amount of the grant is not doubled.

- (4) The owner must agree to the following terms after being approved for a replacement voucher:
- a. Register the replacement vehicle with DMV.
 - b. Maintain insurance as required by law.
 - c. Own and operate the replacement vehicle at least 75 percent of the time within California for the term specified on the Receipt of Replacement Voucher (Appendix G).
 - d. Return annual usage reports for three years after voucher redemption. If received from the air district, annual usage reports may be submitted back to the air district in electronic format with the owner's digital signature consistent with section C.5(O).
 - e. Do not make any modifications to the emission control system on the replacement vehicle engine or motor or powertrain certified to the ZE standard. Do not modify, alter or remove any emission control system or certification demarcations, identification numbers, stickers or placards.
 - f. Be available for a follow up inspection, if requested by the air district or CARB.
 - g. Allow CARB to verify replacement vehicle registration with DMV.
 - h. Notify all involved parties including the air district and CARB of any intent to change ownership or registration status of the replacement vehicle during the 36-month voucher term. The rationale for the intent to change ownership or registration status of the replacement vehicle must be documented and submitted to the air district and CARB for further evaluation. A form of hardship (e.g., financial or physical) to meet the requirements of the voucher agreement must be demonstrated. The new owner must comply with the terms and conditions of the voucher. The air district and CARB must approve the

change in ownership and any additional terms and/or agreements before the sale any additional terms and/or agreements are fully executed.

- i. If the existing or replacement vehicle is in an accident, the accident must be reported to the air district within ten business days. The participant must provide the police report, a letter from the insurance company regarding the accident, ~~and~~ or other information requested by the air district. The participant must repair the replacement vehicle or replace it ~~the replacement vehicle~~ with a substitute vehicle that can take over the terms of the contract or voucher. The substitute vehicle must be powered by an equivalent 2013 model year or newer ~~engine~~ , equivalent motor or powertrain certified to ZE standard, be in the same weight class, be within the same or higher mileage range than the original replacement vehicle and cannot have more than 600,000 miles for HHD vehicles, 350,000 miles for MHD vehicles, and 250,000 miles for LHD vehicles.
- j. Notify the air district of change of mailing address within ten business days.
- k. Repay the voucher funding amount if the owner does not follow one or more terms as specified in the Application or Receipt of Replacement Voucher. CARB and/or the air district will specify repayment terms.

3. Existing Vehicle Requirements. All existing vehicles must meet the following conditions before a VIP application will be approved and awarded a voucher.

- (A) *Eligible Model Years for the Existing Engine:* The model year of the existing engine must be 2009 or older 6 or more years of age prior to the current calendar year. If the existing vehicle is a drayage truck, the existing engine model year may only be 2007 through 2009 must be compliant with applicable regulation(s) (e.g., Drayage Regulation, Truck and Bus Regulation). The replacement vehicle in consideration must be in operation at least a year prior to any regulatory or rule compliance deadline requiring the replacement vehicle to be in operation. Verification of the model year must be submitted in the application package. Verification can include a picture of the model year on the engine plate or written documentation from the manufacturer or participating dealer that matches the engine serial number to a particular model year.
- (B) *Eligible Fuel Types:* The existing vehicle must currently operate on diesel fuel or alternative fuel such as compressed natural gas.
- (C) *Weight Class:* The existing vehicle must meet the criteria for either a light heavy-duty (LHD) vehicle, a medium heavy-duty (MHD) vehicle, or a heavy heavy-duty (HHD) vehicle, as defined below.

- (1) To qualify for LHD funding levels, eligible vehicles must have an original manufacturer GVWR of 14,001 to 19,500 pounds.
 - (2) To qualify for MHD funding levels, eligible vehicles must have an original manufacturer GVWR of either MHD 19,501 to 26,000 pounds or MHD 26,001 to 33,000 pounds.
 - (3) To qualify for HHD funding levels, eligible vehicles must have an original manufacturer GVWR of 33,001 pounds or greater.
 - (4) GVWR may be documented with a photo of the vehicle manufacturer tag or a copy of the manufacturer build sheet.
- (D) *Vehicle Title:* A copy of the existing vehicle title must be submitted with the application package. The title must show the applicant as the current sole owner with no active lienholders. The title need not be a California title. In addition, the applicant must have owned and operated the vehicle the previous 24 months. If the title does not show sole ownership for the previous 24 months, the applicant must be listed as one of the owners or shown as a registered owner on registration documentation for the previous 24 months. If the existing vehicle title is not available at the time of application, then all three of the following must be used as alternative ownership documentation until a duplicate title is received from DMV: 1) copy of current and valid vehicle registration, and 2) copy of the DMV Vehicle Registration Inquiry Report, and 3) copy of the DMV receipt for duplicate title request. If the existing vehicle title or alternative ownership documentation shows an active lien-holder, then the vehicle does not qualify to participate in the VIP. A copy of the duplicate title must be received by the air district before payment is issued to the dealership.
- (E) *California Registration:* The existing vehicle must either be 1) currently registered and have been registered in California for ~~the past~~ at least 24 months in the previous 30 months; or 2) must have been registered in California for the previous eight consecutive months supplemented by alternate documentation showing California operation for the past 24 months. For the term specified above, at a minimum, the application package must include copies of the DMV registration, and proof of insurance, and California operation for ~~the previous~~ at least 24 months in the last 30 months with no lapses (except for seasonal vehicles and those eligible under the military service provision). The existing vehicle must be based in California. Applicants may provide proof of California registration by providing copies of California International Registration Plan (IRP) documents. Out-of-state registration and out-of-state IRP do not qualify for the VIP.
- (F) *Seasonal Vehicle Exception:* If the existing vehicle operates seasonally, then the existing vehicle may be eligible to participate in the Voucher Incentive Program if it has been registered in California for three to six continuous months per

12-month period for the previous ~~24~~30 months. DMV partial year registration documentation for each period the vehicle was registered must be included in the application package. ~~Trucks~~ Vehicles that are registered seasonally must meet the minimum annual usage requirements referenced in Appendix O during the registered months.

