

MEETING  
STATE OF CALIFORNIA  
AIR RESOURCES BOARD

ZOOM PLATFORM

CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY  
BYRON SHER AUDITORIUM  
1001 I STREET  
SACRAMENTO, CALIFORNIA

THURSDAY, NOVEMBER 21, 2024

9:04 A.M.

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## APPEARANCES

### BOARD MEMBERS:

Liane Randolph, Chair

John Balmes, MD

Hector De La Torre

John Eisenhut (Remote)

Dean Florez (Remote)

Eric Guerra

Davina Hurt (Remote)

Gideon Kracov (Kracov)

Tania Pacheco-Werner, PhD

Cliff Rechtschaffen

Susan Shaheen, PhD

Diane Takvorian

### STAFF:

Steve Cliff, PhD, Executive Officer

Courtney Smith, Principal Deputy Executive Officer

Edie Chang, Deputy Executive Officer, Planning, Freight & Toxics

Chanell Fletcher, Deputy Executive Officer, Environmental Justice

Annette Hébert, Deputy Executive Officer, Southern California Headquarters & Mobile Source Compliance

Edna Murphy, Deputy Executive Officer, Internal Operations

APPEARANCES CONTINUED

STAFF:

Rajinder Sahota, Deputy Executive Officer, Climate Change and Research

Sydney Vergis, PhD, Deputy Executive Officer, Mobile Sources & Incentives

Ellen Peter, Chief Counsel

Kristina Boudreaux, Attorney, Legal Office

Michelle Buffington, Vehicle Program Specialist, Mobile Source Control Division (MSCD)

Peter Christensen, Branch Chief, Innovative Strategies Branch, MSCD

Jack Kitowski, Division Chief, MSCD

Lisa Macumber, Branch Chief, Equitable Mobility Incentives Branch, MSCD

Lucina Negrete, Assistant Division Chief, MSCD

Stephanie Parent, Staff Air Pollution Specialist, Innovative Light-Duty Strategies Section, MSCD

Annmarie Rodgers, Branch Chief, Compliance Assistance and Outreach Branch, MSCD

ALSO PRESENT:

Leah Abate, Foundation for California Community Colleges

Nick Barrett, Hyzon Motors

Maurissa Brown, Greenlining Institute

Chris Chavez, Coalition for Clean Air

Kristian Corby, California Electric Transportation Coalition

APPEARANCES CONTINUED

ALSO PRESENT:

Jessie Denver, California Governor's Office of Business  
and Economic Development

Rocky Fernandez, Center for Sustainable Energy

Donald Gilmore, Community Housing Development Corporation

Josh Harmon, Pacific Gas and Electric

Maya Inigo-Anderson, Communities for a Better Environment

Soumya Jain

Virgil Looney, Community Housing Development Corporation

Bill Magavern, Coalition for Clean Air

Tim McRae, California Hydrogen Business Council

Kailin Scott Peoples, Neighborhood Housing Services of the  
Inland Empire

Hannon Rasool, California Energy Commission

Maria Ruiz, Central California Asthma Collaborative

Fred Soares, Elite World Trading

Brandon Wong, Valley Clean Air Now

Brett Zeuner, Foundation for California Community Colleges

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PROCEEDINGS

CHAIR RANDOLPH: Good morning. The November 21st, 2024 public meeting of the California Air Resources Board will come to order. Board clerk, will you please call the roll.

BOARD CLERK MOORE: Yes.

Dr. Balmes.

BOARD MEMBER BALMES: Here.

BOARD CLERK MOORE: Mr. De La Torre?

BOARD MEMBER DE LA TORRE: Here.

BOARD CLERK MOORE: Mr. Eisenhut?

Senator Florez?

BOARD MEMBER FLOREZ: Florez here.

BOARD CLERK MOORE: Assemblymember Garcia.

Mr. Guerra.

BOARD MEMBER GUERRA: Guerra here.

BOARD CLERK MOORE: Ms. Hurt.

BOARD MEMBER HURT: Hurt Present.

BOARD CLERK MOORE: Mr. Kracov.

BOARD MEMBER KRACOV: Here.

BOARD CLERK MOORE: Dr. Pacheco-Werner.

BOARD MEMBER PACHECO-WERNER: Here.

BOARD CLERK MOORE: Supervisor Perez.

Mr. Rechtschaffen.

BOARD MEMBER RECHTSCHAFFEN: Here.

1 BOARD CLERK MOORE: Dr. Shaheen.

2 BOARD MEMBER SHAHEEN: Here.

3 BOARD CLERK MOORE: Senator Stern?

4 Ms. Takvorian.

5 BOARD MEMBER TAKVORIAN: Takvorian here.

6 BOARD CLERK MOORE: Supervisor Vargas.

7 Chair Randolph.

8 CHAIR RANDOLPH: Here.

9 BOARD CLERK MOORE: Madam Chair, we have a  
10 quorum.

11 CHAIR RANDOLPH: All right. Okay. We will begin  
12 with our housekeeping items.

13 We are conducting today's meeting in person as  
14 well as offering remote options for public participation  
15 both by phone and in Zoom. Anyone who wishes to testify  
16 in person should fill out a request-to-speak card  
17 available in the foyer outside the Board room. Please  
18 turn it into a Board assistant prior to the commencement  
19 of the item. If you are participating remotely, you will  
20 raise your hand in Zoom or dial star nine, if calling in  
21 by phone. The Clerk will provide further details  
22 regarding how public participation will work in just a  
23 moment.

24 For safety reasons, please note the emergency  
25 exit to the rear of the room through the foyer. In the

1 event of a fire alarm, we are required to evacuate this  
2 room immediately and go down the stairs to the lobby and  
3 out of the building. When the "All Clear" signal is  
4 given, we will return to the auditorium and resume the  
5 hearing.

6 A closed captioning feature is available for  
7 those of you joining us in the Zoom environment. In order  
8 to turn on subtitles, please look for a button labeled  
9 "CC" at the bottom of the Zoom window as shown in the  
10 example on the screen now. I would like to take this  
11 opportunity to remind everyone to speak clearly and from a  
12 quiet location, whether you are joining us in Zoom or  
13 calling in by phone.

14 Interpretation services will be provided today in  
15 Spanish for both in-person and Zoom attendees. If you are  
16 joining us using Zoom, there is a button labeled  
17 "Interpretation" on the Zoom screen. Click on that  
18 interpretation button and select Spanish to hear the  
19 meeting in Spanish. If you are joining us here in person  
20 and would like to listen to the meeting in Spanish, please  
21 speak to a Board assistant and they will provide you with  
22 further instructions. I want to remind all of our  
23 commenters to speak slowly and pause intermittently to  
24 allow the interpreters the opportunity to accurately  
25 interpret your comments.



1 THE INTERPRETER: There we go. Thank you.

2 (Interpreter translated in Spanish)

3 THE INTERPRETER: Thank you.

4 CHAIR RANDOLPH: Thank you. I will now ask the  
5 Board Clerk to provide more details regarding public  
6 participation.

7 BOARD CLERK MOORE: Thank you, Chair Randolph.

8 Good morning, everyone. I will be provide  
9 additional information on the public participation for  
10 today's meeting.

11 We will first be call in-person commenters who  
12 have turned in a request-to-speak card and then call  
13 commenters who are joining us remotely. If you are  
14 joining us remotely and wish to make a verbal comment on  
15 one of today's -- well on the only item of today's Board  
16 meeting or during the open comment period at the end of  
17 today's meeting, you will must be using Zoom webinar or  
18 calling in by phone. If you are watching the webcast on  
19 CAL-SPAN, but you wish to comment remotely, please  
20 register for the Zoom webinar or call in. Information for  
21 both can be found on the public agenda for today's  
22 meeting.

23 To make a verbal comment, we will be using the  
24 "Raise Hand" feature in Zoom. If you wish to speak on a  
25 Board item, please virtually raise your hand as soon as

1 the item has begun to let us know you wish to speak. If  
2 you are using a computer or tablet, there is a raise-hand  
3 button. And if you are calling in by telephone, dial star  
4 nine to raise your hand. Even if you previously indicated  
5 which item you wish to speak when you registered, you must  
6 raise your hand at the beginning of the item to be added  
7 to the queue.

