



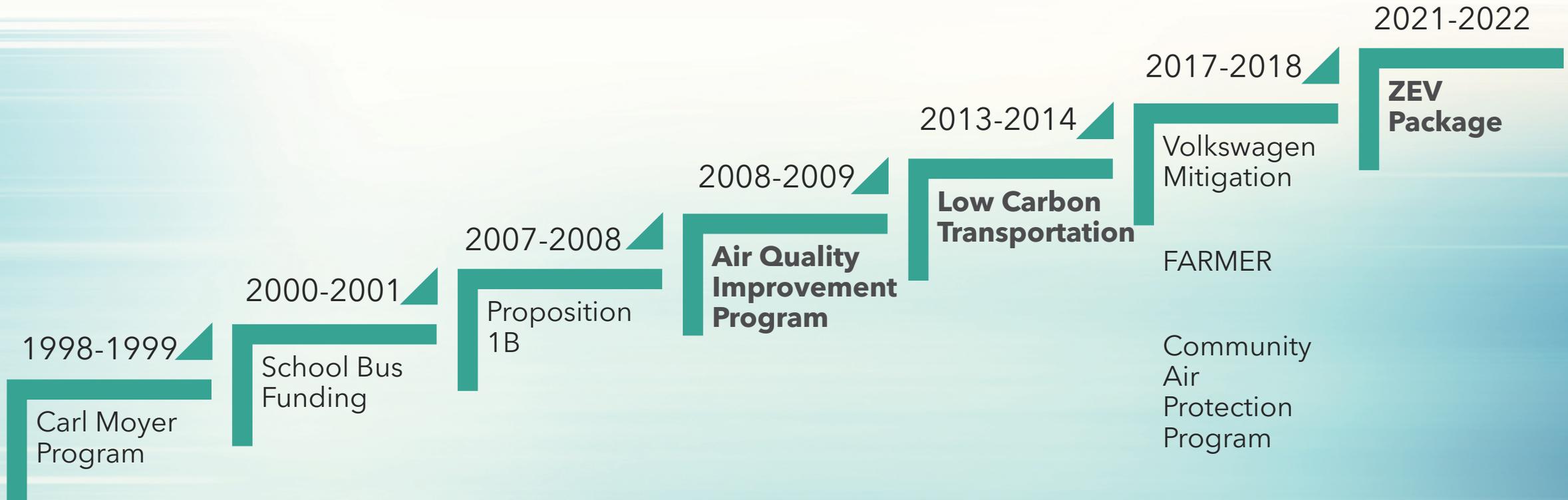
CALIFORNIA
AIR RESOURCES BOARD

Proposed Fiscal Year 2023-24 Funding Plan for Clean Transportation Incentives

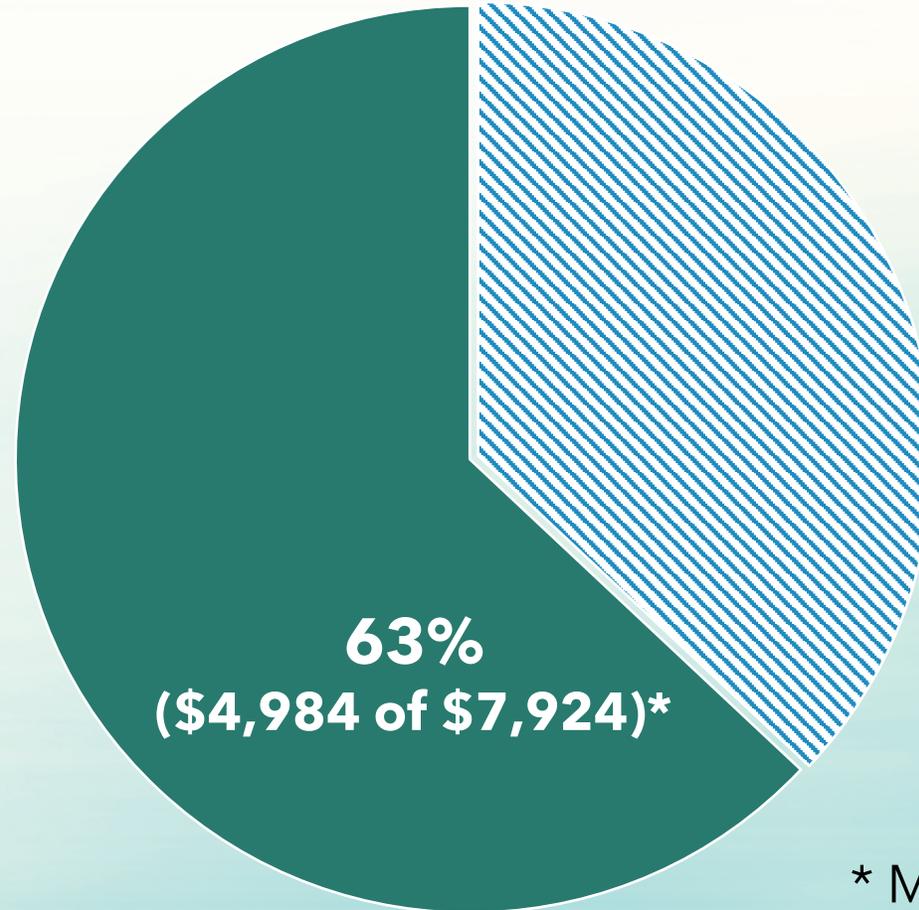
Board Presentation
November 16, 2023



Incentive Programs and Funding Milestones



Percent of Funds Benefiting Priority Populations Fiscal Year 2013-14 to Present



* Millions

Proposed Fiscal Year 2023-24 Funding Plan for Clean Transportation Incentives



Extensive Public Process



Highlights of Proposal

- Supports:
 - Federal air quality standards and State climate goals
 - Regulatory efforts across multiple sectors
- Enhances outreach and community engagement
- Supports and complements the ZEV Equity Task Force
- Expands accessibility and increases affordability for priority populations
- Continues to prioritize investments in priority populations
- Targets 60-70% of Low Carbon Transportation funds to benefit priority populations
- Provides contingency measures and Executive Officer discretion to adjust project funds, if the need arises

~\$624 Million for Clean Transportation Incentives

- Fiscal Year 2023-24 State budget appropriated:
 - \$50 million - State General Fund
 - \$375 million - Proposition 98 General Funds
 - \$170 million - Greenhouse Gas Reduction Fund
 - \$28.6 million - Air Quality Improvement Fund
- Builds upon the past two funding cycles, for a proposed total investment of \$10.1 billion through Fiscal Year 2026-27

Clean Transportation Equity & Light-Duty Vehicle Investments





Flagship Project Ends

- Clean Vehicle Rebate Project ends after 13 years
 - \$1.61 billion invested
 - ~40% funds to priority populations
 - ~533,000 vehicles funded
- Supported California's zero-emission vehicle (ZEV) deployment goals:
 - 1.6 million+ ZEVs deployed
 - 1/4 vehicles sold zero-emission



- Focus future investments on lower-income consumers
- Supported landmark Advanced Clean Cars regulations

Proposed Vehicle Purchase Incentive Allocations - \$80 Million

Clean Cars 4 All



- **\$28 million**
- District and Statewide
- Replace old vehicles with clean vehicles

Financing Assistance



- **\$28 million**
- Loans and grants to purchase clean vehicles

California E-Bike Project



- **\$18 million**
- Incentives for electric bicycles

Access Clean California



- **\$5 million**