- (G) *Operational Condition Verification:* The existing vehicle may have a salvage title, but must be in operational condition to qualify for funding. Operating condition must be determined through an inspection by a participating dealership prior to submitting the application or by air district staff upon air district request. An operational vehicle must be able to start, move in all directions, and have all operational parts.
- (H) *Engine Verification:* If the existing vehicle engine tag is missing, then verification of the engine information can be done with the engine serial number. The participant will be required to provide verification of the engine make, model, model year, engine serial number, and horsepower from the manufacturer. Verification can include a letter or a printout from an engine manufacturer or participating dealer.
- (I) *Glider Kits:* Glider kits are replacement chassis and cabs for on-road heavy-duty vehicles. Glider kits are generally identified with a VIN starting with the letters "GL". In situations where the model years of the glider kit vehicle's chassis and engine differ, approval determination shall be made using the model year of the engine. Existing glider kit vehicles are eligible to participate in the voucher program. The replacement vehicle has to be a complete Original Equipment Manufacturer vehicle; i.e., the replacement vehicle cannot be a glider kit.
- (J) *Existing Vehicle Body Components:* The body of the existing vehicle does not play a part in the participation in the program. Program funds can only be used to purchase the new vehicle, not external body components or parts used for a particular vocation (e.g., dump body). The common practice for vehicle owners to remove non-emission related body components from the existing vehicle and place them on the replacement vehicle is still permissible as long as the components do not exist on the replacement vehicle and are not a part of the paid components for the replacement vehicle.
- (K) *Operation of Existing Vehicle After Approval for a Voucher:* If the existing vehicle is in an accident or has an engine failure AFTER receiving approval for a voucher from the air district but prior to replacement, then the existing vehicle will still be eligible for receiving funds from the program as long as all other VIP requirements have been met.
- (L) *Delivering the Existing Vehicle to the Dealer Prior to Taking Ownership of the Replacement Vehicle:* The participant must deliver the existing vehicle in similar condition as it was in the pre-inspection. The air district or dealer can reject the condition of the existing vehicle if it is deemed unroadworthy or if parts were stripped from the existing vehicle. Reimbursement of the voucher will be

withheld until the dealer or air district approve the condition of the existing vehicle.

4. Replacement Vehicle Requirements. All replacement vehicles must meet the following requirements before funding is awarded to the participant:

- (A) *Purchased from a Participating Dealership:* The replacement vehicle must be purchased from an air district-approved participating dealership.
- (B) *Title:* The replacement vehicle must have a clean title prior to purchase. The replacement vehicle must not have a salvage title and must not have been in an accident, repaired, and became available for resale.
- (C) *California Registration:* The replacement vehicle must be registered in California or in the California IRP.
- (D) *Model Year:* The replacement vehicle must have a ~~2013 model year or newer engine or motor or powertrain that is certified to the ZE standard and equivalent or newer than the existing vehicle model year.~~
- (E) *New or Used:* The replacement vehicle can be new or used. Used vehicles with an original manufacturer GVWR of 33,001 pounds or greater must have less than 500,000 miles of operation, and used vehicles with an original manufacturer GVWR of 19,501 through 33,000 pounds must have less than 250,000 miles of operation. Used vehicles with an original manufacturer GVWR of 14,001 through 19,500 pounds must have less than 150,000 miles of operation. The replacement vehicle in consideration must be in operation at least a year prior to any regulatory or rule compliance deadline requiring the replacement vehicle to be in operation.
- (F) ~~Engine-Motor or Powertrain Emission Standards:~~ New and used replacement vehicles qualify for funding based on engine emissions standards of ~~at least 0.20 g/bhp-hr NO_x and 0.01 g/bhp-hr PM~~ certified to the ZE standard for a motor or powertrain. The corresponding information about funding levels are found in Appendix O.
- (G) An CARB Executive Order certifying that the engine motor or powertrain meets the selected emissions ZE standard must be confirmed and included in the project file by the air district prior to approval ~~with the application package.~~
- (H) *Weight Class:* The replacement vehicle must be in the same weight class as the existing vehicle (either LHD 14,001 to 19,500 pounds, MHD 19,501 to 26,000 pounds, MHD 26,001 to 33,000 pounds, or HHD). An ~~MHD HHD~~ vehicle can replace an ~~HHD MHD~~ vehicle if they both have the same axle configuration (e.g., an existing ~~HHD MHD~~ vehicle with two axles can be replaced with an ~~MHD HHD~~ vehicle with two axles) but the funding amount must be at the MHD funding level. Differing weight classes to the existing vehicle may be eligible if Sections C.4(l) and all requirements of Section C.4 are met and approved by the air district.

- (I) Engine Motor or Powertrain Class: The engine's primary intended service class must match the replacement vehicle's weight class (i.e., e.g., an MHD diesel engine motor or powertrain certified to the ZE standard is used in a vehicle with a GVWR of 19,501- 33,000 pounds and an HHD diesel engine motor or powertrain certified to the ZE standard is used in a vehicle with a GVWR greater than 33,000 pounds). As an exception, an HHD MHD motor or powertrain engine may be installed in an MHD HHD vehicle if necessary for vocational purposes and if the vehicle is certified to the HHD intended service class, the GVWR is within ten percent of the engine's intended service class (i.e., GVWR of 29,701 pounds or greater). Also, an MHD engine may be installed in an HHD vehicle, but only if the GVWR is within ten percent of the engine's intended service class (i.e., GVWR of 36,300 pounds or less). For these exceptional cases, the funding amount must be in accordance with the medium heavy-duty (GVWR of 26,001—33,000 pounds) funding levels. The following are is an examples of eligible cases under these exceptions:

- (1) An ~~baseline existing~~ MHD vehicle may be replaced with an MHD a certified HHD vehicle equipped with an HHD engine MHD motor or powertrain and granted a funding amount up to ~~\$40,000~~ \$180,000 for a MHD zero-emission standard replacement.
- (2) A ~~baseline HHD vehicle~~ may be replaced with an MHD vehicle (Section C.4.(H)) equipped with an HHD engine and granted a funding amount up to ~~\$40,000~~.
- (3) A ~~baseline HHD vehicle~~ may be replaced with an HHD vehicle (Section C.4.(H)) equipped with an MHD engine granted a funding amount up to ~~\$40,000~~.

In the cases where there is no ZE vehicle replacement available within the same existing engine's GVWR intended service class that can perform the same or equivalent level of work of the existing vehicle, the air district may approve a ZE replacement vehicle that is greater than the existing engine's GVWR intended service class if all of the following requirements are met:

- (1) Confirmation that the intended use of the replacement vehicle would remain the same as that of the existing vehicle and documentation describing how the ZE replacement vehicle will safely accommodate the equivalent level and scope of work that the existing vehicle performs (e.g., prior to approval place in the file a letter from the manufacturer or certified statement from the applicant confirming the replacement vehicle can safely operate in the same degree as the old vehicle without adversely impacting its durability).
- (2) All other requirements within Section C.4 are met.

