



# Evening Community Work Group: Clean Transportation Equity and Light-Duty Investments and More

Public Work Group on the Fiscal Year (FY) 2023-24 Funding Plan  
August 15, 2023

# Today's Agenda

Time	Session
5:00 p.m. – 5:15 p.m.	Introduction
5:15 p.m. – 6:00 p.m.	Clean Mobility Equity and Light-Duty Vehicle Investments
6:00 p.m. – 6:05 p.m.	<b>Break</b>
6:05 p.m. – 6:45 p.m.	HVIP, ISEF, and CORE – Heavy-Duty Investment Program Updates
6:45 p.m. – 6:55 p.m.	FY 2023-24 Funding Plan – Open Discussion
6:55 p.m. – 7:00 p.m.	Wrap Up and Next Steps

# Meeting Agreements

- Be respectful
- Take space, make space
- Listen to understand
- Strive to follow an equity approach when helping to strategize solutions for our clean transportation incentive programs
  - Equity recognizes that advantages and barriers exist, and that, as a result, we do not all start from the same place

# Community Evening Meetings

- Monthly community meetings will provide a space for community members across the state to engage with CARB staff.
- Community Meeting Goals
  - Hold a platform for community voices and their priorities
  - Brainstorm solutions for clean transportation needs
  - Highlight the most important information for community
  - Continuous two-way communication between staff and community

# How to Participate

- Attend Monthly Community Evening Meetings
- Fill out community survey
- Meet with CARB staff 1:1
- Comment on Draft Funding Plan



# Comments and Questions



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



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

# Clean Mobility Equity and Light-Duty Vehicle Investments

# Fiscal Year (FY) 2023-24 Allocations for Clean Transportation Equity and Light-Duty Vehicle Investments



# FY 2023-24 Proposed Allocations (millions)

Project Category	Proposed Allocation
CC4A – Statewide	\$28-\$30
Financing Assistance	\$28-\$30
California E-Bike Incentive Project	\$18-\$20
Access Clean California	Up To \$5
Cal-ITP	Up To \$2
Sustainable Community-Based Transportation Equity Mobility Projects (CMO, STEP, CMIS)	\$40-\$50
Sustainable Community-Based Transportation Equity Planning and Capacity Building Projects	\$10-\$20
<b>Total</b>	<b>\$140</b>

# Vehicle Affordability Analysis Update

# Key Takeaways

## New ZEVS

- CARB's cash incentives and 8% interest rate loan reduce the costs of a new ZEV but do not enable affordable choices for lower-income households given the parameters of the analysis.
  - Two options are available when factoring in the full Federal Tax Credit for those who are eligible (Chevy Bolt EV and Chevy Bolt EUV)

## Used ZEVs

- Many affordable used small ZEV options without CARB incentives (39 options).
- Factoring in the Clean Cars 4 All incentive, 8% loan from Financing Assistance, and the upcoming used EV Federal Tax Credit nearly quadruples the number of affordable options (147 options)

# Summary

- While these results suggest that there are a limited number of affordable new vehicle options for lower-income households even when including incentives, we continue to see an increase in demand for CARB incentive programs focused on lower-income consumers.
- With the expansion of the statewide Clean Cars 4 All and Financing Assistance programs, CARB staff will continue to analyze real-world data from these programs to inform future updates of this analysis.

# Zero-Emission Motorcycle (ZEM) Eligibility for Financing Assistance and Clean Cars 4 All

# Zero Emission Motorcycle Eligibility



## Current Incentives

- Currently eligible only through CVRP

## ZEM Information

- Different than e-bikes
- Various sizes and styles
- Price varies \$2,000-\$20,000
- 30-200 miles of range



## Next Steps

- Continued ZEM analysis
- Appropriate programs/funding amounts
- Community feedback



# Access Clean California Solicitation and Outreach Opportunities

# Proposal for FY 2023-24

- Solicit up to \$5 million to continue implementing, expanding and improving the program
- Release solicitation by January 2024
- Outreach Opportunities:
  - What other outreach efforts are needed?
  - Clear need for a flexible mechanism to fund integrated, community-level outreach at statewide level
  - How should the CARB identify and/or prioritize communities, CBOs, and local leaders?
  - CARB faces constraints
    - Administrative capacity
    - Advance pay restriction



