

Welcome! ¡Bienvenidos!

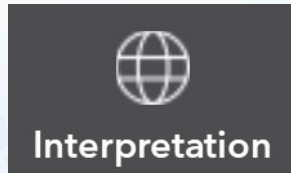
Interpretation Options

Selecting Languages

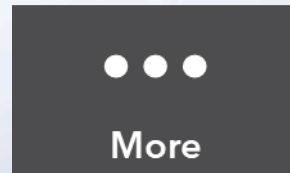
- Select the globe or more
- Select language interpretation
- Choose English or Spanish

Selección de idiomas

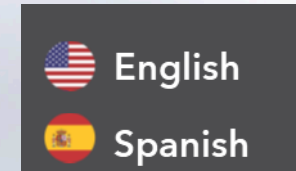
- Seleccione el globo o más
- Seleccione el idioma de interpretacion
- Elija inglés o español



globo o interpretacion



más



inglés o español



Workshop: Draft Funding and Policy for the Fiscal Year 2025-26 Clean Transportation Incentives Funding Plan

August 14, 2025

Agenda

Time	Session
1:00 – 1:05 pm	Welcome & Housekeeping
1:05 – 1:30 pm	Introduction & Overview
1:30 – 2:30 pm	Individual & Community Mobility Incentive Projects Individual Mobility Incentive Projects Community Mobility Incentive Projects
2:35 – 2:40 pm	Break
2:40 – 3:05 pm	Medium- & Heavy-Duty On- & Off-Road Vehicle & Equipment Incentive Projects
3:05 – 3:25 pm	Open Comments & Question & Answer Session
3:25 – 3:30 pm	Summary & Next Steps



Introduction & Overview

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

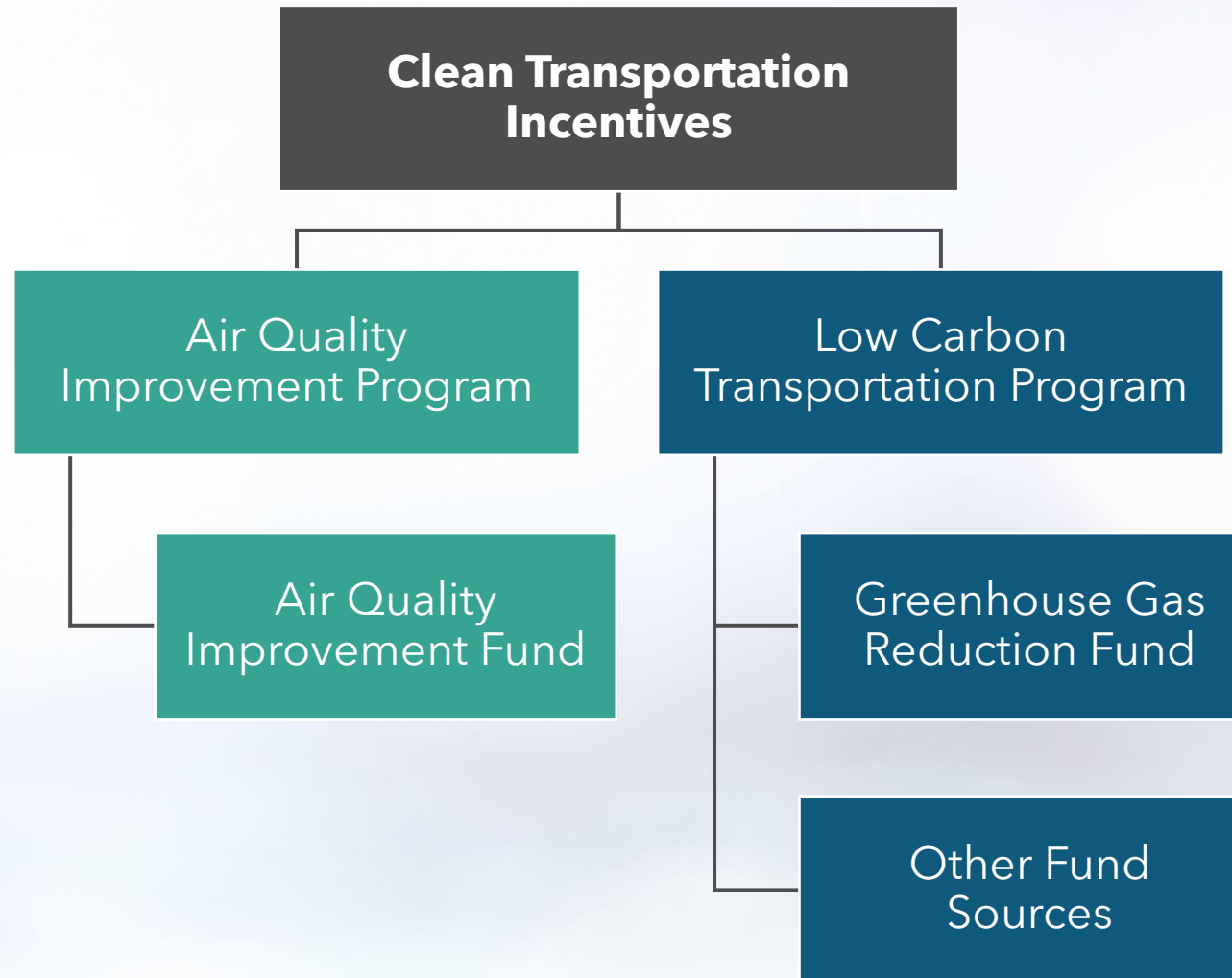
-  Details appropriations and allocations for each fiscal year
-  Outlines drivers and vision for investments
-  Meets CARB and California goals and community and business needs