- (J) Warranty Requirements: All replacement vehicles must have a minimum of a one-year / 100,000-mile major component engine warranty. ZE standard replacement vehicles must have a minimum of a three-year or 50,000-mile

warranty period for zero-emission powertrain components including, the motor, drivetrain, battery or energy storage, and parts and labor. The warranty must cover parts and labor. It is recommended that the highest-grade warranty be purchased in order to avoid expensive repairs in the future. No CMP funds will be issued for maintenance or repairs related to the operation of the vehicle. The participant takes sole responsibility for ensuring that the vehicle is in operational condition.

- (K) Engine Motor or Powertrain and Emission Control Modifications: Emission controls on the replacement vehicle ~~engine,~~ cannot be modified in any manner. Unauthorized modification to ~~engine, the replacement vehicle's motor or powertrain performance (including changes in horsepower),~~ emission characteristics, ~~engine the motor or powertrain~~ emission components (not including repairs with like-original equipment manufacturers replacement parts), or any other modifications to the ~~engine's, motor's or powertrain's~~ emission control function is not allowed.

5. Air District Requirements. Air districts must implement the following program requirements:

- (A) The VIP guidelines and attachments provide all requirements for the program, therefore air districts/dealers/grantees are not required to refer to the CMP Guidelines for Moyer funded VIP projects.
- (B) Each air district must have a resolution or minute order of their Governing Board that commits the air district to comply with all VIP requirements. If an air district Governing Board granted broad authority to adopt a program like VIP, the granted authority must be sufficient to comply with all VIP requirements.
- (C) Air districts may not add limitations to project criteria or make changes to the VIP Guidelines.
- (D) An air district may request CMP funds ~~if the air district chooses to use those funds to implement the VIP as these funds become available.~~ In order for an air district to be approved for a funding request to implement the VIP, the air district must provide verification of board approval to implement the VIP, a copy of at least one active dealer agreement, and a copy of at least one active dismantler agreement.
- (E) Air districts must dedicate a portion of their VIP funding exclusively to small fleets with three vehicles or less. At a minimum, the portion of funding allocated for small fleets of three vehicles or less must be 70 percent of the total VIP funds and the remaining portion may be allocated to fleets with four to ten vehicles. Air districts must monitor the funding levels for each fleet size category to ensure that both categories are adequately funded. Air districts must ensure that funds for small fleets are not depleted while funds still remain for larger fleets. Air districts may only modify the minimum percentage of funding if necessary due to demand and proximity to the grant funds liquidation

deadlines outlined by the program guidelines. Air districts must reject VIP applications if funds are not currently available. Air districts cannot create a list of pre-approved VIP projects to receive funding in a future date.

- (F) Air districts must create an addendum to their current CMP Policies and Procedures using the air district VIP Policies and Procedures (Appendix B) within two months after they begin implementation of the VIP. Air districts are not required to submit this addendum to CARB but it must be available upon CARB request.
- (G) Air districts must use the program documents provided in the appendices. The documents may only be modified to include air district logos and air district contact information and must remain ADA compliant. The documents will be provided electronically to the participating air districts. See additional guidance in Section C.5.(O).
- (H) Air districts must work to contract with vehicle dealerships located in their air district before contracting with dealerships located outside of their air district. Air districts that do not have dealerships within their air district can proceed directly to contract with dealerships located outside of their air basin. Air districts can contract with dismantlers located within or outside of their air district.
- (I) Air districts must contract with vehicle dealerships and dismantler yards. Dealership and dismantler yard agreements must contain the language provided in Appendix C and D, respectively. If a dealership has multiple locations, then the air district either needs to have one agreement for each location or list each location in one agreement. Air districts are responsible for dealer training, including updating this training whenever substantive changes are made to the VIP Program and/or this supplemental guidance document. Additional districts may be added to an existing air district's dealership and dismantler agreements with no further training required as long as at least one air district has met the requirements of Section C.5.(L). In addition, air districts that enter into new agreements with trained dealerships and dismantlers that already have existing agreements are not obligated to repeat training requirements. The process for selection of dealerships and dismantler yards must be specified by the air district in the air district's VIP Policies and Procedures.
- (J) Air districts must ensure participating dealerships, and dismantlers, and/or authorized third-party contractors meet all VIP requirements. Air districts must receive all requested documents from the dealership and/or dismantler prior to signing an agreement. Air districts must maintain records verifying their participating dealerships, and dismantlers, and/or authorized third-party contractors meet the VIP requirements.
- (K) Air districts must provide participating dealership and dismantler contact information to CARB within ten business days of entering into agreement.

- (L) Air districts must ensure at least one representative from each participating dealership is trained on the terms, conditions, and requirements of the Program. Air districts must describe how this will be accomplished in the air district's VIP Policies and Procedures.
- (M) Air districts must work in coordination with CARB in outreach efforts to increase participation of vehicle owners, dealerships, and dismantler yards, including within communities with priority populations. Air districts must specify outreach efforts in the air district's VIP Policies and Procedures, including additional time (e.g., one month of outreach in communities with priority populations prior to solicitation), outreach, educational, and prioritizing efforts (i.e., creating a waiting list of potential applicants from communities with priority populations to apply in the upcoming solicitation for VIP) prior to solicitation that is provided in communities with priority populations, which includes but is not limited to, information about VIP, how to participate in VIP, and what funding opportunities will be available for communities with priority populations. The air district must identify and provide supporting documentation of outreach efforts to communities with priority populations in the program file and make the information available to CARB upon request.
- (N) Air districts must provide all applicants and dealerships with application packages, inspection forms, and any other applicable VIP materials. Air districts that are invoking a local eligibility requirement must provide the dealerships pre-evaluation materials to help determine applicant eligibility.
- (O) Air districts may utilize the internet to securely receive applications, supporting documentation, and other voucher forms. However, the original Receipt of Replacement Voucher (Appendix G) that includes the applicant's original signature must be received by the air district. Digital signatures may be used in lieu of original signatures only if they comply with California Government Code section 16.5, and Title 2, California Code of Regulations, sections 22000-22005. Scanned or faxed signatures are not acceptable for the Receipt of Replacement Voucher. Air districts are responsible for ensuring that their electronic versions of the program documents meet all program requirements. The electronic VIP forms must contain the same information and applicant fields as the equivalent forms in the appendices but may also include the air district's logo and other designs unique to the district webpage. For clarity and to aid program review and enforcement efforts, air districts should make every reasonable effort to make the electronic forms look as similar as possible to the forms contained in the appendices. Air districts are also responsible for ensuring their websites and electronic forms meet the minimum security requirements and current standards.
- (P) Air districts cannot restrict where participating dealers can send completed applications.
- (Q) Air districts must review and approve applications by prioritizing applications received from a community with a priority population as soon as they are

received through a high priority waiting list or as soon as they are received during a solicitation period, and all other applications will be reviewed and approved after these applications in the order received on a first come, first served basis, based on the date of receipt of the application by the air district. Any applications from a community with a priority population received outside of the solicitation period or after funds have been exhausted, will be added to a waiting list that will prioritize these applications to be reviewed and approved first prior to any new applications received during the next solicitation.