8 For anyone giving verbal comments today in  
9 Spanish, please indicate so at the beginning of your  
10 testimony and our interpreter will assist you. During  
11 your comment, please allow -- please follow any  
12 instructions the interpreter provides.

13 When the comment period begins, the order of  
14 commenters will be determined by who raises their hand  
15 first. We will call each commenter by name and will  
16 activate each commenter's audio when it is their turn to  
17 speak. For those calling in, we will identify you by the  
18 last three digits of your phone number. We will announce  
19 the next three or so comments in the queue, so you are  
20 ready to testify when we come to you. Please note, your  
21 testimony will not appear by video.

22 For all commenters, please state your name for  
23 the record before you speak. This is especially important  
24 for those calling in by phone.

25 Each commenter will have a time limit of two

1 minutes, although this may change at the Chair's  
2 discretion. During public testimony, you will see a timer  
3 on the screen. For those calling in by phone, we will let  
4 you know when you have 30 seconds left and when your time  
5 is up. You time will be doubled if you require Spanish  
6 interpretation.

7 To submit written comments, please visit CARB's  
8 "Send Us Your Comments" page or look at the public agenda  
9 on our website for links submit your document. Written  
10 comments will be accepted on each item until the Chair  
11 closes the record for that Board item.

12 If you experience technical difficulties, please  
13 call (805)772-2715, so an IT person can assist.

14 Thank you. I'll turn the microphone back to  
15 Chair Randolph.

16 CHAIR RANDOLPH: All right. Thank you.

17 I would like to take a moment to note that CARB  
18 is accepting nominations for the 2024 Haagen-Smit Clean  
19 Air Awards through January 10th, 2025. The awardees will  
20 receive this prestigious award for making significant  
21 lifetime contributions to improving air quality and  
22 climate change science. For more information, please  
23 visit our website as shown on the screen now.

24 Okay. The only item on the open meeting agenda  
25 is Item 24-7-1, the proposed fiscal year, 2024-25 funding

1 plan for clean transportation incentives. If you are here  
2 with us in the room and wish to comment on this item,  
3 please fill out a request to speak card as soon as  
4 possible and submit it to a Board assistant. If you are  
5 joining us remotely and wish to comment on this item,  
6 please click the "Raise Hand" button or dial star nine  
7 now. We will first call on in-person commenters followed  
8 by any remote commenters when we get to the public comment  
9 portion of the item.

10 The clean transportation incentives funding plan  
11 is a critically important part of CARB's broad portfolio  
12 of incentive programs. These incentives complement our  
13 planning and regulatory programs in reducing emissions and  
14 equitably increasing access to the cleanest available  
15 technologies.

16 This year's State budget was a challenging one  
17 with reductions across the board to many key State  
18 agencies and programs. As we will hear today, funding  
19 allocations for air quality and climate change programs  
20 were unfortunately no different.

21 Nevertheless, this year's investments, while  
22 limited, continue to support equitable deployment of  
23 zero-emission vehicles, or ZEVs. The plan before us  
24 builds on the investments the State has made over the past  
25 decade and on the recent multi-year ZEV package to support

1 wide-scale deployment of zero-emission vehicles and  
2 equipment, and move us toward the target set in Governor  
3 Newsom's Executive Order.

4 Expanding access to zero-emission vehicles and  
5 zero-emission mobility for priority populations is a key  
6 objective of CARB's work and the funding plan is a  
7 critical tool for advancing this goal. With zero-emission  
8 technologies now widely available, this is an opportune  
9 time to continue making progress towards a clean  
10 transportation future.

11 Dr. Cliff, would you please introduce the item.

12 EXECUTIVE OFFICER CLIFF: Thank you, Chair  
13 Randolph. It is important to point out that incentive  
14 projects are a critical part of CARB's comprehensive  
15 strategy to accelerate the adoption of the cleanest  
16 technologies into California's dynamic economy. Through  
17 the 2024 budget, invested -- sorry. Though the 2024  
18 budget invested much less funding to the CARB incentive  
19 projects than in the past, the provided funds to the Air  
20 Quality Improvement Program are certainly meaningful.

21 Incentive projects complement CARB's regulatory  
22 measures to ensure that reductions in air pollution and  
23 greenhouse gas emissions occur while clean transportation  
24 is made more accessible for all Californians. The  
25 proposed incentives you will hear about today are designed

1 to support small fleets and businesses entering the  
2 zero-emission technology marketplace and predominantly  
3 benefit disadvantaged communities.

4         The majority of available Air Quality Improvement  
5 Program funds are proposed to be allocated to two  
6 historically oversubscribed projects, Innovative Small  
7 e-Fleets and Clean Off-Road Equipment. This allocation  
8 provides continued support to highly successful projects  
9 that reduce greenhouse gas emissions, criteria pollutants,  
10 and toxic air contaminant emissions. At the same time, we  
11 propose to allocate a portion of funds to a new project,  
12 the Zero-Emission Truck Loan Pilot that leverages funds  
13 with private investment. Together, all of these proposed  
14 investments focus on small fleets and small businesses  
15 while helping to advance our equity goals.

16         We have coordinated closely with the California  
17 Energy Commission, California State Transportation Agency,  
18 and the Governor's Office of Business and Economic  
19 Development on the development of this plan.

20         I want to particularly thank Hannon Rasool of the  
21 Energy Commission and Jessie Denver of the Governor's  
22 Office of Business and Economic Development for joining us  
23 today to support the proposed funding plan. I will now  
24 ask Stephanie Parent of the Mobile Source Control Division  
25 to begin the staff presentation.

1 Stephanie.

2 (Slide presentation).

3 MSCD STAFF AIR POLLUTION SPECIALIST PARENT:

4 Thank you, Dr. Cliff.

5 Good morning, Chair Randolph and members of the  
6 Board. Today, for the Board's consideration, I'll present  
7 the proposed fiscal year 2024-25 funding plan for clean  
8 transportation incentives, also known as the proposed  
9 funding plan.

10 After some brief background information, I'll  
11 provide updates on several of our projects. Then we'll  
12 review staff's recommendations before I conclude the  
13 presentation.

14 [SLIDE CHANGE]

15 MSCD STAFF AIR POLLUTION SPECIALIST PARENT: CARB  
16 offers a full portfolio of incentive projects that help  
17 improve air quality and reduce the negative impacts of  
18 climate change. In 1998, CARB funded its first incentive  
19 program, the Carl Moyer Memorial Air Quality Standards  
20 Attainment Program. Since then, several additional  
21 programs have been developed, including the Funding  
22 Agricultural Replacement Measures for Emission Reductions,  
23 also known as FARMER, Community Air Protection Incentives,  
24 and the Volkswagen Mitigation Trust, as well as the Clean  
25 Transportation Incentives Program, which this funding plan

1 covers. Note that the Board heard updates on the Carl  
2 Moyer and FARMER programs at the October Board meeting.

3 CARB's incentives portfolio complements CARB's  
4 regulatory programs, which are separate and distinct, but  
5 work hand in hand.

6 Now, I'll discuss our incentive projects overall.

7 [SLIDE CHANGE]

8 MSCD STAFF AIR POLLUTION SPECIALIST PARENT: To  
9 improve air quality and reduce the negative impacts of  
10 climate change, California aims to have five million  
11 zero-emission vehicles on our roads by 2030.  
12 Additionally, we aim to accelerate the deployment of  
13 zero-emission technologies in the transportation sector,  
14 incorporate equity into all programs and help expand  
15 Californians transportation and mobility options. Some of  
16 these goals are spelled out in the Governor's Executive  
17 Orders on zero-emission vehicles and equity.

