## Welcome! ¡Bienvenidos! Interpretation Options

#### **Selecting Languages**

- Select the globe or more
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- Seleccione el globo o más
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- Elija inglés o español







inglés o español







# Evening Community Meeting: Clean Transportation Incentives - Fiscal Year 2025-26 Funding Plan Budget Update and Workgroup Summaries

Public Workgroup Meeting September 16, 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 – 5:20 p.m.	Funding Plan Budget Update
5:20 - 5:40 p.m.	Policy Workgroup: Clean Truck and Bus Voucher Incentive Project (HVIP) (meeting held <i>September 9, 2025</i> )
5:40 – 6:00 p.m.	Clean Mobility Investments and Long-Term Plan Workgroup #2 (meeting held <i>July 31, 2025</i> )
6:00 - 6:05 p.m.	Wrap Up and Next Steps



## **Funding Plan Budget Update**



### Fiscal Year 2025-26 Budget: Overview

Medium- & Heavy-Duty Zero-Emission Projects	Amount (millions)
Air Quality Improvement Program <sup>1</sup>	\$35
Air Pollution Control Fund <sup>2</sup>	\$132
Greenhouse Gas Reduction Fund	\$25
Total Funding	\$192

<sup>&</sup>lt;sup>1</sup>Only for medium- & heavy-duty projects (<u>CA Health & Safety Code, Section 44274.(a)</u>). <sup>2</sup>Only the Clean Truck and Bus Voucher Incentive Project (HVIP) per a <u>legal settlement</u>.



## Fiscal Year 2025-26 Budget: Projects

Project Category/ Funding Source	Air Quality Improvement Fund	Air Pollution Control Fund (APCF) <sup>1</sup>	Greenhouse Gas Reduction Fund <sup>1</sup>	Draft Approx. Total (millions)
Regional Clean Cars 4 All	-	-	\$25	\$25
Medium- & Heavy-Duty Zero-Emission Projects	-	-	-	-
Clean Off-Road Equipment	\$33	-	-	\$33
Sustainable Heavy-Duty Initiatives for Future Technology	\$2	-	-	\$2
Clean Truck & Bus (HVIP) - Standard	-	\$100	-	\$100
HVIP - Transit Buses	-	\$26	-	\$26
Innovative Small e-Fleets	-	\$5	-	\$5
Total Funding	\$35	\$132	\$25	\$192

<sup>1</sup>5% of funds reserved for CARB administration; APCF = approx. \$7 million; GGRF = approx. \$1 million



#### **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





Policy Workgroup: Clean Truck and Bus Voucher Incentive Project (HVIP)



#### **About HVIP**

The California Air Resources Board (CARB) launched the **Hybrid and Zero-Emission Truck** and **Bus Voucher Incentive Project (HVIP)** in 2009 to accelerate the adoption of cleaner, more-efficient trucks and buses.

Vouchers are applied directly to dealers at time of purchase to lower cost paid by fleets.

14,800+

Clean Vehicles Funded 2,000+

**Fleets Participating** 

~\$875M+

**Redeemed Vouchers** 



## Responding to Truck Cost Concerns

- Board direction for cost control mechanism
- CARB report on Class 8 truck prices in United States vs Europe
- Align incentive amounts to support market adoption of clean ZEV technologies
- Proposed policy pathway:
  - Phase-down of voucher incentive amounts



## Proposed Phase-down of Voucher Incentive Amounts

- Recommended policy option: voucher amounts phased-down over time
- Current voucher amount goal: cost parity with diesel based on 3-year total cost of ownership
- Proposed voucher reduction: 5% per year for 3 years
- Sends signal that truck pricing should decline as the market matures



### **MSRP Cap Considerations**

- Passenger cars have Manufacturer Suggested Retail Price (MSRP); most trucks do not
- Wide variety of truck types and prices within weight classes make setting a price cap challenging
- Price cap could limit eligible truck models; reducing options for fleets
- Stakeholders have raised concerns about current market volatility



### **Additional Stakeholder Requests**

- Incentives for renewable natural gas trucks
- Incentives for Class 2b zero-emission work pickup trucks
- Graduate all Class 2b and 3 zero-emission vehicles
- Increased incentives for zero-emission transit buses
- Strengthen manufacturer eligibility criteria
- Reduce voucher processing timeline
- Continue to monitor compliance with Implementation Manual