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.

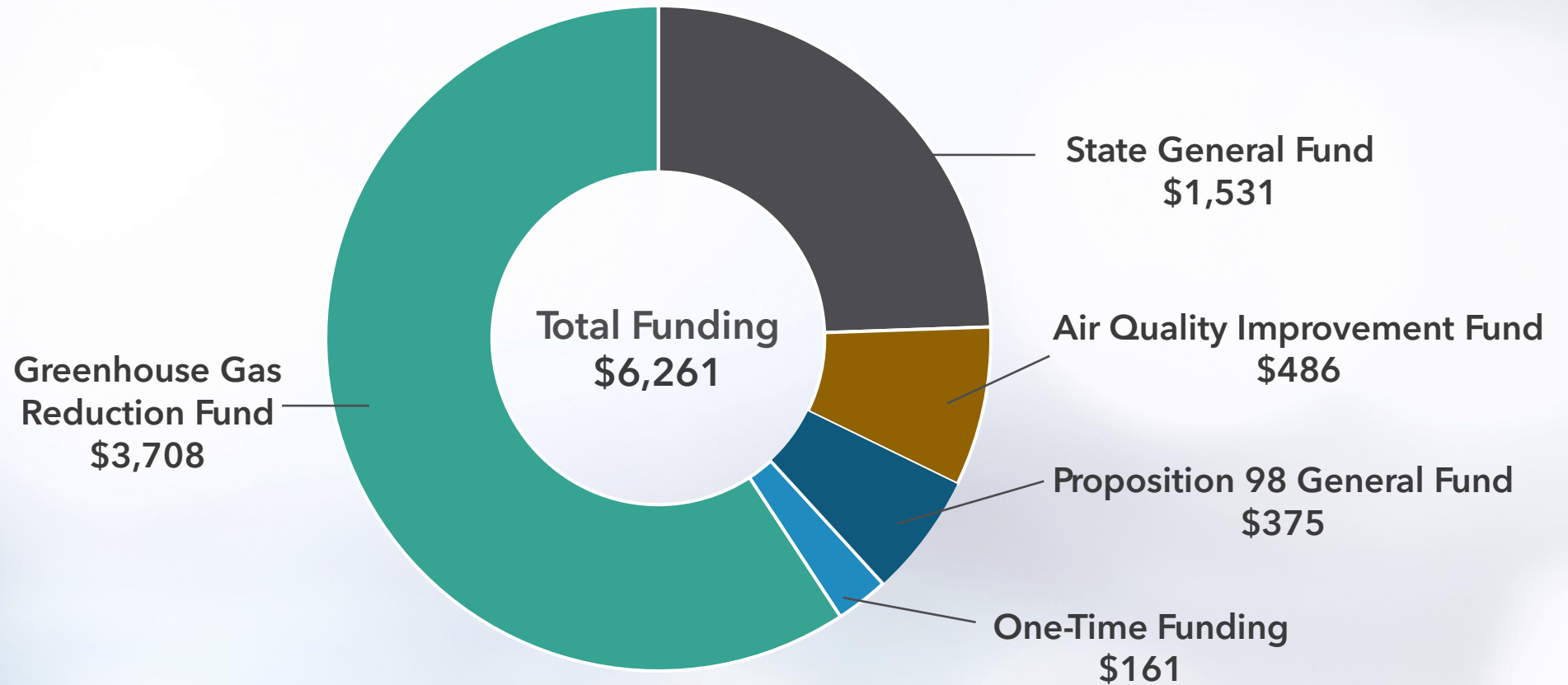


Funding Sources

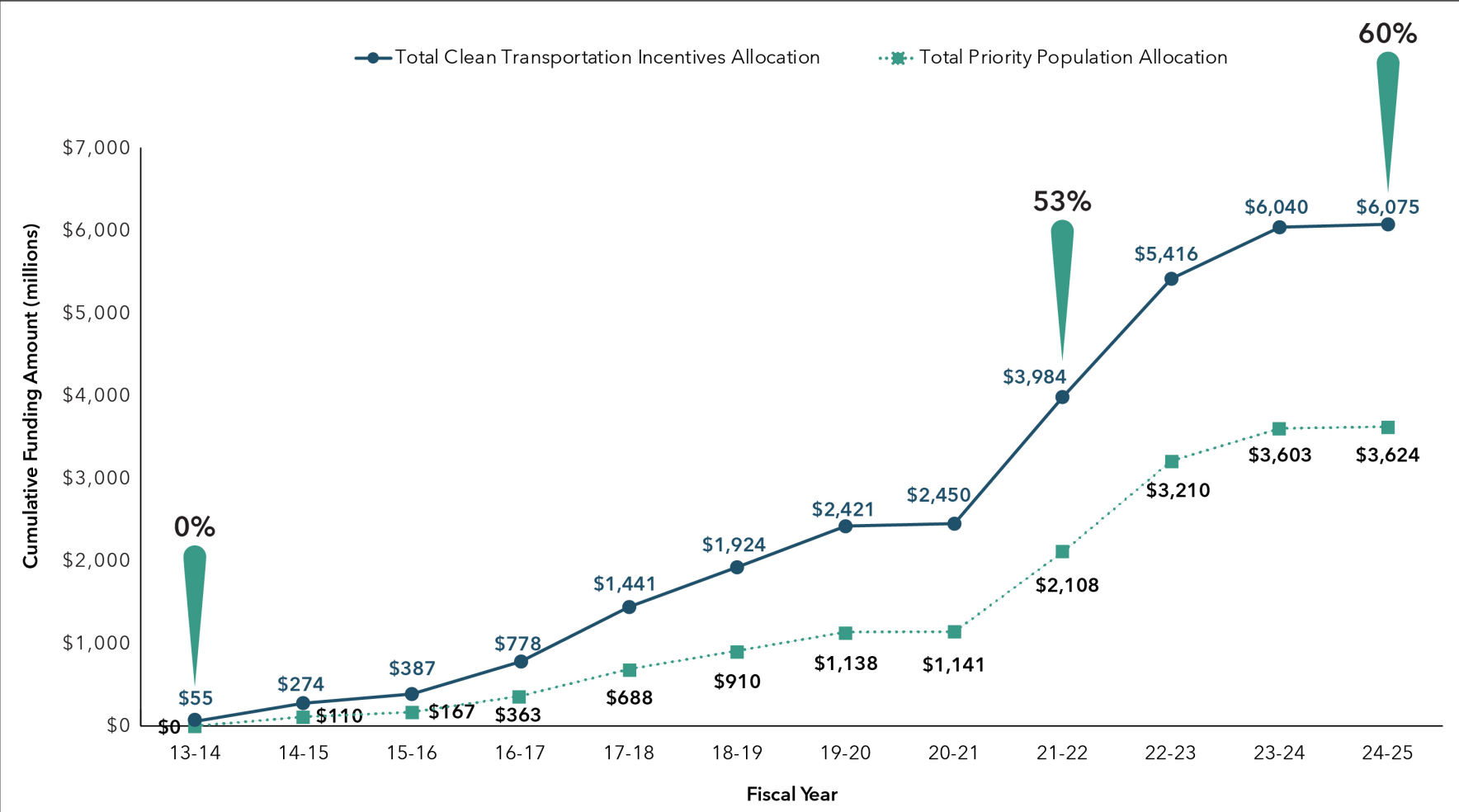


Funding Appropriated to Date (millions)

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
