

# Welcome! ¡Bienvenidos!

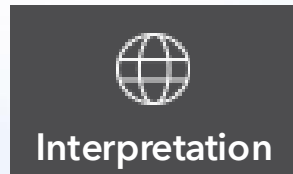
## Interpretation Options

### Selecting Languages

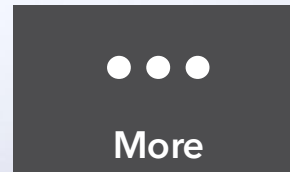
- Select the globe or more
- Select language interpretation
- Choose English or Spanish

### Selección de idiomas

- Seleccione el globo o más
- Seleccione el idioma de interpretación
- Elija inglés o español



globo o interpretation



más



inglés o español



# **Evening Community Meeting: Clean Transportation Incentives - Fiscal Year 2025-26 Funding Plan Development**

Public Workgroup Meeting  
August 19, 2025

# Meeting Agreements

- Be respectful
- Take space, make space
- Listen to understand
- Strive to follow an equitable 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

# Evening Community Meetings

Monthly community meetings provide a space for community members across the state to engage with California Air Resources Board 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 communities
- Continuous two-way communication between staff and communities

# Today's Agenda

Time	Session
5:00 – 5:10 p.m.	Introduction
5:10 – 5:45 p.m.	Workgroup Meeting: Light-Duty Vehicle Purchase Incentives and Long-Term Plan (meetings #1 & #2, held <a href="#">July 10, 2025</a> & <a href="#">August 6, 2025</a> )
5:45 – 6:20 p.m.	Workgroup Meeting: HVIP, CORE, ISEF, and Long-Term Heavy Duty Investment Strategy (meeting held on <a href="#">July 22, 2025</a> )
6:20 – 6:25 p.m.	Break
6:25 – 6:55 p.m.	Workshop: Funding Plan Draft Allocations & Policy Changes – Clean Transportation Incentives (meeting held on <a href="#">August 14, 2025</a> )
6:55 – 7:00 p.m.	Wrap Up and Next Steps



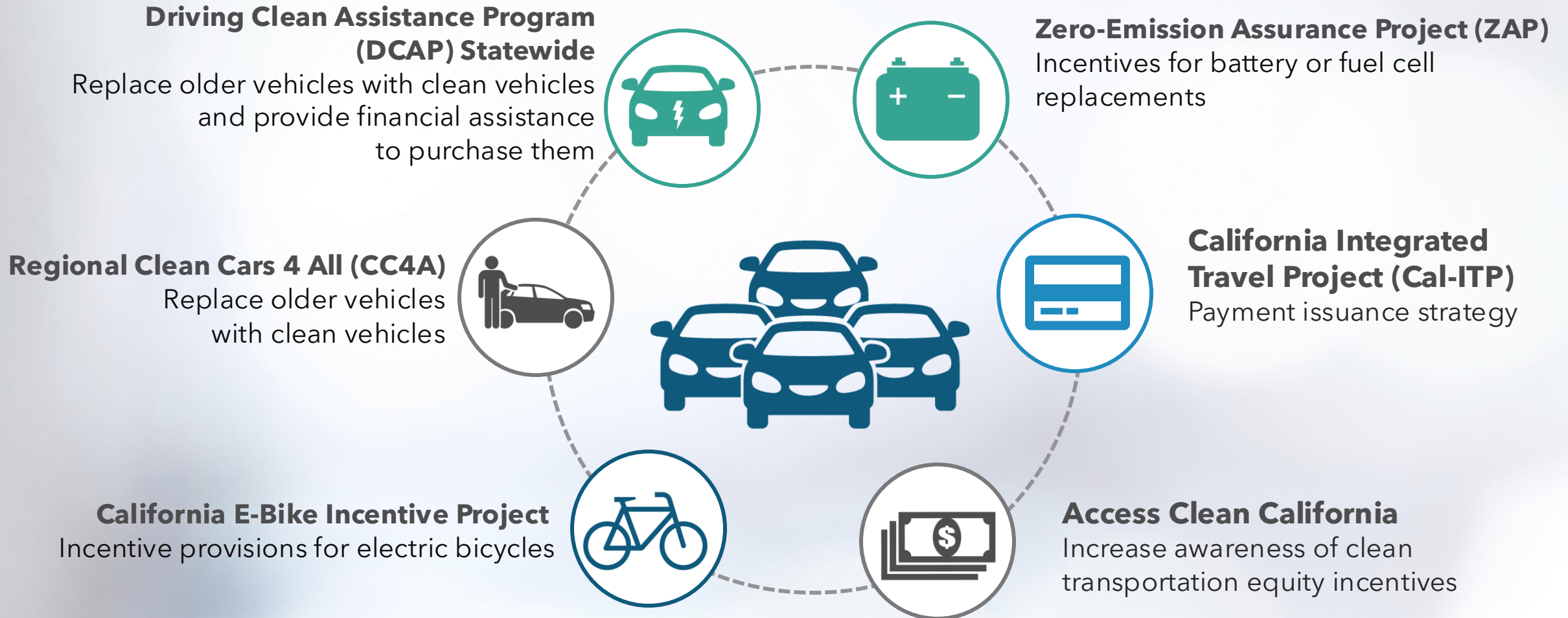
# **Fiscal Year 2025-26 Public Workgroup: Light-Duty Vehicle Purchase Incentives and Long-Term Plan Workgroup #1 and #2**