18 CARB has implemented clean transportation  
19 incentives projects that have supported these goals for a  
20 dozen years. They range from e-bikes, to community  
21 projects, and zero-emission semi-trucks and equipment.  
22 These projects are like a symphony, each varied and  
23 playing its unique role. Earlier projects help to make  
24 zero-emission vehicles and technologies mainstream, while  
25 more recent projects were developed to be equity based.



1 Some help communities develop the solutions they need,  
2 while others are focused on a regional or State level.

3 Today, these efforts help priority populations  
4 and small businesses and fleets to be able to participate  
5 in these projects to upgrade older more polluting vehicles  
6 and equipment. This slide provides a sample of some of  
7 the project logos.

8 [SLIDE CHANGE]

9 MSCD STAFF AIR POLLUTION SPECIALIST PARENT:

10 Several themes emerged this year as staff  
11 developed the proposed funding plan. We have a lower  
12 budget amount to work with due to the State budget  
13 deficit. We're continuing to advance equity in  
14 communities and for small businesses and fleet owners.  
15 Since the Clean Vehicle Rebate Project closed in 2023,  
16 which allowed anyone to receive incentive dollars for  
17 zero-emission vehicles, we are focusing on priority  
18 populations through projects such as the regional Clean  
19 Cars 4 All Program and the statewide Driving Clean  
20 Assistance Program.

21 On the medium- and heavy-duty vehicle and  
22 equipment side, we are focusing incentive funds to small  
23 businesses and fleets. We're also working to ensure that  
24 projects have continuous funding and remain open when  
25 possible to avoid funding gaps. Now, I'll provide a

1 general overview of our funding sources.

2 [SLIDE CHANGE]

3 MSCD STAFF AIR POLLUTION SPECIALIST PARENT:

4 CARB's clean transportation incentives are  
5 generally made up of funding from three primary sources,  
6 including the Greenhouse Gas Reduction Fund for the Low  
7 Carbon Transportation Program, the Air Quality Improvement  
8 Fund for the Air Quality Improvement Program, and the  
9 State general fund for specific projects or project  
10 categories.

11 For fiscal year 2024-25, funds were only  
12 appropriated to CARB for the Air Quality Improvement Fund.  
13 I'll cover that later in the presentation. But first,  
14 I'll talk more about priority populations.

15 [SLIDE CHANGE]

16 MSCD STAFF AIR POLLUTION SPECIALIST PARENT: Over  
17 the past decade, funds allocated to the variety of  
18 projects in our port -- our portfolio that have benefited  
19 priority populations have increased overall. As  
20 previously mentioned, earlier projects, such as the Clean  
21 Vehicle Rebate Project and the Clean Truck and Bus Voucher  
22 Incentive Project, which is also known as HVIP, focused on  
23 getting zero-emission vehicles and equipment into the  
24 mainstream.

25 In fiscal year 2013-14, greenhouse gas reduction

1 funds became available and CARB was directed to tailor  
2 projects toward people who live in disadvantaged  
3 communities. This is around the time the first regional  
4 Clean Cars 4 All projects began in the South Coast and San  
5 Joaquin Valley air districts as you can see in the graph,  
6 in fiscal year 2013-14, zero percent of our funds were  
7 specifically directed toward priority populations. As  
8 projects matured and more projects launched, we and our  
9 partners began to increase the percentage of funds  
10 benefiting priority populations. In fiscal year, 2021-22,  
11 53 percent of our funds benefited priority populations and  
12 in fiscal year 2023-24, 60 percent of funds benefited that  
13 same group. While only the Greenhouse Gas Reduction Fund  
14 requires a priority populations target, we apply the  
15 target to all the investments we make through the Clean  
16 Transportation Incentives Program.

17 [SLIDE CHANGE]

18 MSCD STAFF AIR POLLUTION SPECIALIST PARENT: On  
19 the next two slides, I'd like to share some examples of  
20 positive feedback we've received from project  
21 participants, such as through Cal Fleet Advisor technical  
22 assistance. Mr. Carrillo said that quote, " Cal Fleet  
23 Advisor put me ahead of the curve with transitioning my  
24 fleet to zero emissions. It was a highly needed resource  
25 for myself and my business."

1 [SLIDE CHANGE]

2 MSCD STAFF AIR POLLUTION SPECIALIST PARENT: I'd  
3 like to also read part of a quote we received from Diane,  
4 one of our Driving Clean Assistance Program participants.  
5 "Thank you and your organization for making it possible  
6 for me to acquire my new electric vehicle. This never  
7 would have happened without the assistance of your  
8 organization and appointed mentors who kindly walked me  
9 through the process and made me aware of the financial  
10 help available..."

11 [SLIDE CHANGE]

12 MSCD STAFF AIR POLLUTION SPECIALIST PARENT: This  
13 year, developed -- to develop the proposed funding plan  
14 before you, staff continued to expand outreach and  
15 engagement through efforts, such as the monthly evening  
16 community meetings and the annual Clean Transportation  
17 Equity Incentives Symposium.

18 Staff also launched the Regional Outreach  
19 Coordinators Initiative throughout California to enhance  
20 awareness of clean transportation regulations and  
21 incentive projects and to identify transportation  
22 solutions. CARB staff again offered a funding plan  
23 community survey, analyzed the results, and are working to  
24 incorporate feedback into projects where possible. And  
25 staff continued to participate in the Zero-Emission

1 Vehicle Equity Task Force.

2 In October, CARB and the California Energy  
3 Commission funded the annual Clean Mobility Forum  
4 presented by the Clean Mobility Equity Alliance.

5 Lastly, throughout the year, CARB and its  
6 partners hold clean truck and bus showcases where fleet  
7 owners and operators can test drive the latest clean  
8 technology vehicles and off-road equipment.

9 [SLIDE CHANGE]

10 MSCD STAFF AIR POLLUTION SPECIALIST PARENT: Now,  
11 I'll move on to project updates. While the projects that  
12 I'll cover in the next few slides did not receive funding  
13 appropriations and staff does not have any proposed policy  
14 changes for them this year, we would like to provide the  
15 Board with some updates. These updates will cover three  
16 light-duty projects and a general update on the  
17 Sustainable Community-Based Transportation Equity  
18 Incentive Projects.

19 [SLIDE CHANGE]

20 MSCD STAFF AIR POLLUTION SPECIALIST PARENT:

21 First up is the regional Clean Cars 4 All  
22 Program. Since 2015, Clean Cars 4 All has provided more  
23 than \$165 million to help over 20,000 Californians  
24 purchase cleaner vehicles while removing older and often  
25 less reliable polluting vehicles from the State's

1 roadways. Ninety-seven percent of participants lived in  
2 disadvantaged community zip codes, 52 percent lived in a  
3 disadvantaged community census tract, and 89 percent  
4 resided in households that earned less than 225 percent of  
5 the federal poverty level. The current Federal Poverty  
6 Level amounts are less than or equal to \$45,180 for a  
7 one-person household or less than or equal to \$93,600 for  
8 a four-person household.

9           The Clean Cars 4 All Program is closely tied to  
10 the statewide Driving Clean Assistance Program, which  
11 offers Clean Cars 4 All and financing assistance to all  
12 areas of the state not covered by the five regional air  
13 district Clean Cars 4 All programs. It allows low-income  
14 applicants to obtain an incentive for a clean vehicle when  
15 they don't have an older vehicle to scrap, and low  
16 interest loans for participants that both scrap or don't  
17 scrap a car.

18           Last year, the Board directed staff to move  
19 fiscal year 2023-24 funding between the statewide Driving  
20 Clean Assistance Program and the regional Clean Cars 4 All  
21 Program should air districts run out of funds. That  
22 situation occurred this year -- earlier this year,  
23 prompting staff to shift \$14 million from the Driving  
24 Clean Assistance Program to the San Joaquin Valley Clean  
25 Cars 4 All Program. This adjustment also aligns with the

1 State budget direction to shift fiscal year 2023-24 funds  
2 to support district programs, if needed.

3 Next, I'll cover updates on our Zero-Emission  
4 Assurance Project.

5 [SLIDE CHANGE]

6 MSCD STAFF AIR POLLUTION SPECIALIST PARENT:

7 Staff aims to implement the Zero-Emission  
8 Assurance Project beginning in 2025. I'll provide you  
9 with some information about the project criteria  
10 determined to date.