Total Funding	\$167

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

Fiscal Year 2025-26 Budget: Projects

Project Category	Draft Allocation (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
Total Funding	\$167

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

Individual & Community Mobility Incentive Projects



Individual & Community Mobility Incentives Overview

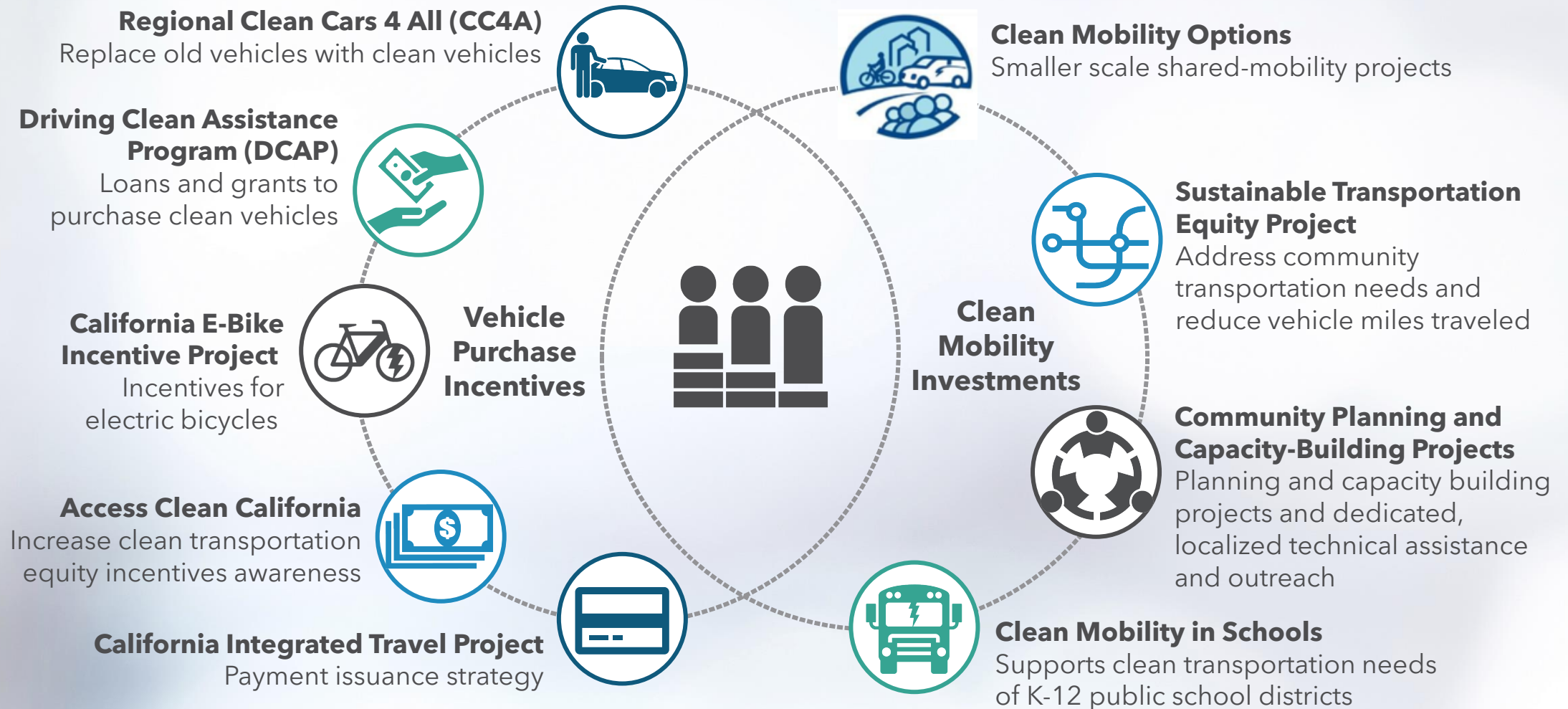
Individual & Community Mobility Investments

