

California Air Resources Board

Notice of Public Meeting to Consider Approval of the Proposed Fiscal Year 2025-26 and Fiscal Year 2026-27 Funding Plan for the Air Quality Improvement Program

The California Air Resources Board (CARB or Board) will conduct a public meeting on the date and time noted below to consider approval of the Proposed Fiscal Year (FY) 2025-26 and FY 2026-27 Funding Plan for the Air Quality Improvement Program (Proposed AQIP Funding Plan).

Date: June 25, 2026

Time: 12:30 P.M.

In-Person Location:

California Environmental Protection Agency
California Air Resources Board
Byron Sher Auditorium
1001 I Street, Sacramento, California 95814

Remote Option:

Zoom

This public meeting may continue at 12:30 p.m., on June 26, 2026. Please consult the public agenda, which will be posted ten days before the June 25, 2026, Board Meeting, for important details, including the day on which this item will be considered and how the public can participate via Zoom if they choose to be remote.

Background

To achieve California's federally mandated air quality targets and State directed climate change goals, CARB has adopted a holistic, multipronged strategy that uses incentives to complement its regulatory approaches. Annually, the State Legislature appropriates funds to CARB for certain programs, purposes, or a portfolio of incentive projects, and each project plays a unique role to improve air quality, enhance community protection, and reduce harmful emissions. The portfolio of incentives includes continually funded programs like the Carl Moyer Memorial Attainment Program and the Air Quality Improvement Program (AQIP), along with annually appropriated programs like the Low Carbon Transportation Incentives, Funding Agricultural Measures for Emission Reductions (FARMER), and the Community Air Protection (CAP) Program. Over the last 25 years, \$12 billion dollars have been invested, achieving over 11 million metric tons of greenhouse gas emission reductions.

Since 2009, CARB has received an annual appropriation from the Air Quality Improvement Fund (AQIF) to support projects in AQIP. The AQIP regulation requires CARB to develop a funding plan to allocate funds to incentive projects. These incentive projects are designed to

support the deployment of the cleanest available technologies – in many cases zero-emission – across multiple sectors.¹ AQIP has traditionally supported a diverse portfolio of technologies at different stages of commercialization, with investments shaped by legislative direction and statewide policy goals. The Proposed AQIP Funding Plan builds on this broader portfolio by outlining CARB’s policy drivers and implementation approach specific to AQIP. Legislative direction requires AQIP funding to support incentive projects that advance the State’s emission reduction goals,² as identified in the Climate Change Scoping Plan, State Implementation Plans, and California Sustainable Freight Action Plan, as well as Sustainable Communities Strategies pursuant to SB 375.³ Current legislative and executive direction, including Governor Newsom’s Executive Orders N-79-20⁴ and N-27-25,⁵ continue to emphasize accelerating the development and deployment of the cleanest feasible mobile source technologies while improving equitable access to clean transportation. Consistent with these directives, AQIP investments incorporate equity-focused strategies, including engagement with overburdened communities and California Native American Tribes, and targeted support for populations disproportionately impacted by air pollution and climate change.

In FY 2025-26, the budget bills passed by the Legislature and signed by the Governor appropriated approximately \$35 million to CARB in the Proposed AQIP Funding Plan for Board approval. For FY 2026–27, the Governor’s proposed budget, released in January 2026, included approximately \$35 million for AQIP. Together, these amounts total approximately \$70 million proposed for Board approval in this Funding Plan.

Proposed Fiscal Year 2025-26 & 2026-27 AQIP Funding Plan

This year’s Proposed AQIP Funding Plan will include an update on previously funded projects and CARB staff’s proposal for investing the approximately \$35 million appropriated in AQIP for FY 2025-26 and the approximately \$35 million proposed in FY 2026-27. Staff developed the proposed project allocations through a public process, considered legislative direction and feedback from interested parties and priority communities, evaluated anticipated demand and technology readiness, and reviewed the long-term planning elements of previous funding plans. The allocations in the Proposed AQIP Funding Plan continue to build on investments from previous budget cycles that were envisioned as multi-year investments. The Proposed AQIP Funding Plan also supports implementation of the Drive Forward Initiative by aligning investments with strategies that accelerate cleaner technologies. The full details of the proposed recommendations for these investments will be included in the Proposed AQIP Funding Plan to be released for public comment on May 15, 2026, and interested parties can provide written comments through the docket. Staff also welcomes

¹ Cal. Code Regs., tit. 13, §§ 2350 et. seq..

² Health & Saf. Code, § 44274.

³ Senate Bill (SB) [375](#) (Steinberg, Stats. 2008, ch. 728).

⁴ Governor’s Exec. Order No. [N-79-20](#) (July 31, 2024).

⁵ Governor’s Exec. Order No. [N-27-25](#) (June 12, 2025).

interested parties to [request a one-one-one meeting](#) with staff to discuss their comments on the Proposed Plan.

Proposed Action

CARB staff recommends that the Board approve the funding allocation in the Proposed AQIP Funding Plan.

Copies of the Proposed AQIP Funding Plan may be obtained from CARB's [Low Carbon Transportation Incentives and Air Quality Improvement Program](#) website, beginning on May 15, 2026. Please contact Evan Kersnar, Regulations Coordinator, at regulations@arb.ca.gov or (916) 327-6247 if you need physical copies of the documents.

Interested members of the public may present comments orally or in writing during the meeting and may provide comments by postal mail or by electronic submittal before the meeting. To be considered by the Board, written comments not submitted during the meeting must be received **no later than June 15, 2025**, and addressed to the following:

Postal mail: Clerks' Office, California Air Resources Board
1001 I Street, Sacramento, California 95814

Electronic submittal: <http://ww2.arb.ca.gov/lispub/comm/bclist.php>

Please note that under the California Public Records Act, your written and oral comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the public record and can be released to the public upon request.⁶

Further inquiries regarding this matter should be directed to Amritpal Sandhu, Air Pollution Specialist, at Amritpal.Sandhu@arb.ca.gov or to Nathan Dean, Manager, at Nathan.Dean@arb.ca.gov or to the Clean Transportation Incentives inbox at CleanTransportationIncentives@arb.ca.gov.

Special Accommodation Request

Consistent with California Government Code section 7296.2, special accommodation or language needs may be provided for any of the following:

- An interpreter to be available at the hearing;
- Documents made available in an alternate format or another language; and
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerks' Office at cotb@arb.ca.gov or (916) 322-5594 as soon as possible, but no later than ten business days before the scheduled Board hearing. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

⁶ Gov. Code, § 7921.000 et seq.

Consecuente con la sección 7296.2 del Código de Gobierno de California, una acomodación especial o necesidades lingüísticas pueden ser suministradas para cualquiera de los siguientes:

- Un intérprete que esté disponible en la audiencia;
- Documentos disponibles en un formato alterno u otro idioma; y
- Una acomodación razonables relacionados con una incapacidad.

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al cotb@arb.ca.gov o (916) 322-5594 lo más pronto posible, pero no menos de 10 días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Retransmisión de Mensajes de California.

California Air Resources Board



Steven S. Cliff, Ph.D.,
Executive Officer

Date: 05/04/2026

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see [CARB's website](http://ww2.arb.ca.gov) (ww2.arb.ca.gov).