11 In 2018, Assembly Bill 193 authored by  
12 Assemblymember Sabrina Cervantes established the  
13 Zero-Emission Assurance Project to assist lower income  
14 Californians reduce their risk of buying a used  
15 zero-emission vehicle by providing a rebate or vehicle  
16 service contract for a repair or replacement battery or  
17 fuel cell component to project participants. Over the  
18 past year, staff has identified, through our public  
19 process, general project criteria, which includes minimum  
20 vehicle and applicant eligibility requirements, limits on  
21 the number of incentives per vehicle, as well as household  
22 income limits, and that the project be implemented by the  
23 Community Housing Development Corporation, a nonprofit  
24 organization, through the Driving Clean Assistance  
25 Program. This implementation will be accomplished in

1 partnership with the Foundation for California Community  
2 Colleges. This project has \$10 million allocated to it  
3 from prior years.

4 Now, I'll provide an update on the California  
5 E-Bike Incentive Project.

6 [SLIDE CHANGE]

7 MSCD STAFF AIR POLLUTION SPECIALIST PARENT: Over  
8 the past year, staff and the project administrator for the  
9 California E-Bike Project initiated a soft launch in four  
10 communities. They also proposed several small  
11 implementation changes based on lessons learned. The dark  
12 blue boxes on the slide provide information on project  
13 operation and requirements. The first two boxes reference  
14 applicant participation requirements, which align with the  
15 needs-based project design that aims to support low-income  
16 applicants and provide an appropriate base incentive. The  
17 third box highlights requirements e-bikes must meet. The  
18 bottom three boxes show implementation changes, such as  
19 flexibility for applicants to customize their e-bike to  
20 fit their needs. The project administrator is also  
21 focused on additional outreach and education for  
22 participants as well as retailers. We recognize there's a  
23 lot of anticipation for this project and are very excited  
24 for it to launch before the end of the calendar year.

25 [SLIDE CHANGE]



1 MSCD STAFF AIR POLLUTION SPECIALIST PARENT:

2 Finally, the Sustainable Community-Based  
3 Transportation Equity Incentive Projects, or mobility  
4 projects, continue to be an important part of CARB's  
5 incentives portfolio. CARB staff, project administrators,  
6 and community partners have implemented approximately \$275  
7 million for over 100 projects over the past decade. CARB  
8 staff and its partners have learned a lot in that time and  
9 will continue to work to improve in six areas.

10 First, adapt project selection criteria to  
11 overcome implementation and long-term sustainability  
12 challenges.

13 Second, provide technical assistance to grantees  
14 through current and future project administrators and  
15 direct staff engagement.

16 Third, work to improve grant application  
17 processes based on recommendations from past mobility  
18 project applicants.

19 Fourth support mobility services in areas of the  
20 state where past project funds were exhausted.

21 Fifth, continue to refine our metrics approach to  
22 demonstrate project impacts.

23 And lastly, evaluate the mobility projects'  
24 needs-based models and alternatives through public  
25 collaborations.

1 [SLIDE CHANGE]

2 MSCD STAFF AIR POLLUTION SPECIALIST PARENT: Now  
3 for staff's recommendations.

4 In the next few slides, I'll go over the  
5 appropriation we received from the Legislature, as well as  
6 staff's proposed project allocations. While not all  
7 current incentive projects will receive new funding, staff  
8 proposes policy recommendations for several projects for  
9 your consideration. These recommendations would help  
10 staff and project administrators stretch funding and more  
11 efficiently implement existing projects. The proposed  
12 policy recommendations are for four medium- and heavy-duty  
13 projects and two light-duty projects.

14 [SLIDE CHANGE]

15 MSCD STAFF AIR POLLUTION SPECIALIST PARENT: CARB  
16 received just under \$35 million this year from the Air  
17 Quality Improvement Fund. Since the passage of Assembly  
18 Bill 126 in 2023, Air Quality Improvement Funds must be  
19 used to fund projects that reduce criteria air pollutants  
20 in the medium- and heavy-duty vehicle and technology  
21 space.

22 Staff proposes to allocate these funds as  
23 follows: just under \$15 million to each of the innovative  
24 Small E-Fleet Pilot Project and the Clean Off-Road  
25 Equipment Project, and \$5 million for the Zero-Emission

1 Truck Loan Pilot Project. These projects were selected to  
2 receive funding this year, because they are running low on  
3 funds and as previously stated, we are working to ensure  
4 that projects have continuous funding and remain open when  
5 possible to avoid funding gaps.

6 Next, I'll cover proposed changes to several  
7 projects as well as an update on one project.

8 [SLIDE CHANGE]

9 MSCD STAFF AIR POLLUTION SPECIALIST PARENT: The  
10 Innovative Small E-Fleet Pilot Project explores new  
11 solutions to barriers faced by small fleets. Since its  
12 launch in August 2022, the project has invested  
13 approximately \$70 million to support 105 small fleets with  
14 innovative solutions to accelerate the adoption of  
15 zero-emission medium- and heavy-duty vehicles.

16 As of October, there are approximately \$27  
17 million available for medium- and heavy-duty zero-emission  
18 vehicles through the Innovative Small E-Fleet Pilot  
19 Project. This year, staff proposes to allocate just under  
20 \$15 million to this project. Staff plans to work with  
21 interested parties in the year ahead to explore other  
22 potential ways to meet small fleet needs, such as the  
23 design of a used truck voucher concept to help foster the  
24 market by reducing costs supporting residual values and  
25 increasing vehicle supply.

1           The goal would be to accelerate the development  
2 of an affordable secondary vehicle market that would  
3 provide small fleets with more flexibility. In addition,  
4 staff is exploring other solutions such as insurance  
5 access and how to support the incorporation of  
6 zero-emission vehicles into fleet operations through  
7 advanced fleet management services.

8           Now, on to the Clean Off-Road Equipment Project.

9                           [SLIDE CHANGE]

10           MSCD STAFF AIR POLLUTION SPECIALIST PARENT: The  
11 Clean Off-Road Equipment Project continues to provide  
12 incentives for a wide variety of zero-emission off-road  
13 equipment. There are 500 model configurations of  
14 zero-emission off-road equipment available in the project  
15 today, from 61 different manufacturers.

16           In total, CORE has provided over 3,000 vouchers  
17 for off-road equipment purchases, plus an additional  
18 27,000 pieces of zero-emission commercial landscaping  
19 equipment. As previously mentioned, staff proposes to  
20 allocate just under \$15 million to this project, with  
21 funds becoming available in the summer of 2025, plus  
22 another \$4 million remaining for commercial landscaping  
23 equipment that will be available early next year.

24           Key policy recommendations this year include: to  
25 direct this year's limited funds only to small businesses

1 and public agencies; graduate zero-emission off-road  
2 terminal tractors to other programs such as the Carl Moyer  
3 Program, and; increase incentive amounts for the larges  
4 forklifts now emerging on the market.

5           Next up is the Zero-Emission Truck Loan Pilot  
6 Project.

7                               [SLIDE CHANGE]

8           MSCD STAFF AIR POLLUTION SPECIALIST PARENT: The  
9 Zero-Emission Truck Loan Pilot Project provides expanded  
10 financing opportunities to smaller fleets that wish to  
11 purchase heavy-duty zero-emission vehicles. Staff  
12 proposes to allocate \$5 million to this project. Since  
13 the Zero-Emission Truck Loan Pilot is a newer project,  
14 there are no proposed policy changes this year, so I'll  
15 provide some project updates.

16           The project opened on May 1st. The proposed \$5  
17 million allocation would build upon the \$5 million  
18 allocated in fiscal year 2022-23 and the remaining funds  
19 from the now closed Truck Loan Assistance Program for a  
20 total of \$14 million. In addition, we anticipate that the  
21 State Treasurer's office will receive match funding from  
22 the federal Inflation Reduction Act, via the National  
23 Clean Investment Fund to enhance the loan support projects  
24 next year.