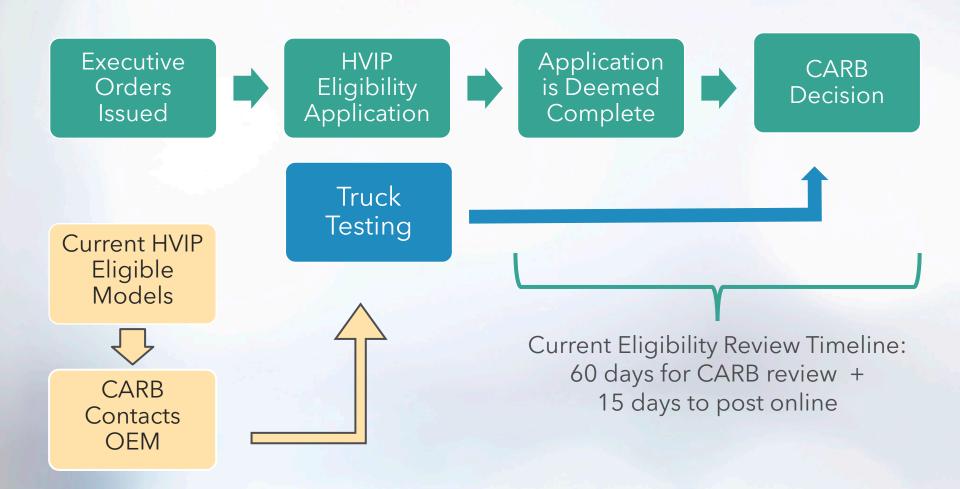


## **HVIP Truck Testing Proposal**

- Implementation start date: early 2026
- Leverage existing testing methods
  - SAE J1634; Short Multi-Cycle Range and Energy Consumption Test plus Steady State (SMCT+)
- Phase-in approach until all HVIP eligible vehicles are tested
  - 1st: Class 4-6
  - 2<sup>nd</sup>: Add Class 7-8
  - 3<sup>rd</sup>: All vehicle classes (e.g., Class 2b-8)
- Testing will be performed at the CARB Riverside facility by CARB staff
- Truck must be provided and delivered by manufacturer at their cost



## **HVIP Truck Testing Process**





### **HVIP Truck Testing Next Steps**

- Requesting informal written feedback by September 26, 2025:
  - Proposed vehicle testing methods, phase-in approach, and implementation timeline
- Proposed funding plan released for public comment on October 10, 2025
- Board consideration of proposed funding plan November 2025
- Staff will consider an additional workgroup before implementing testing procedures in early 2026



#### **Contact Us**

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HVIP Eligibility Application Submissions & General Inquiries

HVIP@arb.ca.gov



#### **Comments and Questions**



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



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## Fiscal Year 2025-26 Clean Mobility Investments Workgroup #2

Clean Mobility Options, Clean Mobility in Schools, Sustainable Transportation Equity Project, Planning and Capacity Building Program



#### Sustainable Community-Based Transportation Equity Incentive Projects





#### **Overview of Current Technical Assistance**

#### **Pre-and Post Application**

- Guide applicants to develop applications
- Post-application technical assistance for unawarded applicants

## **Executing Agreement and Compliance**

- Onboarding sessions to train grantees on program requirements
- Support grantees on insurance compliance
- Templates and toolkits

#### **Project Implementation**

- Implementation toolkits and guides
- Technical expert network
- Community support teams
- Online grantee hubs
- Hotline and case management system
- On-site visits



## Overview of Clean Mobility Equity Alliance (CMEA)

- CMEA is a peer-learning, knowledge sharing network that convenes clean mobility project implementers and partners.
- From 2020-2025, CMEA has hosted **66 meetings** and has had **300+** participants for **28 meetings/working groups** held in 2024.







### **Overview of Annual Clean Mobility Forum**

- The Clean Mobility Forum is an annual event that brings clean mobility project implementers and partners together.
- The Forum's goals are to:
  - Provide capacity-building learning opportunities
  - Provide opportunities for networking, relationship building, and partnership development.





## Clean Transportation Equity Incentives Symposium

- An **annual event** hosted by CARB to bring community members, grantees, and program administrators together for a birds-eye view of the clean transportation equity incentive programs.
- Three hybrid symposiums held to date in Oakland, Sacramento, and Los Angeles
- Symposium goals:
  - Reflect on community mobility incentive programs
  - Networking and partnership building
  - Facilitate information sharing