- Light-duty vehicle purchase incentives
- Clean mobility incentives

Investment Goals

- Reduce criteria pollutant and greenhouse gas emissions
- Accelerate zero-emission vehicle deployment
- For priority population areas:
 - Improve key destination access with increased options for active and shared mobility
 - Fund community-identified solutions
 - Alleviate environmental harms

Individual & Community Mobility Incentives



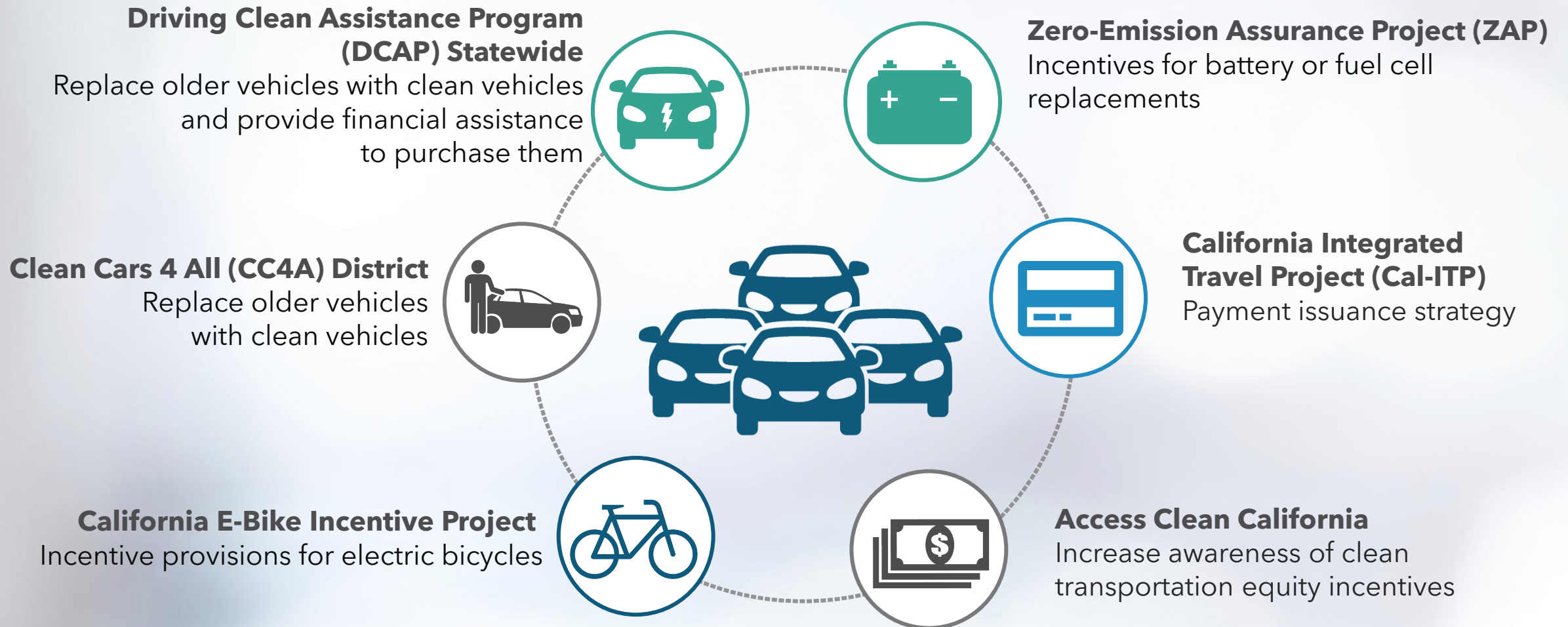
Long-Term Strategy for Individual & Community Mobility Incentive Projects