# Light-Duty Vehicle Purchase Incentive Projects





# Light-Duty Vehicle Purchase Incentive Projects





# **Discussion of Proposed FY 25-26 Policy Changes**

## **Regional Clean Cars 4 All & Driving Clean Assistance Program**

# Program Alignment

What we are hearing...



... Align programs but remain flexible.

# Program Alignment

Process for achieving alignment:



Collaborate through Program Administrator subgroups, symposium, and written comments.



Use data and lessons learned from years of implementation to inform alignment proposals.



Formalize updated guidelines.

# Program Alignment Policy Changes

## Eligibility Proposals

Income  
Verification

Household  
Size  
Definition

## Eligibility Proposals

Model Year  
of Scrapped  
Vehicle

Purchase  
Price Cap

## Implementation Proposals

Approved  
Dealer Lists

Program  
Closure

*Previously  
Approved*

# CC4A & DCAP Program Policy Proposal

## Facilitate Implementation Updates Outside of Funding Plan

- Explore new process for implementing changes.
- Example: Annual program update notices, annual update memos.

## Reasoning:

- Process to change program implementation through the Funding Plan and grant amendments is slow and requires extra administrative work.
- Enables nimble implementation and quicker responses to market conditions.

## Next steps:

- Facilitate feedback on proposal

# **Long-Term Strategy for Individual & Community Mobility Incentive Projects**

# **Long-Term Strategy for Individual & Community Mobility Incentive Projects**

Annual three-year investment strategy  
for Clean Transportation Incentives

Roadmap to expand affordable,  
clean transportation options

Outlines priorities for investment

Annual Supplemental Report  
(2018-19 Budget Act)



# Framework of Long-Term Plan

- 3-year funding forecast for light-duty vehicle purchase and clean mobility investments
- Updates on:
  - Incremental cost of plug-in electric vehicles
  - California new and used ZEV market numbers
- Focus on status of ZEV technology, consumer preferences, and equitable transition to ZEVs

# Framework of Long-Term Plan - Continued

- Examine recent and ongoing research
- Assess modifications to vehicle purchase incentives
- Separate but coordinated effort to update long-term plan for clean mobility investments

# Long-Term Vision for Light Duty Vehicle Purchase Incentive Projects

## Driving Clean Assistance Program

- Program alignment
- Needs-based model refinement
- Community partnerships

## Regional Clean Cars 4 All

- Program alignment
- Community partnerships

## Access Clean California

- Grow and sustain outreach partner network
- Capacity building
- Case management
- Sustain Benefits Finder webtool