#### **Clean Mobility Research and Evaluation Efforts**

Report Title and Link	Researcher	Funding	Focus Area
Clean Mobility Options (CMO) Needs Assessments Window 1 Evaluation	Shared-Use Mobility Center	\$28,000	Planning
CMO Mobility Projects 2023 Evaluation	Shared-Use Mobility Center	\$35,000	Implementation
Advancing Equitable Community-Based Transportation Planning	Othering & Belonging Institute (UC Berkeley)	\$1.2M	Planning
Sustainable Financing Strategies for Mobility Solutions (White Paper)	Steer	\$100,000	Implementation
Metrics and Evaluation Methodologies for Clean Mobility and Sustainable Transportation Equity Projects (STEP)	Transportation Sustainability Research Center (UC Berkeley)	\$1.5M	Implementation
Activity- and Accessibility-Based Framework for Mobility Equity Evaluation	UC Irvine	\$150,000	Planning & Implementation
Planning, Clean Mobility in Schools (CMIS), and STEP Request for Applications Technical Assistance	Institute for Local Government	\$472,478	Planning & Implementation

**Clean Mobility Research and Evaluation | California Air Resources Board** 



## Financial Challenges Faced by Mobility Service Providers

- Shared mobility services in underserved communities will likely continue requiring some degree of public investments to remain operational.
- Challenges vary across service types due to different infrastructure needs, operations, and user demand.





## **Financial Sustainability Challenges**

Financial Sustainability Challenges	Potential Solution Strategies
<ul> <li>Significant upfront investment and costly maintenance and insurance</li> <li>High theft and vandalism risk</li> <li>Affordable pricing structure can limit revenue generation</li> <li>Complex software/platform expenses add financial strain</li> <li>Seasonal demand fluctuations</li> </ul>	<ul> <li>Ongoing public subsidies and grants</li> <li>Partnerships with affordable         housing developments, universities, health         providers, or community organizations to         ensure baseline ridership and shared costs</li> <li>Innovative revenue streams and encouraging         more usage (e.g., advertising, corporate         sponsorships)</li> <li>Integration with local transit agencies to         support active transportation and advocate it</li> </ul>
	as essential public infrastructure



## Pathways to Long-Term Sustainability (Cont.)



#### How else can CARB support your sustainability efforts?

- Connect grantees to other funding sources and local partners.
- Explore options and communicate the need to extend grants' encumbrance and liquidation deadlines.
- Provide State funding to existing projects with measurable impact and success.
- Prioritize investments in active transportation infrastructure.
- Provide grantees with legislative outreach resources and trainings through the Marketing Plan.



### **Overview of the Marketing Plan**

- Purposes:
  - Increase awareness of the mobility projects
  - Communicate the importance of securing funding to maintain these projects' capacity and their long-term sustainability
- Various target audiences that include government, communitybased organizations, grantees, Tribes, and the public.

#### **Strategies Include:**

Speaking Engagements Amplifying Social Media Content

Legislative Outreach Resources/Training Project Press/Launch Events



## Improving How We Identify and Prioritize Funding Based on Community Needs

Question: As a state agency, we have implemented various approaches and used equity-focused criteria in our grant selection process. How can CARB further refine these to better prioritize communities with severe unmet needs?





#### **Examples of Equity-Focused/Needs-Based Criteria**

#### STEP/CMIS/PCB

- 50% of the project area must be in disadvantaged or low-income census tracts.
- Bonus points for areas outside MPOs or 2020 census urbanized zones.
- Must address transportation needs identified through equitable community engagement.
- Should advance transportation equity and address diverse resident needs, including workforce, resiliency, and economic opportunity.
- Bonus points for tribal-led projects or partnerships with at least two CBOs.
- Must improve access to key destinations for residents with diverse transportation needs.
- Bonus points for serving "hard-to-reach" residents and connecting them to multiple destinations.



#### **Examples of Equity-Focused/Needs-Based Criteria (Cont.)**

#### CMO

- Mobility services and infrastructure should be mostly located inside the disadvantaged or low-income designated communities or tribal lands.
- Set-aside funds for tribal governments.
- Requiring community transportation needs assessment.
- Substitute match requirement with non-monetary community resource contributions.
- Set-aside funds for previous needs assessment grantees.
- Requiring a letter of support from a project-related community-based organization.



#### **Contact Us**

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One-on-One Meeting Request Form



#### **Comments and Questions**



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## **Wrap-Up and Next Steps**



## **Upcoming Meetings**

Meeting/Item	Date
Proposed Funding Plan Released - Open Comment Period Starts	Oct. 10
Evening Community Meeting	Oct. 21
Proposed Funding Plan - Comment Period Closes	Nov. 10
CARB Board Meeting	Nov. 20
Evening Community Meeting	Dec. 16



#### **Contacts**

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Funding Plan - Engagement Opportunities