- 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)

Individual Mobility Incentive Projects



Individual Mobility Incentive Projects Overview



Driving Clean Assistance & Clean Cars 4 All Programs

- **Proposed funding:** \$0 (both programs)
- **Draft policy changes:** Program alignment

We've heard...



...Align programs but remain flexible

Program Alignment Policy Changes

Eligibility Implementation

Income Verification

- Use "Total Gross Income" first (1040 IRS tax form, line 9)
- Develop methods for people without total gross income

Household Size Definition

- Individual, spouse, and anyone claimed as dependent on taxes

Program Alignment Policy Changes

Eligibility Proposals:

Model Year of Scrapped Vehicle	Purchase Price Cap
<ul style="list-style-type: none">• 15 years or older• Use needs-based framework for oversubscribed programs	<ul style="list-style-type: none">• Between \$45,000 to \$65,000• Explore thresholds• Further compare regional data

Implementation Proposals:

Approved Dealer Lists	Program Closure
<ul style="list-style-type: none">• Explore Statewide list• Compile dealers & current terms repository	<ul style="list-style-type: none">• Explore aligned procedures• Define terms & closure events with administrators

Comments & Questions

Individual Mobility Incentive Projects



Raise hand in Zoom or dial #2 by phone



State your name & affiliation before questions or comments

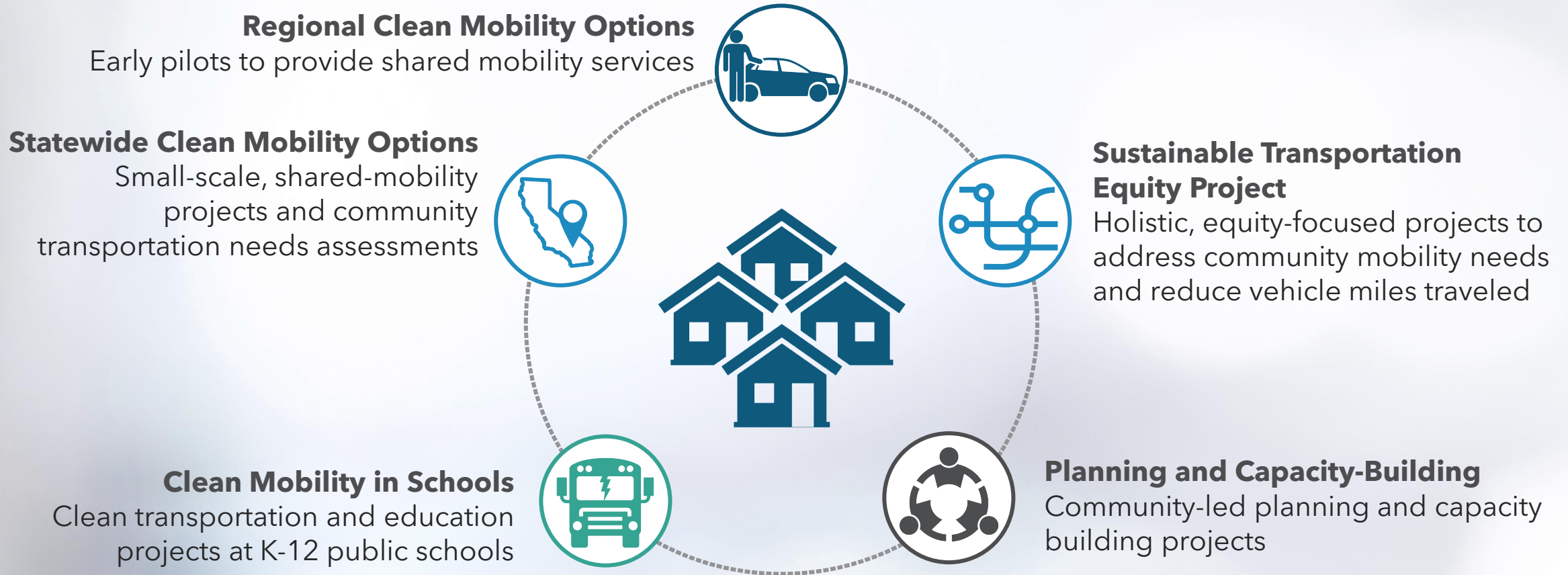


Email questions to CleanTransportationIncentives@arb.ca.gov



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 deployment and efforts to support under-resourced student population
 - If applications exceed available funding, allocate future funds to eligible applicants/projects

Comments & Questions

Community Mobility Incentive Projects



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Break

Return at 2:40 p.m.

Medium- & Heavy-Duty On- & Off-Road Vehicle & Equipment Incentive Projects



Heavy-Duty Low Carbon Transportation Incentives Overview

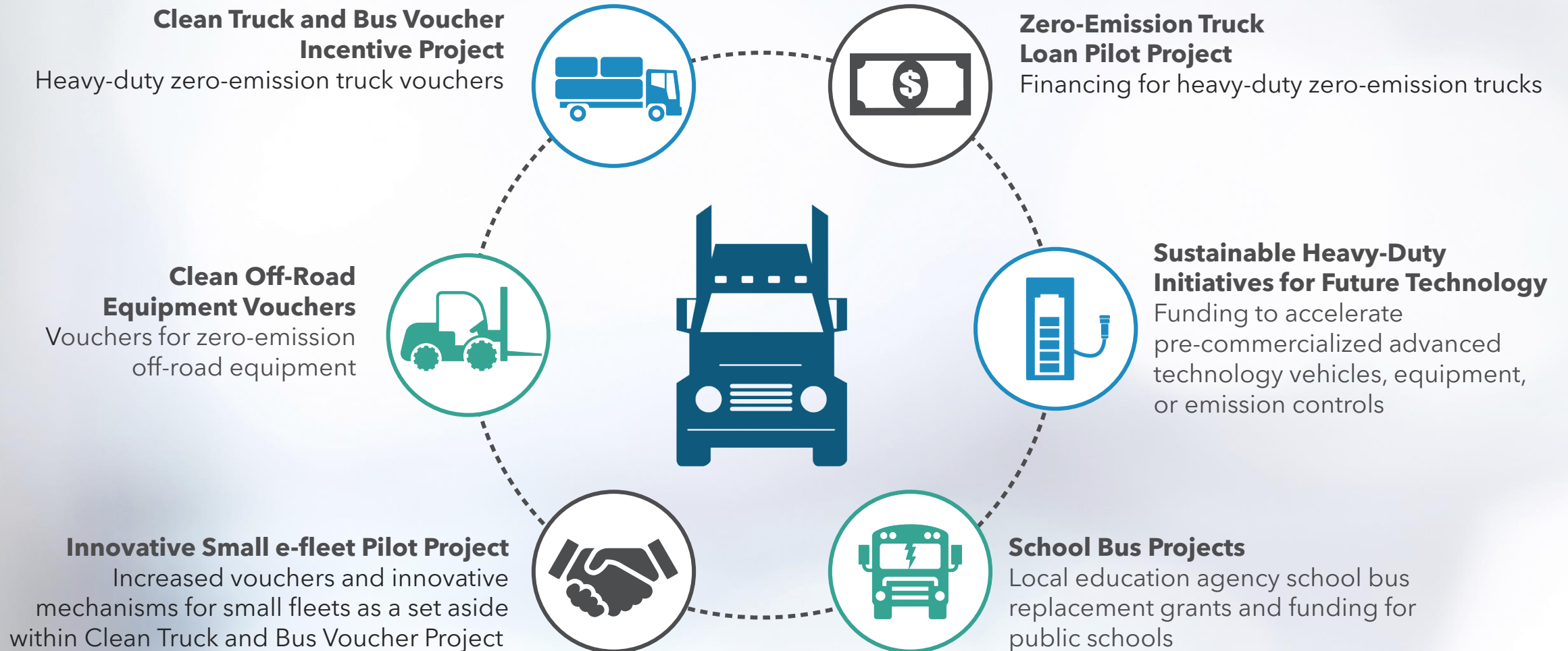
Medium- & Heavy-Duty On- & Off-Road Equipment Investments