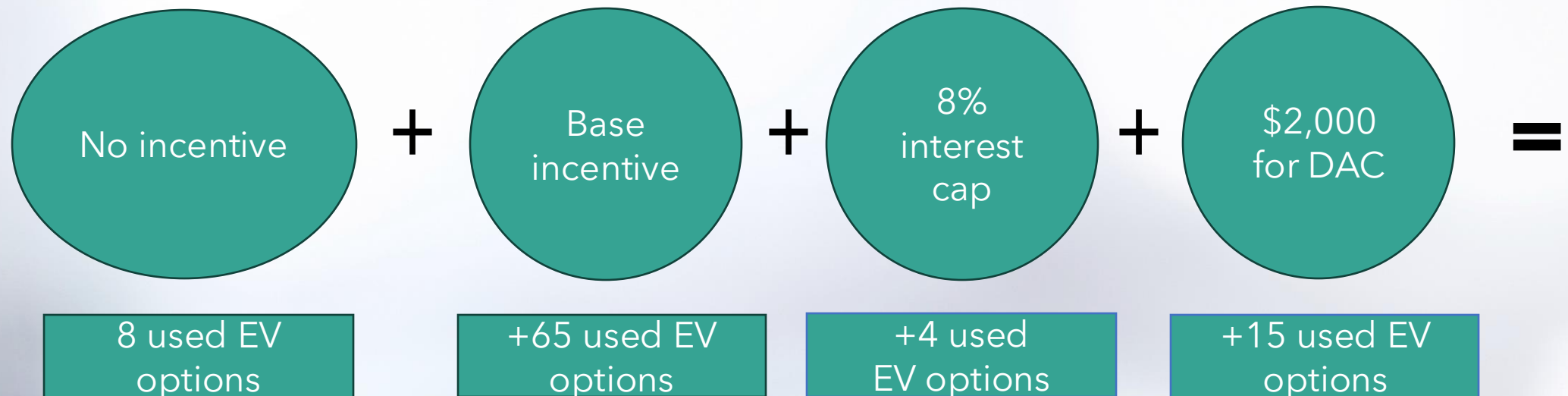
# Three-year Funding Need:

## Clean Cars 4 All, Driving Clean Assistance Program, Access Clean California

Program Administrators	Fiscal Year 2025-26	Fiscal Year 2026-27	Fiscal Year 2027-28
CC4A Regional Programs & DCAP	\$154 - \$312	\$182 - \$340	\$209 - \$368
Access Clean California	\$5 - \$10	\$5 - \$10	\$5 - \$10
<b>Total Funding (in millions)</b>	<b>\$159 - \$322</b>	<b>\$187 - \$350</b>	<b>\$214 - \$378</b>

# CSE Electric Vehicle Affordability Analysis

Does a given incentive mix enable meaningful affordable vehicle choice for consumers?



**Total of 92 affordable used electric vehicle (EV) models**

# Comments and Questions



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



Please state your name and affiliation, if any, before asking a question or making a comment



You may also email questions to  
[cleantransportationincentives@arb.ca.gov](mailto:cleantransportationincentives@arb.ca.gov)



# **Policy Workgroup Meeting: Fiscal Year 2025-26 HVIP, ISEF, CORE, SHIFT and Long-Term HD Investment Strategy**





## **Clean Truck and Bus Voucher Incentive Project (HVIP)**

# 2025-26 HVIP Proposed Funding Allocation

Appropriation Item	Allocation Project	Allocation Amount
<b>Hino Settlement</b>	HVIP Standard	\$95M
	Transit Set-Aside	\$25M
	ISEF	\$5M

# Potential Funding Plan Recommendations

- Develop 3-year declining voucher amounts and manufacturer suggested retail price cap
- Consider total cost of ownership in setting voucher amounts
- Assess potential change to public transit bus voucher amounts

# Potential Funding Plan Recommendations - Continued

- Explore public fleet voucher incentive structure and criteria
- Establish CARB truck testing requirements for HVIP vehicle eligibility
- Consider developing manufacturer eligibility criteria

# Currently Proposed Voucher Amounts

Truck/Bus Class	Gross Vehicle Weight Rating	New Proposed Base Voucher	New Proposed Small Business Voucher
Class 2b	8,501-10,000	\$7,500	\$9,000
Class 3	10,001-14,000	\$15,000	\$40,000
Class 4	14001-16,000	\$60,000	\$130,000
Class 5	16,001-19,500	\$60,000	\$130,000
Class 6	19,501-26,000	\$85,000	\$160,000
Class 7	26,001-33,000	\$85,000	\$160,000
Class 8	33,001+	\$120,000	\$330,000
Class 8 Fuel Cell	33,001+	\$240,000	\$420,000

# **Innovative Small E-Fleet Pilot Project (ISEF)**

# Background

- Launched 2021
- Reduces the purchase price of zero-emission vehicles for small fleets
- Provides fleets innovative solutions such as all-inclusive leases, truck-as-a-service, and other mechanisms
- Transactions have involved three primary parties – ISEF Provider, HVIP approved dealer, and an eligible small fleet participant
- Temporarily Closed – expected to reopen early Fall 2025