25           Lastly, CARB closely coordinated with the

1 California Energy Commission to create and fund and  
2 accompanying infrastructure support project for  
3 zero-emission fueling infrastructure. Southern California  
4 Edison is also funding a similar loan support program for  
5 customers in its service territory.

6 Now, on to Clean Truck and Bus Voucher  
7 Incentives.

8 [SLIDE CHANGE]

9 MSCD STAFF AIR POLLUTION SPECIALIST PARENT: The  
10 Clean Truck and Bus Voucher Incentive Project, also known  
11 as HVIP, continues to support the cleanest available  
12 technology with over 160 models of zero-emission trucks  
13 and buses from 52 different manufacturers. In total, HVIP  
14 has provided about 9,000 vouchers for zero-emission trucks  
15 and buses. Staff proposes five project criteria changes.

16 First, increase the incentive amount for  
17 zero-emission truck conversion kits from 50 percent to 75  
18 percent relative to a standard new truck voucher.

19 Second, launch a new pilot voucher certificate  
20 process for Class 2B vehicle purchases.

21 Third, allow a maximum of five vouchers per fleet  
22 to receive double the funding amount of a standard new  
23 truck voucher. Currently, small fleets can double up to  
24 20 vouchers. The change ensures that funds are available  
25 to more small fleets. Fleets would still be permitted to

1 apply for standard vouchers beyond the first five.

2 Fourth, provide a technical clarification of  
3 fleets size eligibility to align with Advanced Clean  
4 Fleets Regulation by changing the maximum eligible fleet  
5 size from 50 to 49 as previously approved by the Board.  
6 The HVIP fleet sizes limit begins on January 1st, 2025.

7 And lastly, as the Board directed at the October  
8 Board meeting, staff continues to assess zero-emission  
9 truck pricing to determine why manufacturers sell Class 8  
10 trucks at a higher cost in California than in Europe, as  
11 detailed in the September 25th memo to the Board that is  
12 posted on our website. As part of this effort, staff will  
13 work with interested parties to develop a potential  
14 recommendation and implementation mechanism for a  
15 manufacturer's suggested retail price cap that would apply  
16 to HVIP eligible trucks and buses. We anticipate bringing  
17 a recommendation to the Board in next year's funding plan.

18 [SLIDE CHANGE]

19 MSCD STAFF AIR POLLUTION SPECIALIST PARENT:

20 Shifting our focus to the light-duty projects.  
21 This year's State budget requires CARB to consider metrics  
22 when allocating future funding to both the statewide  
23 Driving Clean Assistance Program and the regional Clean  
24 Cars 4 All programs. Staff, in collaboration with the  
25 California Air Pollution Control Officers Association, or

1 CAPCOA, the regional air districts, and other interested  
2 parties proposes to modify the future funding allocations  
3 that secure funding for these projects. This slide's pie  
4 chart shows the percentage of total allocated funds that  
5 each air district and the Driving Clean Assistance Program  
6 would receive. The majority, 91 percent, would go to the  
7 five regional air district programs and nine percent to  
8 the statewide Driving Clean Assistance Program.

9 This would ensure consistency and predictability  
10 of funding for all projects, allowing districts and the  
11 statewide project to adjust implementation to reflect  
12 funding realities. Though there's no funding this year,  
13 having this future allocation system in place now allows  
14 us to act swiftly as the next budget is implemented. It  
15 allows -- it allows us to -- and our partners to more  
16 effectively advocate together for future funding.

17 [SLIDE CHANGE]

18 MSCD STAFF AIR POLLUTION SPECIALIST PARENT:

19 Now, moving on to our statewide Driving Clean  
20 Assistance Program. This program recently launched and is  
21 opening region by region with the plan to serve all  
22 California residents just after the first of the year.

23 Imperial kicked things off in September with  
24 Region 1 shown at the bottom of the map, followed by  
25 Regions 2 and 3 in October shown in the middle of the map,



That said, staff has one proposed policy change for this year, which would impact the financing assistance portion of the project. Staff proposes to increase the loan cap amount from \$30,000 to \$45,000 to cover the full cost of the purchase price cap for eligible vehicles.

[SLIDE CHANGE]

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1           Furthermore, regarding Clean Cars 4 All, staff  
2 has received some comments requesting that CARB shift  
3 prior year funding from the statewide Clean Cars 4 All  
4 portion of the Driving Clean Assistance Program to the  
5 regional air district Clean Cars 4 All programs to ensure  
6 that established programs remain open. In an effort to  
7 address these concerns, staff offers a few important  
8 considerations.

9           First, in fiscal year 2022-23, the Governor and  
10 the Legislature established the statewide Clean Cars 4 All  
11 program, that is now known as DCAP or the Driving Clean  
12 Assistance Program, by specifically appropriating a  
13 minimum of \$125 million to the program. Any movement of  
14 these funds requires legislative action.

15           Second, as previously mentioned, the grant  
16 agreement was competitively bid and awarded to the  
17 Community Housing Development Corporation, a small  
18 minority owned community-based nonprofit with Board --  
19 with broad partnerships. The program was designed with  
20 the full solicitation amount in mind and changes to the  
21 grant agreement would impact small community-based  
22 organizations partners statewide.

23           While staff shares the concerns raised regarding  
24 the lack of funding for this fiscal year, we encourage air  
25 districts that may exhaust current funds prior to the next

1 budget to refer applicants and subcontractors to the  
2 statewide program; access other funds available to them,  
3 such as Community Air Protection funds or Assembly Bill  
4 923 funding, and to partner with us to encourage funding  
5 in next year's budget.

6 [SLIDE CHANGE]

7 MSCD STAFF AIR POLLUTION SPECIALIST PARENT: That  
8 concludes staff's detailed proposals for funding  
9 allocations and project changes.

10 Now, I'll wrap up the presentation with staff's  
11 recommendation.

12 The proposed funding plan continues to support  
13 the state's air quality, climate and equity goals.

14 Through the transportation incentive projects,  
15 the State has invested billions of dollars in  
16 transformative change in the mobile sector and much of  
17 that funding has gone or will go to priority populations.  
18 The plan also complements and supports CARB's regulatory  
19 programs.

20 Therefore, staff recommends that the Board  
21 approve the proposed fiscal year 2024-25 funding plan for  
22 clean transportation incentives, which includes staff's  
23 recommended funding allocations as well as recommended  
24 project changes.

25 Thank you for your attention today.

1           Now, I'd like to introduce Hannon Rasool from the  
2 California Energy Commission and Jessie Denver from the  
3 Governor's Office of Business and Economic Development to  
4 share a few remarks.

5           HANNON RASOOL: Good morning. My name is Hannon  
6 Rasool and I'm the Director of the Fuels and  
7 Transportation Division with the California Energy  
8 Commission. Thank you for inviting me to say a few words.

9           I'd like to congratulate and express my support  
10 for CARB's '24-'25 Clean Transportation Incentives Funding  
11 Program. The Energy Commission and CARB have a long  
12 history of collaboration and it continues to get stronger  
13 and more coordinated every year. CARB's leadership has  
14 helped increase ZEV sales with over 25 percent of in-state  
15 passenger vehicles sales being electric vehicles. And  
16 this investment plan will further support medium-duty,  
17 heavy-duty zero-emission vehicle adoption.

18           While we're in the early days of MD/HD relative  
19 to light-duty, we're seeing success stories and progress.  
20 These investments will further support that. The Energy  
21 Commission and CARB coordinate MD/HD investments, so that  
22 small operators and fleets have funding incentives for the  
23 vehicles and infrastructure, which I continue to emphasize  
24 and highlight our many success stories, so Californians  
25 see how these programs benefit them, their health and

1 their longevity.

2 Even beyond the specific investment plan, I want  
3 to thank CARB for their sustained leadership over the past  
4 years and look forward to that ongoing leadership.