- (R) Air districts must approve or reject applications within 15 20 business days of receipt.
- (S) Air districts must review an application package and approve a project once all program requirements have been met. To facilitate the review of the application package, the air district must confirm that all requirements on the Air District Review Checklist: Initial Review have been met (Appendix E). The following application form fields are mandatory and must be filled in completely before the application may be approved (Section C.5.(W)):

Mandatory Application Form Fields

Applicant Information:

- Owner Name
- Mailing Address (including City, States, Zip)
- Physical Address (if different from mailing)
- Owner Phone
- TRUCRS ID/DTR Number
- Fleet Size

Third Party Information:

- Third Party Name
- Mailing Address (including City, State, Zip)
- Physical Address (if different from mailing)
- Phone
- Third Party Signature & Date (only required if a paid party other than the dealership completes the application)

Existing Vehicle and Engine Information:

- Vehicle Make
- Vehicle Model
- Vehicle Model Year
- Vehicle Identification Number (VIN)
- License Plate Number
- Odometer Reading (optional for dismantle inspection only)
- Vehicle Operational
- GVWR

- Engine Make
- Engine Model
- Engine Model Year
- Serial Number
- Engine Family Number/Name
- Engine operational
- Fuel used
- Retrofit Device Make (if applicable)
- Retrofit Device Model (if applicable)
- Diesel Emission Control Strategy Family Name (if applicable)
- Retrofit Device Serial Number (if applicable)

Replacement Vehicle and Engine- Motor, or Zero-Emission Powertrain Information:

- Vehicle Make
- Vehicle Model
- Vehicle Model Year
- Odometer Reading
- GVWR
- Engine Motor, or Zero-Emission Powertrain Make
- Engine Motor, or Zero-Emission Powertrain Model
- Engine Motor, or Zero-Emission Powertrain Model Year
- Engine Motor, or Zero-Emission Powertrain Family Number/Name
- Engine Motor, or Zero-Emission Powertrain operational
- Fuel or energy type used
- CARB Executive Order Number

Dealership Information:

- All fields must be filled out or a business card must be attached

TRUCRS Option/DTR Compliance and Usage:

- TRUCRS Documentation and Compliance Options/DTR Compliance Documentation
- Operational Area

Inspection Forms:

- All applicable forms must be filled in based on the information required above for the existing and replacement vehicles.

Applicant Recitals:

- Owner must sign and date application

(T) Air districts must enter the VIN into the CARL database as part of the initial

review of the application to ensure that the existing vehicle has not already applied for funding. If the VIN has already been entered into the CARL database, then the air district must reject the application.

- (U) Air districts may enter into a contract, written agreement, or memorandum of understanding with a 1) participating dealership to perform pre-inspections and/or post-inspections, or 2) with a participating dismantler to perform dismantle inspections. If an air district chooses to use dealerships or dismantlers to perform inspections, air district staff must conduct and document at least one inspection on each project without the use of a contractor; however, air districts may work in partnership to conduct the inspection. With approval by CARB, air districts may use a remote inspection protocol in lieu of physical inspections for the program. If applicable, the dismantler inspection may be performed using an authorized remote inspection protocol. Air districts must ensure all inspection requirements are met and shall retain legal responsibility for full compliance with the inspection provisions of these Guidelines. If the air district decides to conduct the inspections, the inspections must be scheduled and completed within the following timeframes:
- (1) Pre-inspection of the existing vehicle must be completed within five business days of the receipt of the application or request by the applicant or dealership.
 - (2) Post-inspection of the replacement vehicle must be completed within three business days of being notified by the dealership.
 - (3) Pre-dismantle inspection of the existing vehicle must be completed within three business days of being notified by the dealership. The pre-dismantle inspection is to verify the existing vehicle is in similar operating condition as in the pre-inspection. If the existing vehicle has been stripped of major parts or accessories, the air district may withhold payment until the existing vehicle is restored to its previous state.
- (V) Remote Inspections: An authorized remote inspection will allow the air district inspector to witness a "live" streaming video taken by the applicant, dealership, or other individual with video capability.
- (1) A remote inspection protocol must include the following:
 - a. A complete view of the entire vehicle or equipment (including front, back and side views, and license plate as applicable)
 - b. Label showing the VIN and GVWR, as applicable
 - c. Location and current reading of the odometer or hour meter
 - d. Verification that the engine or vehicle is operational (with a start-up) and that the engine or vehicle is working as described in the application

- e. A view of the engine or motor or powertrain with unique identifier (ESN or other identification number)
- (2) The air district inspector must also make a note of any identifiable markings on the vehicle (if any). These markings cannot be used in lieu of a VIN, ESN, or other unique identification number or engine tag.
- (3) Consistent with current inspection procedures, engines without a visible and legible serial number must be uniquely identified by having the engine block stamped with a unique identification number or alternative permanent marking, such as an engine tag.
- (4) All requirements from (C)(5)(S) must be met.
- (W) ~~(A)~~For approved projects, the air district must provide an Approved Voucher Package to the dealership, as applicable. Documents may be provided electronically. An approved voucher package includes the following documents:
 - (1) Voucher (Appendix F)
 - (2) Receipt of Voucher (Appendix G)
 - (3) Dealer Reimbursement Invoice (for immediate signature and return to the air district – Appendix H)
 - (4) Post-inspection (replacement vehicle) and Pre-dismantle (existing vehicle) Inspection Forms (Appendix I)
 - (5) Dealer Reimbursement Package Checklist (Appendix J)
- (X) ~~(W)~~If a submitted application is incomplete, illegible, or has any unclear or missing documentation, the air district must reject the application immediately and notify the applicant. If the project is located within a priority population, the air district must provide the applicant an opportunity to meet the requirements of C.5.(X), including but not limited to, correcting or completing the application, providing clarity, or providing missing documentation before the air district issues a rejection of the application. If the project is not located within a priority population, ~~At their discretion,~~ air districts may at their discretion, request missing or unclear documentation or information from applicants before issuing rejections if the requirements of C.5.(X) can be met.
- (Y) ~~(X)~~*Rejected projects:* Air districts must remove the existing vehicle VIN entered at the initial review stage from the CARL database if the application has been rejected. Air districts must mail or email an application rejection letter and the application package to the applicant if their application has been rejected. This letter must be issued by the end of the ~~45~~20-business day review period. The air district must state the reason(s) for the rejection on the rejection letter. If an application is rejected because the VIN is already in the CARL database, then the air district should note this is the reason for rejection on the rejection letter