# Fiscal Year 2025-26 Funding Plan

## Staff Proposals:

No Policy Changes

Proposed allocation of  
\$5 million  
(Air Pollution Control Fund)

## Continue Exploring:

- Used Truck Voucher Pilot Concept
- Fleet Management Assistance
- Insurance

Anticipate 1-2 years to develop and implement new options

# Contacts

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**Brandon Rose - ISEF Case by Case Lead**

[Brandon.Rose@arb.ca.gov](mailto:Brandon.Rose@arb.ca.gov)



# **Clean Off-Road Equipment Voucher Incentive Project (CORE)**

# Proposed Allocations for FY 2025-26

- June budget agreement: Hino Settlement and Air Quality Improvement Program (AQIP)
- Greenhouse Gas Reduction Fund (GGRF) funding determinations deferred

Appropriation Item	Amount	Allocation Project	Allocation Amount
<b>Hino Settlement</b>	~\$125M	HVIP Standard	\$95M
		HVIP Transit	\$25M
		ISEF	\$5M
<b>AQIP</b>	~\$33M	CORE	\$31M
		SHIFT (TPA)	\$2M

# CORE Overview

- First come – First served Off-Road Incentive Program

- Offset higher zero emission cost

- CARB determines funding amounts

- Stacking allowed and no scrappage required

- Enhancements for infrastructure, small business, and DAC

# FY 2025-26 Funding Plan Proposals

- Explore market and technology of higher weight capacity terminal tractors
- Re-evaluate the definition of commercial readiness and manufacturer eligibility
- Expand eligibility for larger operators and non-profits as eligible purchasers

# Sustainable Heavy-Duty Initiatives for Future Technology (SHIFT)



**Proposed allocation: \$2M**

- Project Overview
  - Designed to accelerate technologies into marketplace
  - Support demonstration and pilot projects
  - 35 projects implemented to-date (+12 upcoming projects)
- Third-Party Administrator (TPA)
  - Assists CARB with project implementation, administration, and outreach
  - EPRI selected in 2023 with \$11.5M under agreement
  - Additional funds will sustain TPA work through new project implementation



# Long-Term Heavy-Duty Investment Strategy

## Scope

3 Fiscal Year Horizon

FY 2026-27	FY 2027-28	FY 2028-29
------------	------------	------------

## Goals



Support healthy communities



Technology & market acceleration



Grow the green economy

## Recommendations

### Investment Priorities



### Funding Need



# Fiscal Year (FY) 2025-26 Heavy-Duty Investment Priorities

Project Type	FY 2026-27 (million)	FY 2027-28 (million)	FY 2028-29 (million)
Demos & Pilots	\$325-\$515	\$360-\$480	\$300-\$400
	ZE line-haul rail, ZE/AT aviation, AT OGV, ZE/hybrid heavy marine, ZE heavy specialty and off-road equipment, ZE ecosystems		
Market Momentum	\$4,000-\$4,200	\$3,900-\$4,100	\$3,800-\$4,000
	ZE heavy specialty and off-road equipment, ZE switcher rail, ZE light marine, volume ZE trucks, ZE school/transit, temp. fueling, ZE ecosystems	ZE heavy specialty and off-road equipment, ZE light marine, volume ZE trucks, ZE school/transit, ZE ecosystems	ZE heavy specialty and off-road equipment, ZE light marine, volume ZE trucks, ZE school/transit, ZE light aviation, ZE ecosystems
Market Equity	\$650-\$700	\$620-\$680	\$590-\$650
	ZE drayage/small fleets, ZE forklifts, ZE school/transit, financing and insurance assistance, secondary market support, ZE ag and construction		
Total Funding	\$4,975-\$5,415*	\$4,880-\$5,260*	\$4,690-\$5,050*

\*Not an exhaustive list of technologies or applications that could be funded. Total funding recommendations are reflective of ideal appropriations.

