

**Fiscal Year 2023-2024 (Moyer Year 26)**

**Carl Moyer Program's State Reserve Project Solicitation**

**Open to Air Pollution Control Districts and  
Air Quality Management Districts**

**California Air Resources Board**

**January 26, 2024**

## **BACKGROUND**

The Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) provides monetary grants for the incremental cost of cleaner than required technology. While the California Air Resources Board (CARB) is responsible for developing the Carl Moyer Program Guidelines, the participating California air pollution control districts and air quality management districts (air districts) are in charge of administering the program. Section 44286(d) of the Health and Safety Code (HSC) gives CARB the authority to reserve up to 10% of Carl Moyer Program funding to directly fund any project that is a covered source and is described in Section 44281. CARB reserves the sole authority to distribute this State Reserve funding.

In March of 2023 the air districts and CARB met to discuss air district priorities and how the partnership between air districts and CARB could be strengthened. Following that discussion, the air districts were consulted and surveyed as part of the decision-making process for the selection of project categories eligible for State Reserve funds. As part of this process air districts expressed a desire for additional flexibility in their use of State Reserve funds but were all in agreement that zero-emission project types should be the priority.

For Fiscal Year (FY) 2023-2024, State Reserve funds will be directed toward all Moyer eligible zero-emission project categories. As California pushes for zero-emission equipment in all sectors, and some of CARB's regulations are beginning to require zero-emission equipment, it was determined that all categories would benefit from additional funding dedicated to zero-emission equipment. CARB and the air districts are in alignment to prioritize all zero-emission equipment for this year's State Reserve.

## **ELIGIBLE APPLICANTS**

Air districts that are willing and able to administer zero-emission projects under the Carl Moyer Program Guidelines and meet the requirements listed below are eligible to apply for this State Reserve Project Solicitation to support the jurisdictions in transitioning California to zero-emission vehicles.

## **ELIGIBLE PROJECTS**

Eligible projects are open to all zero-emission projects eligible under the Carl Moyer Program Guidelines. Forklift replacement projects must replace forklifts with lift capacities of less than or equal to 8,000 lbs. This lift capacity was specifically selected to avoid competition with VW Mitigation Funds that target forklifts with a lift capacity of 8,001 lbs or greater. For those air districts that receive applications for forklifts with a lift capacity of 8,001 lbs or greater, they are encouraged to direct those potential participants to the following website: <https://www.californiavwtrust.org/zero-freight-marine/>. Additionally, all projects must be eligible in accordance with the Carl Moyer Program Guidelines.

## **AVAILABLE FUNDING**

In FY 2023-2024, CARB has approximately \$12.35 million for State Reserve projects. The funding has been allocated toward Moyer eligible zero-emission equipment. If there are not sufficient applications to encumber funds, at CARB's discretion, the Executive Officer may reallocate the funds to other Moyer eligible projects. In this scenario districts must be able to demonstrate a good faith effort to have utilized the funds toward the aforementioned eligible categories.

## **AIR DISTRICT REQUIREMENTS TO PARTICIPATE**

To participate, the air district must agree and obtain a signed board resolution or board minute order that states the air district is able to:

1. Receive and expend FY 2023-2024 funds toward Moyer eligible zero-emission equipment per Carl Moyer Program Guidelines.
2. Comply with current Carl Moyer Program Guidelines, mail-outs/advisories, and other written guidance by CARB.

If an air district is unable to provide a signed board resolution or board minute order at the time of application, the air district must indicate on the application the scheduled board date, while considering any applicable timing mentioned in the Carl Moyer Program Guidelines. Should an air district require additional time to obtain a board resolution or board minute order beyond the date specified or require a model resolution, please contact the State Reserve administration lead for additional assistance.

## **ALLOCATION AND APPLICATION PROCESS**

State Reserve FY 2023-2024 funds will go toward the replacement of eligible zero-emission equipment. Allocations will be calculated based on the formula described in HSC Section 44299.2 and the number of air districts that apply. Participating air districts will be awarded a minimum amount of \$200,000 and are not required to provide match funding. An air district applying for State Reserve FY 2023-2024 funds must agree and meet the air district requirements to participate and submit a complete and accurate application, which CARB will review to determine an air district's eligibility to receive funds. Administration fees will be included in the final grant award in accordance with HSC Section 44299.1.

The State Reserve application must be completed, signed by the air district, and returned to CARB **no later than February 16, 2024**. Air districts must send completed applications by email to [MSCDGrants@arb.ca.gov](mailto:MSCDGrants@arb.ca.gov).

## **GRANT AWARD AND DISBURSEMENT OF FUNDS**

When application review is completed, successful air districts will be notified via email. A grant award will be made through a Grant Agreement between CARB and the participating air districts. To fully execute the Grant Agreement and thus encumber funds, Grant Agreement coversheets will be sent to the air districts to be signed and returned by the CARB assigned due date following the solicitation period. Once the Grant Agreement has been executed and all requirements have been met, including a signed board resolution or board minute order, air districts may request up to their entire grant award in the initial disbursement. Payments will be made upon CARB's receipt of a participating air district's grant disbursement request. At CARB's discretion, funds may be transferred to another participating air district or be spent on other Moyer Program eligible projects pending CARB concurrence via written/ electronic approval, or if deemed necessary, a grant amendment. Requests to spend funds on other Moyer Program eligible projects must be submitted by June 30 of the year prior to the liquidation deadline. Any request to spend the funds on other Moyer Program eligible projects must demonstrate reasonable effort to have used the funds on the FY2023-2024 State Reserves eligible projects. All funds must be liquidated no later than **June 30, 2028**.

## **MONITORING AND REPORTING REQUIREMENTS**

The air district must follow all monitoring and reporting requirements as stated in the Carl Moyer Program Guidelines.

## **CONTACT PERSON**

For questions about the application process, please contact the State Reserve administration lead, Joshua Simmons, via email at [joshua.simmons@arb.ca.gov](mailto:joshua.simmons@arb.ca.gov).

For forklift replacements projects with a lift capacity of 8,001 lbs or greater, please consider reaching out to Bay Area Air Quality Management District to implement the projects using VW Mitigation Funds.