and keep it in the project folder. The air district must also notify the dealer by mailing or emailing a copy of the rejection letter. A template of the rejection letter is in Appendix K.

- (Z) ~~(Y)~~ *Payment Goal*: A goal of the program is to ensure payment can occur when the existing vehicle is turned into the dealership and the replacement vehicle is ready for purchase. The air district shall work towards achieving this goal and should notify the dealership of any delays in issuing payment.
- (AA) ~~(Z)~~ *Project Payment Options*: In order to achieve the payment goal, air districts have two project payment options. The first option is to immediately begin the disbursement process for the approved voucher project after receiving a signed Reimbursement Invoice (Appendix H). Payment must not be distributed until an air district-approved Reimbursement Package has been submitted by the dealership. The second option is to begin the disbursement process and issue payment within ten business days of receipt of a completed reimbursement package. Air districts must include in the air district's VIP Policies and Procedures the option that is implemented.
- (BB) ~~(AA)~~ *Air District Payment Checklist*: Air districts should use the Air District Payment Review Checklist to help review if a complete reimbursement package has been submitted and payment can be issued (Appendix L). Air districts must retain with the project documents evidence that payment has been made. Such evidence could be a copy of the check, or other evidence consistent with standard fiscal operating procedures within the air district. Allowable forms of evidence must be documented in the air district's Policies and Procedures.
- (CC) ~~(BB)~~ If the process of payment is delayed, the air district must notify the dealership by phone or email at the earliest possible time of such delay.
- (DD) ~~(CC)~~ If the reimbursement package is not complete, the air district will mail or email a reimbursement package rejection letter explaining the discrepancy to the dealership (Appendix M) and keep a copy of this letter.
- (EE) ~~(DD)~~ Air districts must enter all project data information into the CARL database within ~~45~~ 20 business days of approving an application for a voucher. The replacement vehicle VIN should not be entered until sale of the vehicle is finalized. Payment information including the confirmed replacement vehicle VIN must be submitted within ~~45~~ 20 business days after payment is issued.
- (FF) ~~(EE)~~ Air district staff or a designated contractor must conduct the dismantle inspection of the existing vehicle at the dismantler within 60 calendar days of being notified the existing vehicle has been delivered to the dismantler yard. Inspection forms are in Appendix I. The dismantle inspection should include verification of engine destruction, vehicle frame rails are completely severed, and verification the dismantler yard has filed the "Application for Salvage Certificate or Non-Repairable Vehicle Certificate" (REG 488C) or a Notice of Acquisition/Report of Vehicle To Be Dismantled (REG 42) with DMV. Verification

can include a copy of the form filed with DMV. Air districts must also receive official verification from the dismantler that the REG 42 form has been accepted by DMV. This verification may occur after the dismantle inspection.

- (GG) ~~(FF)~~ Air districts must mail out annual Usage Reports (Appendix N) to participants each year for three years after voucher redemption. The air district must also input data from the returned reports into CARL. Semi-annually, air districts will notify CARB if a grantee does not return usage reports. CARB reserves the right to enforce the terms of the voucher.
- (HH) ~~(GG)~~ *Records Retention*: Air districts must retain all records of approved voucher projects for a minimum of five years from the date of issuing the voucher. For rejected projects, air districts must maintain a copy of the application, the rejection letter, and method of notification for three years from the date the application was received.
- (II) ~~(HH)~~ *Audit and Monitoring*: Air districts must allow CARB to monitor their voucher program, which includes an Incentive Program Review of the air district's implementation of the program. Most CARB VIP reviews will occur during a regular CMP Incentive Program Review; however, CARB may request project information on an as-needed basis.
- (JJ) ~~(II)~~ *Audit of Participating Dealers*: Air districts that do not conduct 100 percent of required inspections themselves must audit five percent of each type of inspection (pre, post, pre-dismantle, and dismantle). Audits should be done randomly and occur throughout the implementation timeline of the air district. Table 1 includes the audit requirements for the air districts to follow.

Table 1
Air District Audit Requirements

Type of Audit Inspection	Purpose(s)	Timing of Audit Inspection
Pre-inspection	<ul style="list-style-type: none"> Verify existing vehicle is in operational condition Verify existing vehicle application information 	After application is submitted to air district but prior to approving the application.
Post-inspection	<ul style="list-style-type: none"> Verify replacement vehicle meets emission standard Verify application information 	After replacement truck is delivered, and prior to payment being issued
Pre-dismantle inspection	<ul style="list-style-type: none"> Verify existing vehicle is in operational condition and has not been stripped of parts Verify existing vehicle application information 	After existing truck is delivered to dealership and payment is issued. Existing truck is at dealership location
Dismantle inspection	<ul style="list-style-type: none"> Verify engine destruction Verify that frame rails are completely severed Obtain copy of REG 42 form filed with DMV 	After engine and frame rail destruction.

(KK) ~~(JJ) Meeting Environmental Justice (EJ) Requirements: Air districts are required to identify, and report in CARL, the projects that occur in EJ areas including communities with priority populations. Air districts shall prioritize, expedite, and seek to fund as many VIP projects as feasible that occur in with environmental justice (EJ) areas as seen on the Climate Change Investments interactive map. The air districts must ensure that at least 50% of all funded VIP projects occur within an EJ area. requirements shall not apply the requirements to VIP application review. After each year of implementation, the The air district may must review each funded project to determine if it helps to meet air district EJ requirements, when applicable. If those requirements have not been met, other CMP funded projects will need to be used to fulfill the EJ requirement.~~

6. Dealership Requirements. Dealership participation is an important component of the VIP. Dealers are responsible for providing participants with assistance in the application process. This includes ensuring compliance with all program requirements.