- Increase awareness of clean transportation equity incentives

California Integrated Travel Project



- **\$1 million**
- Payment issuance strategy

Proposed Sustainable Transportation & Mobility Equity Project Allocations - \$60 Million



Equity Mobility Projects

- \$50 million
- Expand clean transportation options and shared mobility projects



Planning and Capacity Building Projects

- \$10 million
- Planning and capacity building and localized technical assistance and outreach

Summary of Key Recommendations

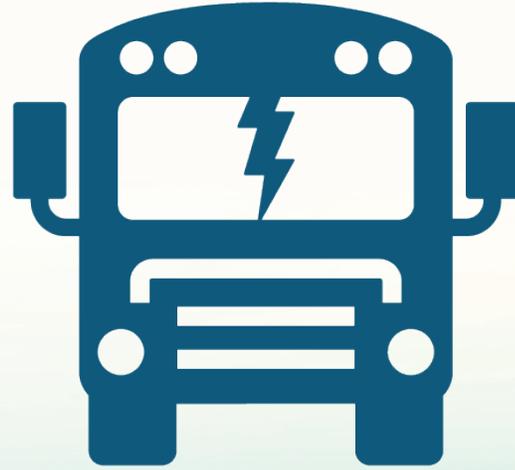
Clean Cars 4 All and Financing Assistance Projects:

- Provide funding for adaptive equipment to reduce barriers for drivers with disabilities
- Include Zero-Emission Motorcycles as an eligible vehicle category

Sustainable Community-Based Transportation Equity Projects:

- Improve access to funds by combining application process and timeline into a single solicitation

Heavy-Duty Investments



Proposed Heavy-Duty Allocations - Over \$483 Million

Clean Truck and Bus Vouchers



- **\$80 million**
- Vouchers for zero-emission drayage trucks

School Buses



- **\$375 million**
- Vouchers for zero-emission public school buses

Innovative Small E-Fleets Pilot



- **\$14.3 million**
- Innovative financing mechanisms for small fleets

Clean Off-Road Equipment Vouchers



- **\$14.3 million**
- Vouchers for zero-emission off-road equipment

Summary of Key Heavy-Duty Recommendations

Clean Truck and Bus Voucher Incentive Project (HVIP), Innovative Small E-Fleet, and Clean Off-Road Equipment:

- Enhance focus on small fleets
- Modify equipment eligibility
- Evaluate voucher amounts
- Delay implementation of fleet size limits

Support on-road heavy-duty and off-road regulations

Funding Plan Comments Received

- Limit Clean Cars 4 All (CC4A) to pre-2004 model year vehicles
- Target outreach toward areas with high concentrations of older vehicles and low up-take of zero-emission vehicles
- Shift the CC4A funding from the Statewide project to the district programs
- Expand incentive access for cross-border trucks
- Support high-quality jobs with Truck and Bus Voucher Incentive Project (HVIP) funds

Conclusion & Recommendation

Staff's Recommendation: Approve the Proposed Fiscal Year 2023-24 Funding Plan for Clean Transportation Incentives