5 California is unique in its ability to plan for the long  
6 term while navigating the near term. It's a difficult  
7 job, but I'm always impressed by CARB's ability to help  
8 shape a cleaner California from all levels of the  
9 organization.

10 I and the Energy Commission look forward to  
11 continued collaboration in supporting the private markets  
12 succeed in this important transition, improving the health  
13 of our communities and ensuring equity. And so with that,  
14 I just want to again say thank you and congratulations on  
15 developing the proposed funding plan.

16 JESSIE DENVER: Good morning, Chair Randolph and  
17 members of the Board. I'm here to express my support for  
18 the approval of the 2024-25 funding plan for clean  
19 transportation incentives. CARB's investments and the  
20 coordinated efforts across the State agencies have been  
21 pivotal in advancing ZEV market development. This funding  
22 plan will further our state's goals and continue to  
23 deliver direct benefits to communities disproportionately  
24 affected by transportation-related air pollution.

25 I'm especially encouraged by the ongoing funding

1 for the medium- and heavy-duty sector and offer a few  
2 examples. Procuring new market technologies can be  
3 challenging for some stakeholders and I appreciate CARB's  
4 consideration of public entities, California's Native  
5 American tribal governments and nonprofits in the policy  
6 revisions of HVIP.

7 GO-Biz is also -- also values CARB's  
8 forward-thinking exploration of a used Truck Voucher Pilot  
9 within ISEF, which will help develop an affordable  
10 secondary medium- and heavy-duty ZEV market providing  
11 small businesses in California with greater flexibility  
12 for their fleets.

13 GO-Biz appreciates CARB's analysis of the CORE  
14 Program and the proposed funding allocations which are  
15 targeted to meet the greatest clean off-road equipment  
16 market needs. Many of the proposed voucher adjustments  
17 align with large lift capacity equipment requirements at  
18 our ports and enable market pathways for emerging  
19 products.

20 In closing, reinventing the way we move people  
21 and goods is no small feat. It requires the coordinated  
22 support of many complex elements. This is hard work.  
23 This hard work is made possible through ongoing  
24 partnerships between CARB, State agencies, industry  
25 stakeholders and our communities. Together, we will

1 continue to advance the ZEV market in California and  
2 beyond.

3 I again want to thank CARB and the Board members  
4 and staff for developing a great plan that balances many  
5 priorities and look forward to our continued  
6 collaboration.

7 CHAIR RANDOLPH: All right. Thank you.

8 We will now hear from the public who signed up to  
9 speak on this item either by submitting a request to speak  
10 card or with raised hand in Zoom. I will ask the Board  
11 clerks to begin calling the public commenters.

12 BOARD CLERK MOORE: Thank you, Chair Randolph.  
13 We currently have six commenters who have signed up to  
14 speak in person and six more with their hands raised in  
15 Zoom. I apologize in advance if mispronounce your name.

16 Our first commenter is Donald Gilmore.

17 DONALD GILMORE: To the Chair and Board members,  
18 good morning. My name is Don -- Donald Gilmore. I'm the  
19 Executive Director of Community Housing Development  
20 Corporation, better known as CHDC. We're in support of  
21 CARB's 2024 and 2025 funding plan and urge the Board to  
22 approve it. CHDC has been at the forefront of  
23 administering the financial assistance Clean Vehicle  
24 Incentives Program and now the joint program, which is  
25 both statewide finance assistance and statewide Clean Cars

1 4 All.

2 We actually piloted the first two programs. And  
3 with that, we were able to move on to demonstrate how we  
4 were successful in working in communities that are  
5 underserved. CHDC went through a competitive process and  
6 was awarded the funding for DCAP for '25 and beyond. It's  
7 hard to understand why we have to continue to be subject  
8 to the threat of calling back funds that are already  
9 approved the Board when it have -- we have not violated  
10 any con -- any of the contract terms. I think it's kind  
11 of unfair to the implementation of the program and  
12 demonstrates a lack of understanding to the need to serve  
13 those communities that have been able -- which are, you  
14 know, not able to take advantage of some of these  
15 programs.

16 CHDC has a dual purpose which administers the  
17 DCAP program and has financial capability services that  
18 work with residents to -- that ordinarily not favor  
19 interest rates that they get. And so when buying a  
20 vehicle, it makes it a little tough. And so what we have  
21 seen in the past is more predatory lending with interest  
22 rates over 20 percent, which leads often well to less cash  
23 flow for families with limited resources. CHDC has worked  
24 out terms with multiple lenders to cap the interest rate  
25 at eight percent and below drastically reducing the risk



1 of default to the buyers.

2 CHDC and the State has been recognized nationally  
3 and globally for the DCAP program that others all over the  
4 country want to replicate what we are doing in their own  
5 communities. Please do the right thing by reaffirming the  
6 agreement with CHDC and move forward with DCAP not being  
7 subject to going through the process of being -- having  
8 funds being in jeopardy.

9 CHDC is in partnership and achieves impact  
10 outcome utilizing local community-based partners  
11 implementing the statewide program. What this says --  
12 what will this say to the community-based organizations  
13 who are excited about working with our organization, if  
14 these funds are taken away.

15 Thank you for your time.

16 BOARD CLERK MOORE: Thank you. Okay. Our next  
17 commenter is Christian Korby.

18 CHRISTIAN KORBY: Oh, nice. Thank you. Hello.  
19 My name is Kristian Corby and I'm the Deputy Executive  
20 Director at the California Electric Transportation  
21 Coalition, or CalETC. I'd like to thank the Air Resources  
22 Board members and staff for all of your hard work on this  
23 funding plan, especially given the difficult decisions  
24 that come with having limited funding for critical ZEV  
25 transportation, air quality, and climate change programs.

1 There's a lot in this funding plan that CalETC supports.

2 That said, we believe that it's the best policy  
3 to ensure that all ZEV equity incentive programs,  
4 including both the air district administered Clean Cars 4  
5 All programs and the statewide Drive Clean Assistance  
6 Program be sustained with existing funding, so they can  
7 provide ZEV benefits to equity communities throughout  
8 California. We recognize that this will require CARB to  
9 make a difficult choice and shift some funding that was  
10 committed to the statewide DCAP program to the District  
11 Clean Cars 4 All programs.

12 However, we believe that if CARB applies the  
13 draft allocation formula to all or a portion of the  
14 available remaining funding, all of these programs will be  
15 able to stay open in the coming fiscal year and beyond.  
16 It is clear that the air district programs are working.  
17 They're delivering benefits to people who need it most.  
18 We must act with urgency and direct available funding  
19 towards these equity communities.

20 Regarding the medium- and heavy-duty investments,  
21 CalETC supports CARB's proposal to review the HVIP voucher  
22 process. To streamline these processes, it will really  
23 help fleets and truck dealers reduce the administrative  
24 and financial burdens that delay the processing of the  
25 vouchers.

1           CalETC remains concerned that limiting fleet  
2           eligibility to 50 trucks has and will continue to depress  
3           the medium- and heavy-duty ZEV market and jeopardize our  
4           ability to meet our ZEV goals. I checked the HVIP website  
5           on Tuesday this week and was surprised to see that the  
6           standard HVIP voucher is closed. CalETC continues to  
7           recommend that CARB and CALSTART provide more granular  
8           date --

9           BOARD CLERK MOORE: Thank you. Thank you. That  
10          concludes your time.

11          CHRISTIAN KORBY: Thank you very much. I  
12          appreciate your time.

13          BOARD CLERK MOORE: Thank you.

14          Our next commenter is Brandon Wong.

15          BRANDON WONG: Good morning Madam Chair, members  
16          of the Board. My name is Brandon Wong on behalf of Valley  
17          Clean Air Now. We'd like to echo -- well, first, thank  
18          the Board for their leadership on advancing ZEV equity  
19          first and foremost. But generally, we would like to echo  
20          the comments made by CalETC on the importance of  
21          maintaining continuous funding for California's suite of  
22          ZEV equity programs. Valley Clean Air Now is a 501(c)(3)  
23          charity committed to improving air quality throughout the  
24          San Joaquin Valley, a region with the worst air quality in  
25          the country.