(A) Participating vehicle dealers are required to:

- (1) Enter into an agreement with at least one air district in order to be a participating dealer in the VIP. Dealerships may choose to enter into agreements with more than one air district. Template language that will be included in this agreement can be found in Appendix C; the air district will provide the dealer with exact language.
- (2) Warrant that it meets the following minimum qualifications, and will continue to meet these qualifications throughout its participation in the Program:
 - a. Dealership has had a valid business license issued in California for a minimum of the last two years.
 - b. Dealership has had a valid vehicle dealership license with DMV for a minimum of the last two years.
 - c. Dealership maintains a minimum of one employee that has successfully completed the training by the air district regarding the terms, conditions and requirements of the Program. If a participating dealership maintains more than one location for truck sales, then each location must have at least one employee trained on the VIP.
 - d. Dealership agrees to allow the air district or CARB to inspect vehicles or audit program records covered under this Agreement during normal business hours.
- (3) Provide accurate information about the VIP to applicants.
- (4) Help participants complete the VIP application package. It is important to make sure that all information is filled out correctly and that the participant understands the VIP requirements.
- (5) Show the voucher amount on the replacement vehicle invoice. The voucher does not reduce the purchase price of the vehicle, but is an incentive to the vehicle owner that will result in a lower price paid by the participant. The receipt of voucher funds does not lower the base price nor does it reduce the tax basis of the vehicle. The dealer may not have the applicant pay, even at the applicant's request, the full purchase price of the replacement vehicle, and later reimburse the voucher amount to the applicant.
- (6) Submit the completed application package to the air district. CARB recommends that dealers submit applications to the air district closest to an applicant's physical address. Incomplete application packages will be rejected and returned to the applicant. The dealer will also be notified of the reasons for rejection (Appendix K).
- (7) Ensure the title for the replacement vehicle is registered to the

participant in California. If the replacement vehicle is not registered in California, the voucher will be invalid and not be paid.

- (8) Ensure the replacement vehicle is delivered in California.
 - (9) Ensure any used vehicles do not exceed the maximum miles of operation allowed for the original manufacturer GVWR:
 - a. 14,001 to 19,500 pounds must have less than 150,000 miles,
 - b. 19,501 to 33,000 pounds must have less than 250,000 miles, and
 - c. 33,001 pounds or greater must have less than 500,000 miles.
 - (10) Ensure the existing vehicle is delivered to the dealership prior to releasing the replacement vehicle.
 - (11) Ensure the existing vehicle is in similar condition as found in the pre-inspection. ~~The dealer should reject the condition of~~ or air district authorized third party must not deliver the existing vehicle to the dismantler if it is deemed unroadworthy or if parts were stripped from the existing vehicle. Reimbursement of the voucher will be withheld until the dealer (or air district) approves of the condition of the existing vehicle ~~and is for delivered delivery to the dealership dismantler.~~
 - (12) Ensure the existing vehicle and its original, signed title remains in dealership custody and is sent to or accepted by a participating dismantler yard for destruction within 60 calendar days of dealership taking truck possession of the existing vehicle. Immediately notify the air district of the location and date of delivery of the existing vehicle to the dismantler. Immediately notify the air district if there is a delay in sending or the participating dismantler accepting the existing vehicle for destruction within 60 calendar days of the dealership taking possession of the existing vehicle.
- (B) *Application Package:* To ensure that an application package is complete, the dealer must ensure that all the following items are complete and included in the participant's submission to the air district. An applicant checklist is available for participants and dealerships to use (Appendix A). The following must be completed before a voucher will be issued:
- (1) Submit a signed and complete application.
 - (2) Submit all other applicant-required documentation as listed in these guidelines and on the application checklist.
 - (3) If required by the air district, inspect and provide documentation showing that the existing vehicle is

operational and roadworthy. The air district may decide to conduct the inspections and will notify the dealership of this.

- (4) Submit digital photographs of the existing vehicle to the air district. The air district will specify the required format of digital photos as listed on the inspection form in appendix I. Before submitting photographs to the air district, dealers must verify that photographs are clear with a minimum capture resolution of 640x480. Dealers can submit photos of more than one truck inspection on a disk or other media as long as the pictures are clearly labeled. All Vehicle Identification Numbers (VIN) and engine serial numbers (ESN) must be legible.
- (C) *Dealer Reimbursement Package:* Prior to receiving reimbursement, the dealer must submit a reimbursement package to the air district. A checklist is available for the dealers (Appendix J). Parts not requiring an original signature may be provided electronically if allowed by the district. The following documents should be included in the reimbursement package:
- (1) Reimbursement Invoice (Appendix H) should be signed and returned to the air district upon receipt.
 - (2) Final dealership invoice signed by the applicant that shows the final purchase price less the voucher award.
 - (3) Original Receipt of Voucher signed by the participant (original signature required).
 - (4) The Voucher.
 - (5) Copy of DMV registration paperwork showing vehicle registered to the participant in California.
 - (6) Copy of finance documentation (if vehicle was financed) showing the lender and the financed amount. If a lender separate from the dealer is used, a copy of the check provided to the dealer must be provided. The grant and financed amount must not exceed the vehicle cost.
 - (7) Copy of replacement vehicle warranty.
 - (8) Copy of title of existing vehicle signed and dated by applicant.
 - (9) Inspection forms and pictures of the existing vehicle after it is turned in to the dealership as specified in Appendix I.
 - (10) Inspection forms and pictures of the replacement vehicle as specified in Appendix I.

- (11) Location of the dismantler yard that the existing vehicle will be destroyed.
- (12) Date the existing vehicle is delivered to or picked up by a participating dismantler.