# Comments and Questions



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**5-Minute Break**  
**Return at 6:25 p.m.**



# **Funding Plan Workshop: Draft Allocations & Policy Changes - Fiscal Year 2025-26 Clean Transportation Incentives**

# CARB Funding Plan

*The Clean Transportation Incentives Funding Plan is an annual guide that details how CARB will use money appropriated by the California Legislature.*

## Goals

-  Improve air quality
-  Reduce impacts of climate change
-  Help communities and businesses
-  Improve incentive projects and programs

## Process



## Outcomes

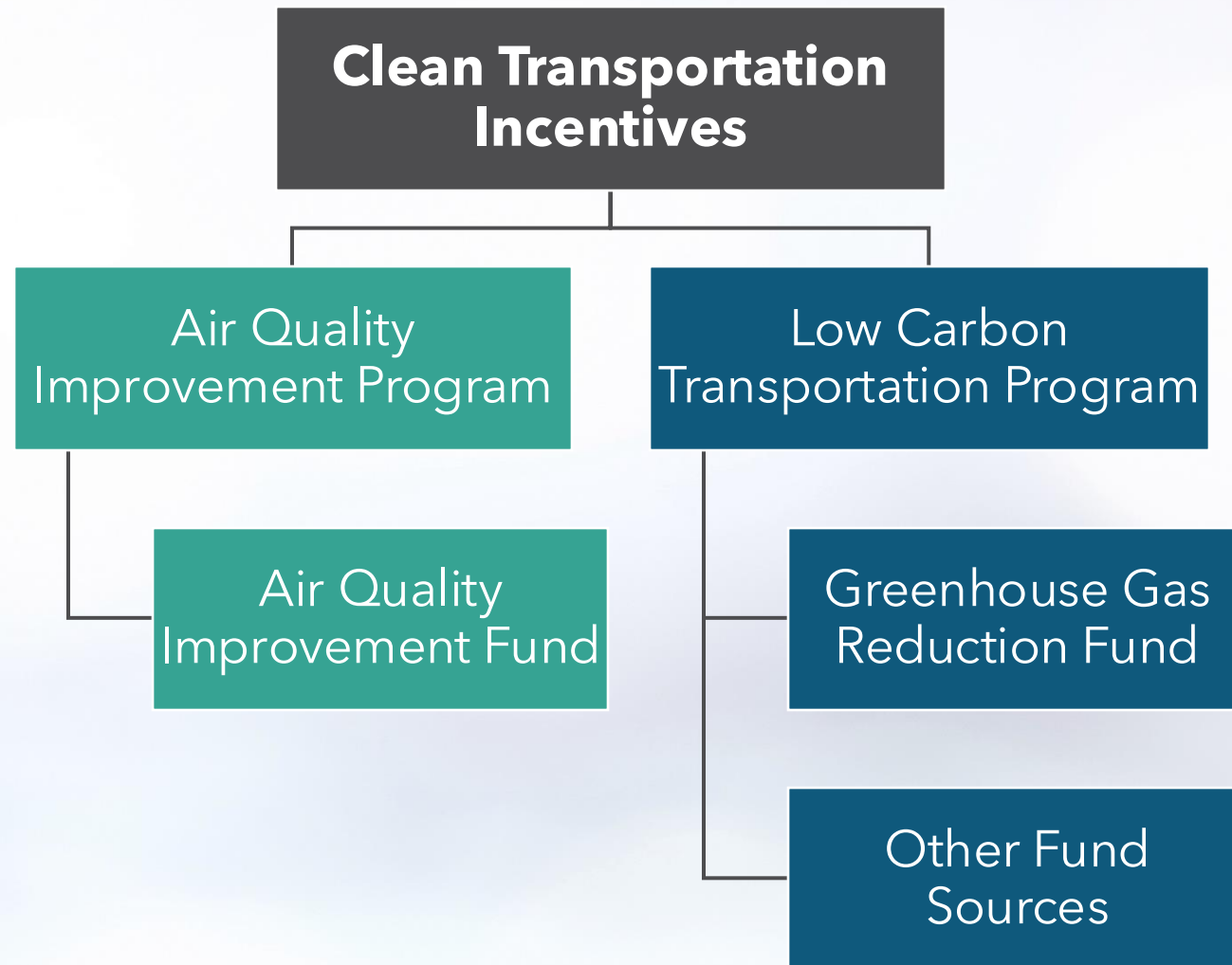
-  Details appropriations and allocations for each fiscal year
-  Outlines drivers and vision for investments
-  Meets CARB and California goals and community and business needs

## Get Involved

*Subscribe to receive updates, participate in public meetings and workshops, and collaborate with CARB staff to decide where funding is invested in California.*