1           We help working families scrap their  
2 high-polluting vehicles and replace them with cleaner  
3 options, which results in reduced transportation costs,  
4 improved quality of life, all with fewer greenhouse gas  
5 emissions. We appreciate the work CARB has done in  
6 putting together this year's funding plan, but we are  
7 concerned that many regional programs may not be able to  
8 continue operations beyond the next several months,  
9 especially in light of the State's highly constrained  
10 budget outlook over the next several years.

11           Given that uncertainty and given the ongoing need  
12 for equity-based incentives in communities throughout the  
13 state, we believe the Board has an opportunity to leverage  
14 existing funds to sustain CARB's ZEV equity programs over  
15 the next two years, including the air district  
16 administered Clean Cars 4 All programs and the Driving  
17 Clean Assistance Program.

18           Demonstrating the value of ZEVs for low-income  
19 households in our state's most impacted communities will  
20 not only enable more widespread ZEV adoption, but it will  
21 help in pursuit -- it will help in our efforts to secure  
22 longer term funds targeted those most in need.

23           In closing, we'd like to once again thank the  
24 Board for its effort to help reduce transportation costs  
25 for working families and for improving air quality in our

1 most environmentally burdened communities.

2 Thank you.

3 BOARD CLERK MOORE: Our next commenter is Bill  
4 Magavern.

5 BILL MAGAVERN: Thanks. Bill Magavern with the  
6 Coalition for Clean Air.

7 It's really unfortunate that there is so little  
8 funding in the funding plan this year, because these  
9 incentives have played an important role as complements to  
10 the foundational regulatory programs that this Board has  
11 established. But given the limited funds available, we  
12 really agree with this plan's focus on equity for  
13 communities and for small businesses, because we know that  
14 to make the ZEV transition work, we need to focus our  
15 assistance on those who really need it. ZEVs are already  
16 a very attractive option for those who can afford them.  
17 So we need to bring everybody along who can't necessarily  
18 afford that purchase.

19 When it comes to heavy-duty vehicles, we agree  
20 with dedicating the small amounts of the AQIP funding to  
21 heavy-duty and to off-road. For the light-duty equity  
22 programs, we do support the proposed formula for  
23 allocation, and we think that it should apply to existing  
24 funds, not just to future funding that may or may not  
25 materialize, because we want to see successful statewide

1 program, Driving Clean Assistance Program, and also make  
2 sure that the existing successful air district programs do  
3 not have to go dark. It's really bad for communities and  
4 for their trust in CARB and the districts and their  
5 programs when we have a stop-and-start and people can't  
6 rely on these.

7 So the good news is there is money available to  
8 keep these programs, all of them, going for probably a  
9 couple years.

10 Thank you.

11 BOARD CLERK MOORE: Thank you.

12 Rocky Fernandez.

13 ROCKY FERNANDEZ: Good morning to the Chair,  
14 Board members and staff. My name is Rocky Fernandez. I'm  
15 the Director of Government Affairs for the Center for  
16 Sustainable Energy.

17 We've long enjoyed our partnership with CARB on  
18 the Clean Vehicle Rebate Project, which helped increase  
19 electric vehicle sales to more than a quarter of new  
20 purchases. We have proudly and maybe a little sadly sent  
21 out the last rebate check for that program.

22 As part of our strong partnership with CHDC, I'm  
23 here to report that its successor the joint statewide  
24 Clean Cars 4 All Program and Driving Clean Assistance  
25 Program are up and running and will continue to roll out

1 through December and the first quarter of 2025. We  
2 encourage you to move forward with the staff proposal and  
3 give these newer programs the time to grow and thrive in  
4 all parts of the state.

5 DCAP is playing an important role in reaching  
6 those parts of the state that couldn't get Clean Cars 4  
7 All before and might not have a vehicle to scrap in  
8 return. It also serves as a backstop in case the Clean  
9 Cars 4 All district monies run out per the legislative  
10 agreement earlier this year.

11 As we know from CVRP, continuity and equity  
12 matter. These programs provide the continuity of  
13 commitment to clean vehicles and equity, not just in  
14 income categories, but to the areas of the State that  
15 couldn't access Clean Cars 4 All and really need that  
16 financing assistance. The residents in these counties  
17 deserve to be a part of the clean transportation  
18 revolution.

19 As an administrator, we build trust with CARB and  
20 with the community. When we have abrupt changes in policy  
21 or funding, that trust is strained and has a real impact  
22 on us internally as well as negatively affecting the trust  
23 we've built in the communities we've served.

24 Finally, while we've have great success in  
25 electrifying light-duty vehicles in California, the threat

1 of federal government scaling back on tax credits and  
2 financing that might have backfilled some of what CR --  
3 CVRP used to do is very real. We need to ensure that  
4 Clean Cars 4 All and DCAP are there statewide and fully  
5 funded to continue our progress. And with that, we thank  
6 you for all your work.

7 Thank you.

8 BOARD CLERK MOORE: Thank you.

9 Leah Abate.

10 LEAH ABATE: Good morning, Chair and Board  
11 members. My name is Leah Abate, Senior Director for  
12 Equity and Community Impact at the Foundation for  
13 California Community Colleges. We are a partner and some  
14 -- subcontractor of CHDC's award for DCAP.

15 Thank you for all the efforts to put forth the  
16 funding plan -- (clears throat) -- excuse me -- which I  
17 urge you to approve. The statewide CC4A program  
18 represents the first CC4A investment and spec -- excuse  
19 me, specifically intended for low-income and disadvantaged  
20 communities outside of implementing air districts. We  
21 recognize the concerns expressed in public comments  
22 regarding the stop and start access to clean vehicle  
23 incentives due to programs running out of funds.

24 However, given this year's proposed funding  
25 plan's focus on communities that have not previously had



1 as much direct help to improve air quality, any  
2 recommendations to shift prior year funds from DCAP to air  
3 districts would seem to go against CARB's objectives.  
4 Further, the notion of shifting legislatively appropriated  
5 funds, one, through a competitive RFP by a local Black-led  
6 CBO sets a dangerous precedent and threatens the public's  
7 confidence in government investments.

8           It risks sending the message that priority  
9 populations in areas outside of implementing air districts  
10 will continue to receive less investment and  
11 prioritization from the State. Shifting funding or  
12 reneging on an executed contract is unnecessary when  
13 solutions exist that preserve the trust in State  
14 partnerships and ensure access to incentives for  
15 communities.

16           Programs with available funding can serve  
17 residents in areas where an existing program has run out  
18 of funds. This happened several times during the  
19 administration of the Clean Vehicle Assistance Program,  
20 the predecessor of statewide DCAP, without the need for  
21 shifting funds between programs or otherwise altering  
22 contractual agreements. DCAP operates as a need-based  
23 model rooted in equity, which marks a critical shift from  
24 the first-come first-serve model and better aligns with  
25 stated equity objectives.

1 I urge members of the board to approve the  
2 proposed funding plan. And thank you for your time.

3 BOARD CLERK LEVRINI: Thank you.

4 We currently have 12 commenters with their hands  
5 raised in Zoom. I apologize in advance if I mispronounce  
6 your name. I would like to remind all commenters to  
7 please speak slowly and clearly for our interpreters and  
8 court reporter.

9 The first five speakers are Tim McRae, Maya  
10 Inigo-Anderson, Nick Barrett, Chris Chavez, and Josh  
11 Harmon.

12 And with that, Tim McRae, I have activated your  
13 mic. You may unmute and begin.

14 Never mind, it looks like you --

15 TIM McRAE: Good morning, Chair Randolph and  
16 Board members. I'm Tim McRae with the California Hydrogen  
17 Business Council, the largest hydrogen trade association  
18 in the U.S. representing 110 companies and community  
19 stakeholders. The fuel cell electric vehicle industry is  
20 at a pivotal point with new OEMs and new products recently  
21 becoming available, including the first North American  
22 refuse truck, which is doing real life customer trials in  
23 California today.