2. Dismantler Requirements

- (A) For replacement projects, CARB requires that the existing vehicle is destroyed. Destruction of the existing vehicle chassis and engine permanently removes the old, high-emitting vehicles from operation. This requirement has been established to ensure that emission reductions are real. It prevents the existing vehicles from being moved into another locale to continue emitting high levels of pollutants. Air districts will establish a list of participating dismantlers that existing vehicles can be delivered to or picked up for destruction.
- (B) A dismantler must enter into an agreement with at least one air district to participate in VIP. Appendix D lists the terms that must be included in the air district/dismantler agreement. The following are requirements for participating dismantlers:
 - (1) Participating vehicle dismantlers are required to meet the following requirements in order to participate in the VIP and provide verification to the air district:
 - a. Be licensed by DMV as a Dismantler for a minimum of the last two years;
 - b. Have a current, valid California Environmental Protection Agency (Cal/EPA) Hazardous Materials Generators Permit;
 - c. Comply with all local, State and federal laws and regulations;
 - d. Owner must have a minimum of one active employee who received training by the air district on the requirements of the Program. If a dismantler has more than one location, then the dismantler must have at least one active employee trained by the air district at each location that will be accepting VIP trucks; and
 - e. Have had a valid business license issued in California for a minimum of the last two years.
 - (2) Funding is not available for the dismantling of any existing vehicle.
 - (3) The dismantler must agree to do the following:
 - (a) Destroy the existing vehicle within 60 calendar days of receipt and acceptance of the existing vehicle. Destruction of the vehicle includes completely severing the frame rails so that the frame is no longer

capable of being used in a vehicle. Upon dismantler request, the air district may approve an extension. If there is a delay in destruction of the existing vehicle, the air district must document the communication and reasoning for the delay from the dismantler in their project file while working with the dismantler to ensure the vehicle is destroyed according to guideline requirements as soon as is feasible.

- (b) The existing vehicle and engine must be destroyed and rendered useless. At a minimum, the destruction must include the following:
 - i. Both frame rails must be completely severed between the front and rear axles.
 - ii. A hole must be put in the engine block with a diameter of at least three inches at the narrowest point. The hole must be irregularly shaped (i.e. no symmetrical squares or circles). A section of the oil pan flange must be removed as part of the hole or have a line cut through it that connects to the hole.
- (c) The dismantler must notify the air district that a vehicle is destroyed and ready for inspection.
- (d) The destruction of the engine and vehicle must be documented by the air district. Air district staff or a designated contractor must verify in-person the vehicle identification numbers and engine serial number. If applicable, the dismantle inspection may be performed using an approved remote inspection protocol.
- (e) The dismantler must provide verification that the existing vehicle is registered with DMV as non-repairable. Verification of filing DMV Form 488C or REG 42 must be provided to the air district at the dismantle inspection. Within 90 calendar days of the dismantle inspection date, the dismantler must also provide verification to the air district from DMV that the existing vehicle has been registered with DMV as non-repairable (non-revivable) with a transaction code L10 (non-original Junk Non-Revivable) or C26 (Junk Non-Revivable Original).

D. Definitions

For the purposes of the VIP, definitions are as follows:

Body Components: Any components of a vehicle specific to the actual vocation of the vehicle. This does not include any components that are directly related to the propulsion of the vehicle, common component of a vehicle (e.g., steering wheel, seats, etc.), or related to the rigid structure of the tractor.

Dismantler: A place of business whose purpose is to destroy heavy-duty vehicles and engines that also meet the requirements of Section C.7.

Drayage Truck: Drayage trucks are defined in California Code of Regulations, title 13, section 2027. More information on trucks that must comply with the Drayage Truck Regulation can be found at:

<http://www.arb.ca.gov/msprog/onroad/porttruck/porttruck.htm>.

Existing Vehicle: The vehicle that will be turned in by the applicant for dismantling and destruction.

Gross Vehicle Weight Rating (GVWR): The maximum allowable total weight of a road vehicle and a loaded trailer as established by the original vehicle manufacturer. The original GVWR is typically found on an information tag or plate permanently affixed to the vehicle.

Heavy-duty vehicle (HDV): A vehicle with an original GVWR of 14,001 pounds or greater.

Heavy Heavy-Duty Vehicle (HHD): A vehicle with an original manufacturer GVWR of 33,001 pounds or greater.

Light Heavy-Duty Vehicle (LHD): A vehicle with an original manufacturer GVWR of 14,001 to 19,500 pounds.

Medium Heavy-Duty Vehicle (MHD): A vehicle with an original manufacturer GVWR of 19,501 through 33,000 pounds. Note: Replacement vehicles must be in the same weight class as the existing vehicle (LHD 14,001 to 19,500, MHD 19,501 to 26,000 pounds, MHD 26,001 to 33,000 pounds, or HHD).

Motor (or "motor vehicle"): Defined in Health and Safety Code section 39039 as a machine or device that can generate power for, or consume power from, a battery or energy storage system for the purposes of providing tractive effort and recapturing regenerative-braking power.

Participating Dealership: A dealership that has an agreement with an air district to participate in the VIP.

Participating Dismantler: A dismantler that has an agreement with an air

district to participate in the VIP.

Powertrain (a.k.a. Zero-emission Powertrain): Defined in California Code of Regulations title 13, § 2166.1(w), "zero-emission powertrain" means an all-electric or hydrogen fuel-cell powertrain assembly, which includes (if applicable) the electric traction motor, system controller, generator, on-board charger, battery management system, thermal management systems, energy storage system (batteries, capacitors, and flywheels), inverter, fuel-cell stack, and the interface at which electrical power is converted to tractive mechanical power or vice-versa (in the case of a regenerative braking system), certified pursuant to the requirements in section 1956 (a)(8).

Primary intended service class: The primary intended service classes are designated as light, medium, and heavy heavy-duty diesel engines as defined in 40 CFR §86.085-2:

1. The primary service application group for which a heavy-duty diesel engine is designed and marketed, as determined by the manufacturer. The primary intended service classes are designated as light, medium, and heavy heavy-duty diesel engines. The determination is based on factors such as vehicle GVWR, vehicle usage and operating patterns, other vehicle design characteristics, engine horsepower, and other engine design and operating characteristics.
 - (A) Light heavy-duty diesel engines usually are non-sleeved and not designed for rebuild; their rated horsepower generally ranges from 70 to 170. Vehicle body types in this group might include any heavy-duty vehicle built for a light-duty truck chassis, van trucks, multi-stop vans, recreational vehicles, and some single axle straight trucks. Typical applications would include personal transportation, light-load commercial hauling and delivery, passenger service, agriculture, and construction. The GVWR of these vehicles is normally less than 19,500 pounds.
 - (B) Medium heavy-duty diesel engines may be sleeved or non-sleeved and may be designed for rebuild. Rated horsepower generally ranges from 170 to 250. Vehicle body types in this group would typically include school buses, tandem axle straight trucks, city tractors, and a variety of special purpose vehicles such as small dump trucks, and trash compactor trucks. Typical applications would include commercial short haul and intra-city delivery and pickup. Engines in this group are normally used in vehicles whose GVWR varies from 19,500-33,000 pounds.
 - (C) Heavy heavy-duty diesel engines are sleeved and designed for multiple rebuilds. Their rated horsepower generally exceeds 250. Vehicles in this group are normally tractors, trucks, and buses used in inter-city, long-haul applications. These vehicles normally exceed 33,000 pounds GVWR.