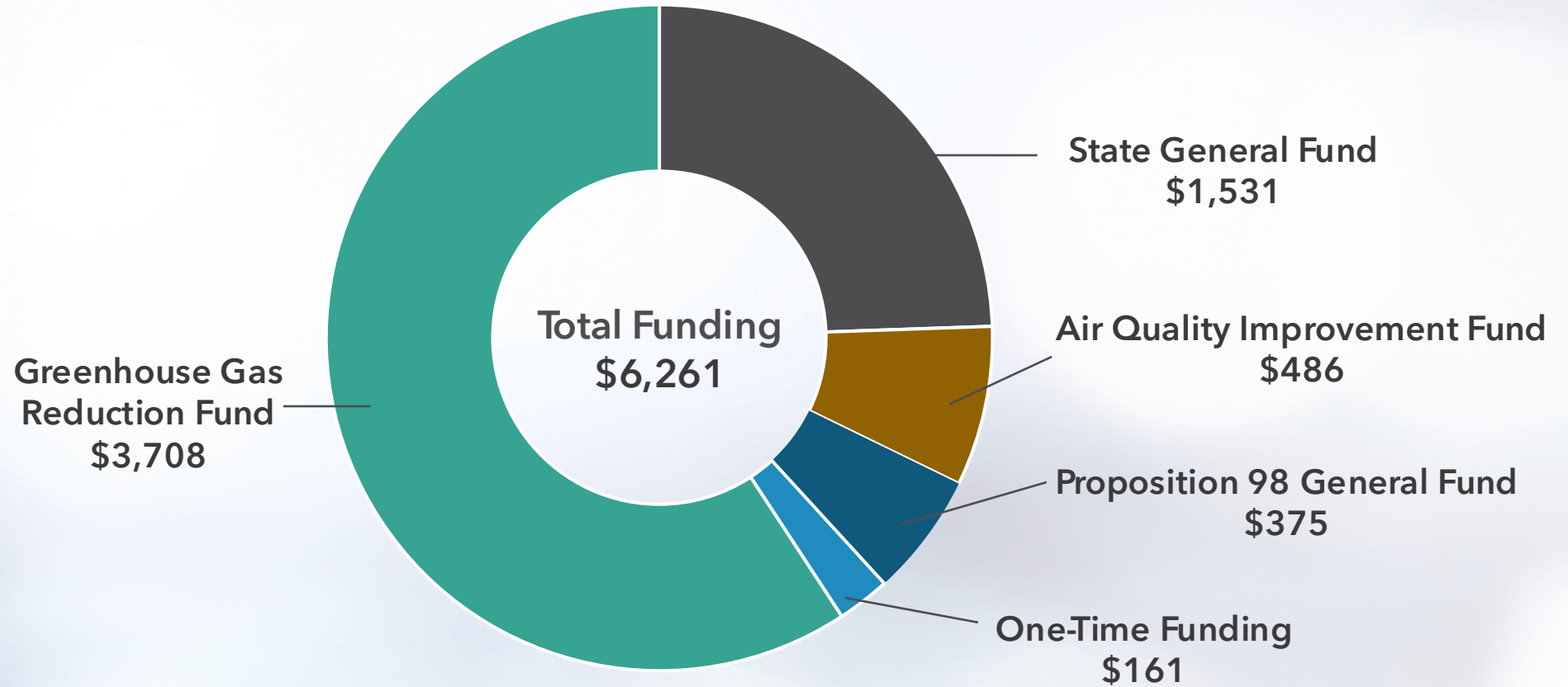
# Funding Sources





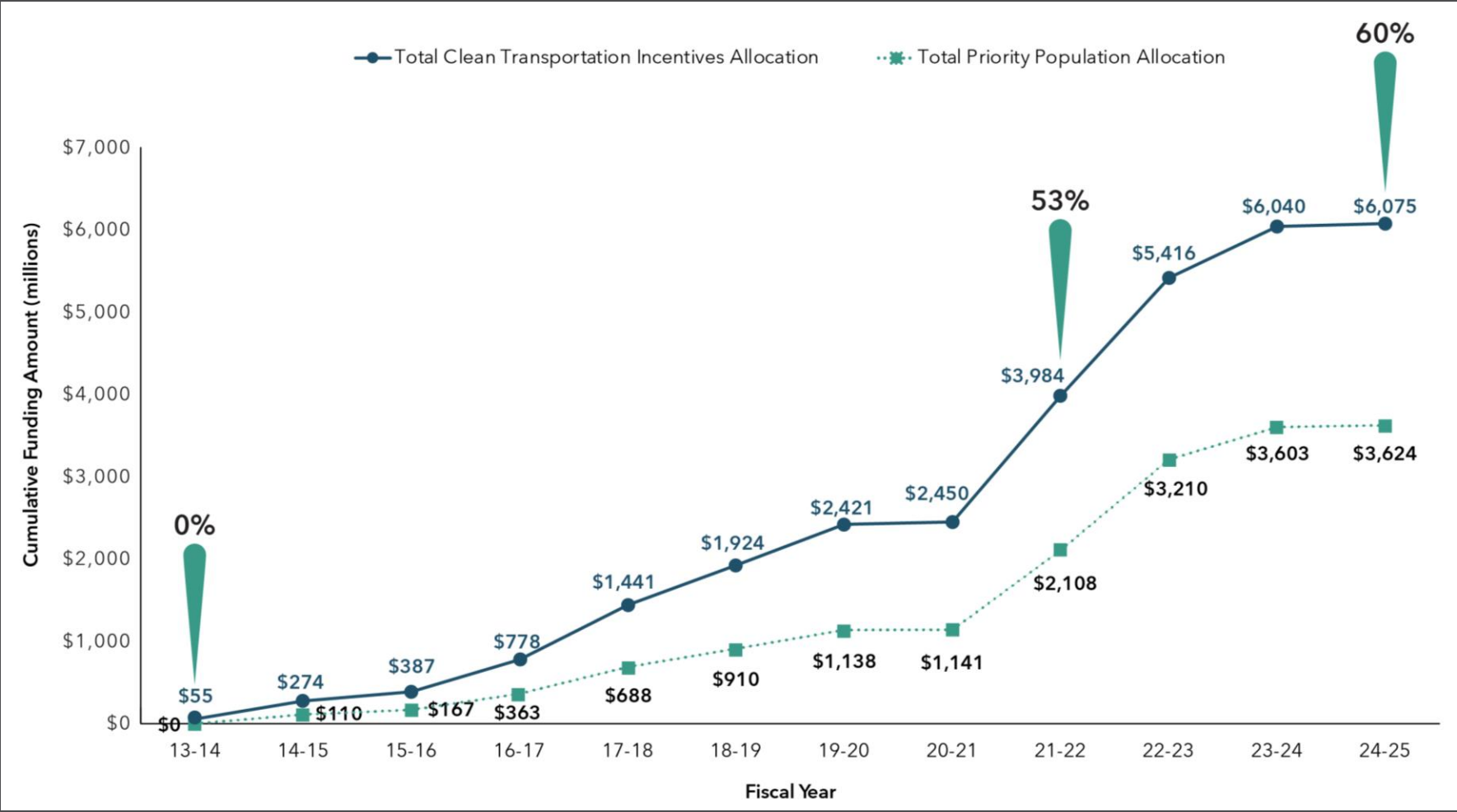
# Funding Appropriated to Date (millions)

## Fiscal Year 2009-10 through 2024-25





# Cumulative Funding Allocated to Priority Populations



# Fiscal Year 2025-26 Budget: Overview

Medium- & Heavy-Duty Zero-Emission Projects	Amount (millions)
Air Quality Improvement Program*	\$35
Air Pollution Control Fund	\$132
Greenhouse Gas Reduction Fund	TBD
<b>Total Funding</b>	<b>\$167</b>

*\*Only for medium- & heavy-duty projects (CA Health & Safety Code, Section 44274.(a))*

# Fiscal Year 2025-26 Budget: Projects

Project Category	Draft Amount (millions)
Medium- & Heavy-Duty Zero-Emission Projects	–
Air Quality Improvement Program (AQIP)	\$35*
Clean Off-Road Equipment (CORE)	\$31
Sustainable Heavy-Duty Initiatives for Future Technology (SHIFT)	\$2
Air Pollution Control Fund (APCF) – Hino Settlement	\$132*
Clean Truck & Bus (HVIP) – Standard	\$95
Clean Truck & Bus (HVIP) – Transit Buses	\$25
Innovative Small e-Fleets (ISEF)	\$5
<b>Total Funding</b>	<b>\$167</b>

