



Update on Truck Incentives

Board Meeting
March 26, 2009
Sacramento

1






Air Resources Board
California Environmental Protection Agency

Truck Incentive Programs

- Carl Moyer
- Prop. 1B Goods Movement
- AB 118 Air Quality Incentives
- Plus, local air district and port programs

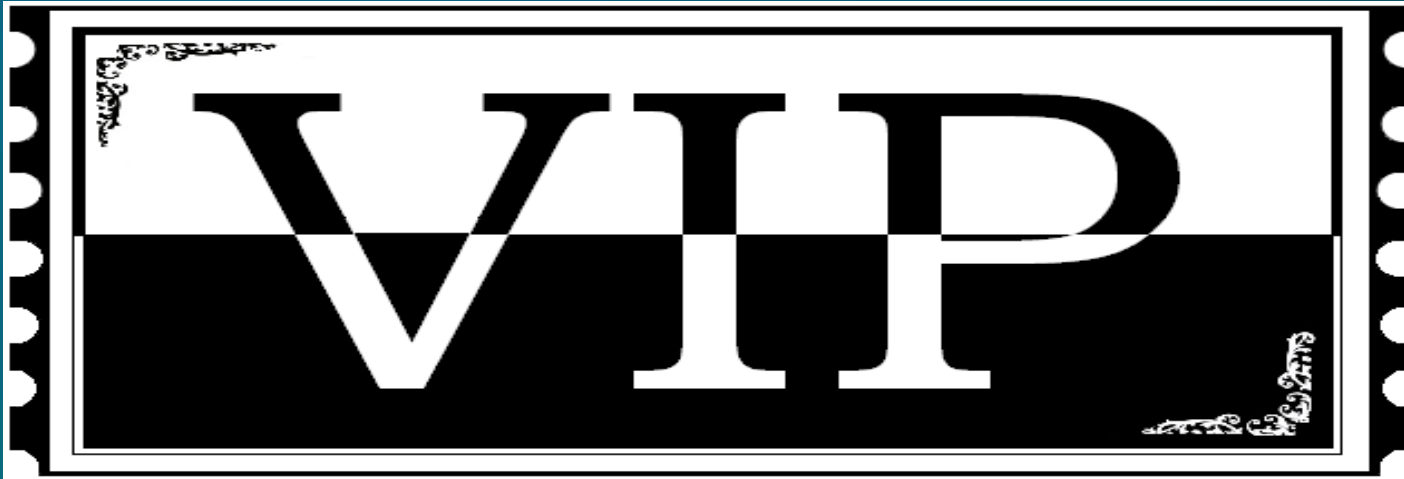
Truck Incentive Types

		<i>NEW</i>	<i>NEW</i>
	Grants	Vouchers/ coupons	Loan guarantees
Moyer			
Prop 1B			
AB 118			

Board Direction

- 1. Simplify and align programs**
- 2. Report back on funding status**
- 3. Implement broad outreach**

Truck Vouchers



Voucher Incentive Program

REDEEM AND CLEAN!

Voucher Incentive Program

- Voucher Incentive Program (the “VIP”)
- Focus on small fleets (3 or less)
- Available statewide
- \$30,000 - \$35,000 per truck in 1st year
- Replace 1993 or older truck with 2007 or newer truck
- Can be combined with loan guarantees (PLACE)

Streamlined Carl Moyer Option

- **Adjustments to current program**
- **90 days to 5 days to process**
- **Simplified requirements for applicants and districts**
- **No participant contracts**
- **Reporting and auditing**

Next on Vouchers

- Informational/outreach sessions
- Executive Officer program approval
- District contracts with dealers and dismantlers
- Training
- \$15 million for program launch in early Summer 2009 with ~ 500 trucks

Alignment



Goal

- **Simplify and increase access**
 - Align eligibility and requirements
 - Harmonize funding levels
 - Streamline implementation