Priority Population: Priority populations include disadvantaged communities, low-income communities, low-income households and updates to the definition in accordance with the Funding Guidelines for Agencies that Administer California Climate Change Investments.

Seasonal Vehicle: An "Agricultural Vehicle", "~~Log Truck~~", "~~Low Mileage Construction Truck~~", or "Specialty Agricultural Vehicle" based on the definitions in title 13 California Code of Regulations (CCR) section 2025:

"Agricultural Vehicle" means a vehicle that is eligible to utilize the requirements for agricultural vehicles in California Code of Regulations, title 13, section 2025 and meets one of the definitions of (A) through (E) below.

- (A) A vehicle, or truck-tractor and trailer combination, owned by a farming business and used exclusively in one or more of the following ways:
 - (1) In agricultural operations.
 - (2) To transport harvested farm products to the first point of processing.
 - (3) ~~£~~To directly support farming or forestry operations, which may include supply trucks, cattle trucks, and other vehicles but does not include vehicles that do not directly support farming operations such as personal use vehicles, vehicles rented or leased to others for nonagricultural uses that do not qualify, or vehicles used in a transportation business other than to transport harvested farm products to the first point of processing.
- (B) A vehicle, or truck-tractor and trailer combination, owned by a bee keeping business and used exclusively to transport their own bees or honey to the first point of processing.
- (C) A truck, or a truck-tractor and trailer combination, that is required to display a hazardous material placard during delivery and exclusively delivers fertilizer or crop protection chemicals that require placard identification for use in agricultural operations from a distribution center to a farm and back, and is owned by a business holding a valid fertilizer or pest control license.
 - (1) Owners of such vehicles must hold:
 - a. A valid pest control dealer license issued by the California Department of Pesticide Regulation as required under Food & Agricultural Code, Division 6, Chapter 7, Article 6, section 12101; or
 - b. A valid fertilizing materials license issued by the California Department of Food and Agriculture as required under Food & Agricultural Code, Division 7, Chapter 5, Article 4, section 14591(a).
 - (2) Such vehicles must exclusively carry products defined under one of the following, and be required to display an appropriate placard, as required by the United States Department of Transportation:
 - a. 49 CFR, CHAPTER 1, PART 173.127 (Division 5.1); or

- b. 49 CFR, CHAPTER 1, PART 173.132 (Division 6.1); or
 - c. 49 CFR, CHAPTER 1, PART 173.115 Class 2, (Division 2.1, 2.2, and 2.3); or
 - d. 49 CFR, CHAPTER 1, PART 173.136 Class 8; or
 - e. 49 CFR, CHAPTER 1, PART 173.140 Class 9.
- (D) A truck, or truck-tractor and trailer combination, designed for in-field operations, that is exclusively engaged in agricultural operations on the farm. Examples include truck configurations designed to spread manure, dispense hay, and dispense freestall bedding. It also includes water trucks and trucks designed or modified to be used exclusively for the dusting, spraying, fertilizing, or seeding of crops. Except as allowed in (A) above, trucks, or truck-tractor and trailer combinations that transport any products, materials, personnel, or equipment are excluded.
- (E) A truck, or truck-tractor and trailer combination, including yard trucks, that exclusively transports any unprocessed horticultural, viticultural, aquacultural, forestry, dairy, livestock, poultry, bee or farm products such as raw, unprocessed crops, livestock, fish, or fowl between the farm and where the first point of processing occurs after harvest. Also included are trucks that are used to harvest crops for silage, and trucks that transport unprocessed agricultural materials from forest or farm to a biomass facility.

~~"Log Truck" means a heavy-duty vehicle with a manufacturer's GVWR greater than 33,000 lbs and has log bunks permanently attached that exclusively transports logs.~~

~~"Low Mileage Construction Truck" means a vehicle that is reported in TRUCRS under the Low Mileage Construction Truck Option and meets the definition in title 13 CCR section 2025 as shown in section (A) or (B) below:~~

- ~~(A) A dump truck with a GVWR greater than 26,000 lbs that operates less than 20,000 miles per calendar year and is designed to transport construction materials such as dirt, asphalt, rock or construction debris including a transfer truck, or a tractor-trailer combination used exclusively to pull bottom dump, end dump or side dump trailers, or~~
- ~~(B) A truck with a GVWR greater than 26,000 lbs that travels less than 15,000 miles per calendar year and is a concrete mixer truck, truck with a concrete placing boom, a water tank truck, a single engine crane with a load rating of 35 tons or more, a tractor that exclusively pulls a low-boy trailer, or a truck owned by a company that holds a valid license issued by the California Contractors State License Board.~~

~~"Specialty Agricultural Vehicle" means an agricultural vehicle having one of the following body types and has been approved for the exemption in California Code of Regulations, title 13, section 2025(m)(11) by the Executive Officer:~~

- (A) A truck, or a truck-tractor and trailer combination, designed or modified to be used exclusively for the fueling, repairing, or loading of an airplane or helicopter used for the dusting, spraying, fertilizing, or seeding of crops; or
- (B) A truck, or a truck tractor and trailer combination, that is equipped with a self-loading bed and is designed and used exclusively to transport field manufactured cotton modules to a cotton gin; or
- (C) A truck equipped with a water tank owned by a farmer, not operated for compensation, and used exclusively in agricultural operations to provide dust suppression on dirt roads providing access to agricultural fields and for the transportation of water for crop or tree irrigation or for livestock; or
- (D) A feed truck or mixer-feed truck specially designed for dispensing feed to livestock. It does not include trucks designed to supply storage silos with feed; or
- (E) A truck with a self-loading bed designed to be used in the process of harvesting lettuce. This type of vehicle is commonly referred to as a Fabco truck.

Vehicle Service Class: According to 40 CFR 1037.1 and 40 CFR 1037.140, electric vehicles are classified by vehicle service classes. Electric vehicle tractors are classified as medium heavy-duty vehicle (HDV) for Class 7 tractors and heavy HDV for Class 8 tractors according to 40 CFR 1037.140(g)(1). Electric vehicles that are vocational are classified as light HDV for Class 2b to Class 5 vehicles, medium HDV for Class 6 and Class 7 vehicles, and heavy HDV for Class 8 vehicles according to 40 CFR 1037.140(g)(2).