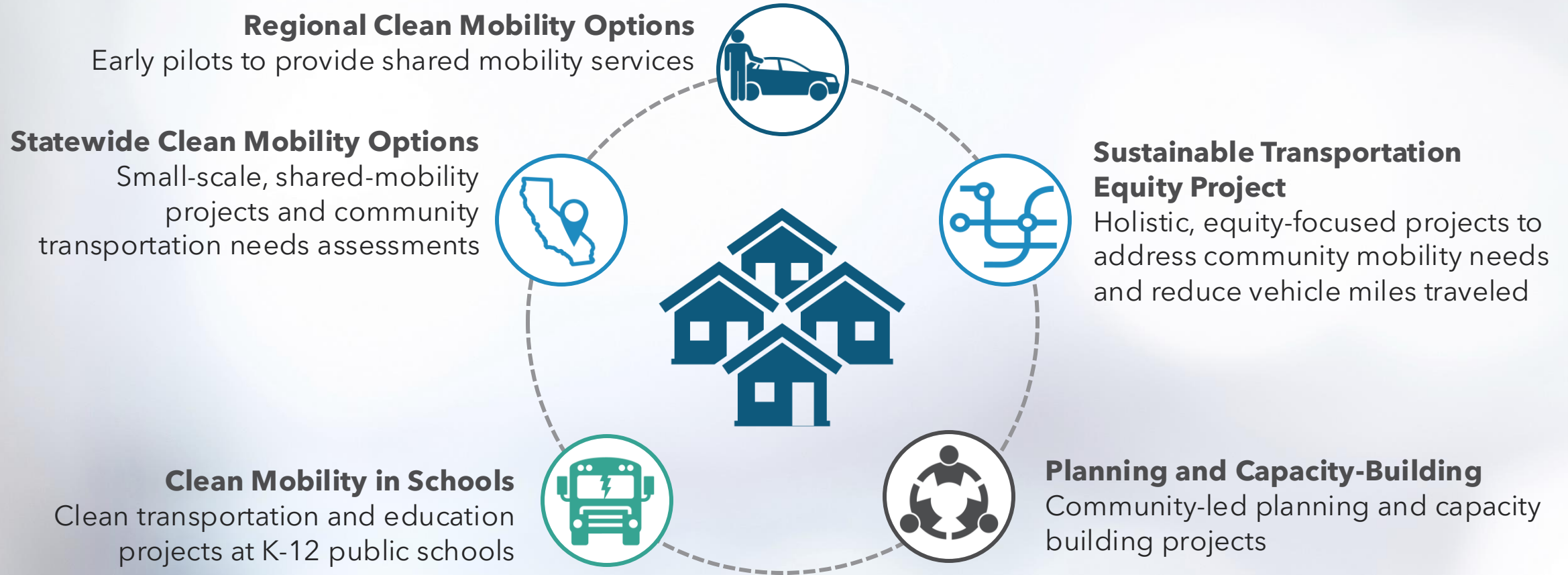
*\*5% of funds reserved for CARB administration; AQIP = \$2 million, APCF = \$7 million*





# Community Mobility Incentive Projects

# Sustainable Community-Based Transportation Equity Incentive Projects





# Statewide Clean Mobility Options (CMO)

- **Proposed funding:** \$0
- **Draft policy changes:**
  - Increase the grant amount (previously capped at \$1.8M)
  - Modify the application process from first-come, first-serve to a more needs-based approach
  - Clarify that project area eligibility is 51% or more within low-income or disadvantaged communities census tracts
  - Increase the grant agreement term

# Clean Mobility in Schools

- **Proposed funding:** \$0
- **Draft policy changes:**
  - Evaluate student population and demographic criteria to reach more underserved students in low-income and disadvantaged communities

# Sustainable Transportation Equity Project

- **Proposed funding:** \$0
- **Draft policy changes:** None
  - **Future work:** Refine program priorities for next solicitation



# Planning & Capacity Building

- **Proposed funding:** \$0
- **Draft policy changes:**
  - For upcoming Request for Applications (expected Fall 2025)
    - Prioritize:
      - First-time applicants
      - Tribal and rural capacity building efforts
      - Schools planning their zero-emission transition and efforts to support under-resourced student population
  - If applications exceed available funding, allocate future funds to eligible applicants/projects

# Contact Us

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[Funding Plan Engagement Opportunities](#)

# Comments and Questions



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# **Wrap-Up and Next Steps**

# Upcoming Meetings

Meeting/Item	Date
Evening Community Meeting	Aug. 19
Evening Community Meeting	Sep. 16
Proposed Funding Plan Released	Oct. 10
Evening Community Meeting	Oct. 21
CARB Board Meeting	Nov. 20
Evening Community Meeting	Dec. 16

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**Funding Plan** - [Engagement Opportunities](#)