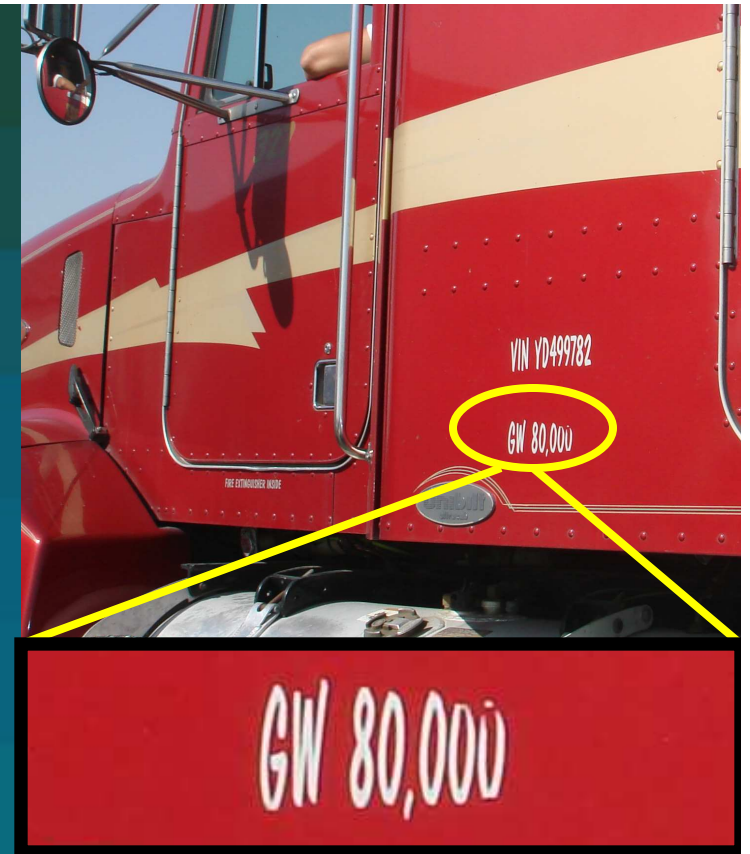
Process

- Developed concepts within ARB and with local agency partners
- Results will feed into public process on guidelines for each program
- Board will consider proposals and public testimony at Spring hearings



Focus Areas

- **Old truck eligibility**
 - ✓ Loaded truck weight
 - ✓ 2 yrs CA operation
 - ✓ Ability to trade in “2 for 1”
 - ✓ Fleet size
- **New truck technology**
 - ✓ Emission level benchmarks



Focus Areas – Part 2



- **Funding levels for grants**
 - ✓ \$60k for new "2010" truck
 - ✓ \$50k for new "2007" truck
 - ✓ \$40k for used "2007" truck
 - ✓ \$20k for NOx+PM retrofit
 - ✓ \$ 5k for PM filter
- **Local administration**
 - ✓ Consistent back office requirements

Next Steps for Board



Today: Direction on Moyer vouchers

April: AB 118 guidelines/spending plan

May: Outreach/assistance for truckers
Prop. 1B guideline updates

Fall: Prop. 1B awards to local agencies

Funding Status



Revenue-Based Sources

- \$78M this year – Moyer
- \$42M this year - AB 118 loan guarantees
- \$25M this year - AB 118 hybrid trucks
- Plus local air district and port funds



Bond Funding Process

- 1. Voters authorize**
- 2. Budget appropriates**
- 3. Agency seeks cash from Pooled Money Investment Board (PMIB)**
- 4. PMIB decides how and when to raise funds for all State bond programs**
- 5. PMIB loans funds to agencies and issues financial instruments**



Proposition 1B

- \$750M appropriated for goods movement
- \$193M appropriated for school buses
- ARB requested \$515M loan from PMIB



Pooled Money Investment Board

December 2008

- Stopped loans/bonds due to cash crisis
- ARB directed locals to suspend Prop. 1B actions until funds available

March 18, 2009

- Approved issue of \$4B in bonds this week
- Deferred requests for new loans

Early April 2009

- Will gauge ability to sell more bonds

Upcoming Bond Activity

- **ARB seeking priority funding to:**
 - Reimburse monies paid out to locals
 - Restart goods movement/school bus programs
- **ARB must modify existing grants**
- **New funding awards will be conditioned on bond fund availability**

Possible Federal Funds **(Truck/Bus-Related from US EPA)**

- **Stimulus - \$300M nationwide for the Diesel Emission Reduction Program**
 - \$156M for diesel projects (competitive)
 - \$30M for SmartWays financing (competitive)
 - \$1.7M to ARB for diesel projects
- **Annual diesel appropriation**
 - \$15M total earmark for South Coast/SJ Valley
 - \$5-6M for other California projects

Summary

- Alignment to simplify truck programs underway
- Moyer vouchers ready for Executive Officer approval
- Truck incentives will begin to roll out this summer