# Proposed Process for Sustainable Community-Based Transportation Equity Projects

# Mobility Projects

- Combine Clean Mobility Options (CMO), Clean Mobility In Schools (CMIS), and Sustainable Transportation Equity Project (STEP) into a single funding category
- Combine application, timeline, and grant process
  - Maintain purpose and goals of each program
- Mobility project administrator roles
  - Grant management, technical assistance, data collection and analysis
- CARB roles
  - Application and funding selection process, project support

# Planning and Capacity Building Projects

- Separate funding category
- Align application, timeline, and grant process with Mobility Projects
- Planning and Capacity Building Administrator roles
  - Grant management, technical assistance, data collection
- CARB roles
  - Application and funding selection process, project support

# Comments and Questions



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**5-Minute Break**  
**Return at 6:05 p.m.**

# **HVIP, ISEF, and CORE – Heavy-Duty Investment Program Updates**

# Proposed HVIP Program Updates



# Background

- Reduces purchase price of zero-emission technologies
- Commitment to support priority populations by implementing community-driven clean transportation and equitable investments
- Available statewide with set-asides, voucher enhancements for priority fleets/vocations
- Over 11,400 vouchers issued since inception, totaling \$844 million
- Over 60% of vehicles deployed in priority communities



# Proposed Policy Changes for FY 2023-24

- Fleet size limits
- Small fleet support
- Enhancements for drayage and refuse trucks
- Manufacturer performance review
- Other changes due to funding changes

# Other HVIP Policy Changes Under Consideration

- Supplement Clean Mobility Options (CMO)
  - Use HVIP to cover eligible vehicle costs in CMO projects to stretch CMO resources
- Focus first year of Local Educational Agency School Bus Replacement Grants on zero-emission buses only
- Explore mechanisms for additional small fleet assistance
  - Borrowing costs
  - Residual value
  - Insurance

# Innovative Small e-Fleet (ISEF)

- Increased incentives for small fleets (<20 vehicles) to access zero-emission medium and heavy-duty trucks
- Encourages fleets to explore all-inclusive leases, rentals, peer-to-peer truck sharing, truck-as-a-service, straight purchases, and other mechanisms

## Proposed Changes:

- Focus solely on exploration of innovative solutions for small fleets
- Expand eligible vehicles to include buses, such as those used at daycares, retirements homes, etc.



# Proposed CORE Program Updates

# CORE Overview

- First come – First served
- Offset higher zero emission cost
- CARB determines funding amounts
- Stacking allowed and no scrappage required
- Enhancements for infrastructure, small business, and DAC

# Limited CORE Funding for 2024

- Focus will be on only small business
- Remove equipment categories
- Review voucher pricing

# Comments and Questions



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# **FY 2023-24 Funding Plan Open Discussion**



# Open Discussion

- How can staff ensure that the projects we fund are the projects that the residents most want/need?
- What investment policies/priorities would you like to see in your community?
- What are the biggest barriers when applying for clean transportation funding?
- What metrics of success should CARB track?

# Comments and Questions



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# Wrap-Up and Next Steps

# Funding Plan Development Schedule

Milestone	Date
Daytime Themed Work Group Meetings	July – Oct 2023
Evening Community Meetings	June – Oct 2023
Final Workshop	August 31, 2023
Release proposed Funding Plan	October 2023
Board Consideration of Proposed Funding Plan	November 2023
Start implementing projects	December 2023

# Contact Us

Dianne Sanchez  
Lead Outreach Staff  
[Dianne.Sanchez@arb.ca.gov](mailto:Dianne.Sanchez@arb.ca.gov)

Stephanie Parent  
Lead Strategy Staff  
[Stephanie.Parent@arb.ca.gov](mailto:Stephanie.Parent@arb.ca.gov)

Jason Crow– Manager  
[Jason.Crow@arb.ca.gov](mailto:Jason.Crow@arb.ca.gov)

Team Email  
[cleantransportationincentives@arb.ca.gov](mailto:cleantransportationincentives@arb.ca.gov)