- Truck and bus purchase incentives
- Off-road equipment purchase incentives

Investment Goals

- Build on efforts to ensure investments are equitably distributed and focused on priority communities
- Maintain market momentum
- Address needs of small fleets
- Collaborate with other State, local, and community partners

Medium- and Heavy-Duty Incentive Projects



Long-Term Heavy-Duty Investment Strategy

Scope

3 Fiscal Year Horizon

FY 2026-27	FY 2027-28	FY 2028-29
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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 Technologies	\$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.*

Clean Truck & Bus Voucher Incentive Project



- **Proposed funding:**
 - HVIP Transit Buses = \$25 million (Air Pollution Control Fund)
 - HVIP Standard Trucks = \$95 million (Air Pollution Control Fund)
- **Draft policy changes:**
 - Develop 3-year declining voucher amounts and manufacturer's suggested retail price cap
 - Consider total cost of ownership in setting voucher amounts
 - Assess potential change to public transit bus voucher amounts
 - Explore public fleet voucher incentive structure and criteria
 - Establish CARB truck testing requirements for HVIP vehicle eligibility
 - Consider developing manufacturer eligibility criteria

Innovative Small E-Fleet Pilot (ISEF)



Staff Proposals

- **Proposed allocation:** \$5 million (Air Pollution Control Fund)
- **Draft Policy changes:** None

Continue to Explore

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

Anticipate 1-2 years to develop and implement new options

Clean Off-Road Equipment



- **Proposed funding:** \$31 million (Air Quality Improvement Program)
- **Draft policy changes:**
 - Consider adding higher weight terminal tractors (>81,000 Gross Vehicle Weight Rating) for railyard and port use in Fiscal Year 2025-26
 - Re-evaluate 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



- **Proposed funding:** \$2 million (Air Quality Improvement Program)
- **Draft policy changes:** none
- **Project overview:**
 - Accelerate technologies into marketplace
 - 35 projects implemented to date
 - +12 upcoming projects

Sustainable Heavy-Duty Initiatives for Future Technology



- Third-Party Administrator (TPA):
 - Project implementation, administration, and outreach
 - EPRI selected in 2023 with \$11.5 million under agreement
 - Additional funds will sustain TPA work through new project implementation

Comments & Questions

Medium- & Heavy-Duty Incentive Projects



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Open Discussion



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Summary & Next Steps



Funding Plan Development Schedule

Milestone	Date
August Workshop on Draft Ideas	Aug. 14
Evening Community Meeting	Aug. 19
Legislature Finalizes Greenhouse Gas Reduction Fund Appropriations	Sept. 12
Evening Community Meeting	Sept. 16
Proposed Funding Plan Released	Oct. 10
Evening Community Meeting	Oct. 21
CARB Board Meeting	Nov. 20
Evening Community Meeting - Reflection Session	Dec. 16

Contact Us

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[Funding Plan Engagement Opportunities](#)