24 These new OEMs and truck platforms provide more  
25 diversity of products to California fleets while also

1 driving use cases that are strongly aligned to CARB goals.  
2 Fuel cell electric refuse trucks and transit buses both  
3 reduce emissions in California neighborhoods. We must  
4 have incentives in the next six to eight months to get  
5 these platforms off the ground, otherwise the whole  
6 industry, including customers and end users, will suffer.

7 While we recognize the limited AQIP funding  
8 available, we strongly believe that some funds should be  
9 allocated to the standard HVIP Program, which as of  
10 Tuesday was closed because of all of the vouchers being  
11 subscribed. We ask this in addition because the standard  
12 HVIP has track record and attraction for driving direct  
13 investments in zero-emission technology as demonstrated by  
14 the success of the program.

15 By contract -- by contrast, the ISEF project does  
16 not have as proven a track record and the Clean Off-Road  
17 Equipment Program does not necessarily target vehicles  
18 with the largest emissions like HVIP does for heavy-duty  
19 trucking. We also support more funding for transit  
20 set-aside within the AQIP program to meet The rapid  
21 growing orders and market for hydrogen fuel cell bus --  
22 electric buses.

23 Lastly, we suggest the following changes to HVIP project  
24 criteria. CARB should consider outreach to dealers to  
25 confirm their interest in unredeemed assigned vouchers so

1 as to make up unneeded vouchers available and CARB should  
2 have a robust waiting list and contingency process for  
3 future allocations and available funds.

4 Thank you for your work on this. We look forward  
5 to your work in continuing -- work in continuing to  
6 support programs like HVIP.

7 BOARD CLERK LEVRINI: Thank you.

8 Maya Inigo-Anderson, I have activated your mic.  
9 You may unmute and begin.

10 MAYA INIGO-ANDERSON: Good morning. Maya  
11 Inigo-Anderson here on behalf Communities for a Better  
12 Environment. We represent environmental justice community  
13 residents in East Oakland, Richmond, Southeast Los  
14 Angeles, and Wilmington. We overall support the funding  
15 plan and appreciate CARB staff's hard work on this, along  
16 with making a number of community meetings available.  
17 We're especially encouraged about the anticipated December  
18 2024 rollout of the new E-Bike Incentive Program. A lot  
19 of our youth members especially are interested in this  
20 program.

21 And we also recognize that CARB has made equity  
22 and clean vehicle incentives for low-income communities a  
23 priority, and that Clean Cars 4 All targets those  
24 Californians making less than 300 percent of the federal  
25 poverty line. However, we would welcome the ongoing

1 communication with CARB staff about the need to make sure  
2 we close disparity gaps in EV ownership. This may include  
3 analyzing the findings of the recent UCLA Luskin report  
4 entitled, *An Analysis of California Electric Vehicle*  
5 *Incentive Distribution Rates Since 2015*. This report  
6 suggest assuring that there are funding available for not  
7 just low-income DAC residents, but also specifically for  
8 extremely low income DAC residents.

9 Furthermore, we would like to highlight the  
10 importance of having public information on the CARB  
11 website to help the public track the exact dollar amount  
12 of programs that has been spent. This can help CBOs and  
13 our non-partisan State budget advocacy to make sure we  
14 protect these essential programs. We would also encourage  
15 CARB to focus heavy-duty and medium-duty vehicle  
16 incentives on small fleets. And with that, I thank you  
17 for your time.

18 BOARD CLERK LEVRINI: Thank you.

19 Nick Barrett, I have activated your mic.

20 NICK BARRETT: Hello. Nick Barrett from -- I  
21 represent Hyzon Motors. We sell heavy-duty fuel cell  
22 electric trucks and are an approved OEM via HVIP. I'm  
23 here to reiterate much of the message shared by Mr. McRae,  
24 from the California Hydrogen Business Council. At Hyzon,  
25 we have recently launched our next generation Class 8

1 heavy-duty tractor truck and are -- and we are the first  
2 and only refuse collection vehicle available in the United  
3 States today and that is trialing on California roads  
4 today.

5           We have seen significant demands specifically for  
6 our refuse collection vehicle from cities, counties, and  
7 municipalities interested in deploying the vehicle and we  
8 are on the verge of closing several large orders with  
9 customers that will scale. HVIP is absolutely required to  
10 complete these sales and get these trucks on the road. I  
11 should note that these -- that these trucks have the  
12 ability to disproportionately impact air quality and  
13 emissions as they are in our community today, as they're  
14 driving through communities and neighborhoods. We must  
15 have these incentives through the first half of 2025 in  
16 order to get these new platforms off the ground, otherwise  
17 the whole industry, including communities, customers and  
18 other stakeholders to heavy-duty trucking, will suffer  
19 from lack of product diversity and these new applications.

20           Continuing HVIP funding is absolutely required to  
21 maintain the traction of the HVIP Program, particularly  
22 within the fuel cell electric vehicle segment. Lastly,  
23 we'd like to strongly advocate for changes to the HVIP  
24 project criteria, focused on driving more equitable  
25 distribution of funds.

1           Some OEMs are holding up to \$200 million of  
2 unredeemed vouchers. We have serious doubts in their  
3 ability to deliver these and we ask that they be  
4 redistributed. Similarly, 30 percent of vouchers are  
5 granted to a small group of OEMs. CARB should enforce the  
6 hundred unit -- or hundred unredeemed vouchers available  
7 to the specific OEMs today.

8           Vouchers above the hundred soft cap should be  
9 canceled and redistributed to the HVIP fund to drive new  
10 market entrance and new platforms. Thank you for your  
11 consideration.

12           BOARD CLERK LEVRINI: Thank you. Chris Chavez,  
13 I've activated your mic.

14           CHRISTOPHER CHAVEZ: Good morning, Board members.  
15 Chris Chavez, Coalition for Clean Air. We appreciate the  
16 work of CARB staff and the many, many times that we've had  
17 that opportunity to dialogue with them. While it's  
18 unfortunate this funding plan is not as bold as prior  
19 years, we understand that it's due to the State budget.  
20 Transportation is the largest source of climate and health  
21 harming pollution in California. We urge the Governor and  
22 the Legislature to invest in clean healthy air by  
23 supporting our clean transportation programs.

24           We congratulate CARB on the expansion of Clean  
25 Cars 4 All through the DCAP Program into Imperial Valley

1 and other states -- other areas of the states that are not  
2 covered by the regional programs. We urge CARB, however,  
3 to ensure that both DCAP and regional Clean Cars 4 All  
4 program are funded. We hope CARB is on track to restart  
5 the E-Bike Program by the end of this year, as California  
6 needs clean transportation options that aren't premised on  
7 car ownership. We would also like more up-to-date  
8 information on active and inactive clean mobility programs  
9 that we support funding for effective clean mobility  
10 programs that again are not premised on car ownership.

11           Given the limited State funding, we need more  
12 data on the utility of the Zero-Emission Assurance Program  
13 to ensure that the limited clean transportation dollars  
14 are being spent optimally. And lastly, we support the  
15 funding plan's changes in allocations to the medium- and  
16 heavy-duty space. And particularly, we continue to  
17 support the fleet size limits for HVIP as this is an  
18 important equity policy in making sure that our most  
19 polluted communities are directly benefiting from this  
20 very important program that is helping to clean up goods  
21 movement. Thank you for your time.

22           BOARD CLERK LEVRINI: Thank you.

23           Josh Harmon, I have activated your mic.

24           JOSH HARMON: Good morning. My name is Josh  
25 Harmon and I'm speaking on behalf of Pacific Gas and



1 Electric Company. We appreciate staff and their  
2 significant efforts developing this plan, especially given  
3 the challenges of limited funding for critical ZEV  
4 transportation, air quality, and climate programs. We  
5 believe the Clean Cars 4 All programs and the statewide  
6 Drive Clean Assistance Program are both critical to the  
7 State's clean transportation goals.

8           Accordingly, we believe it is important to ensure  
9 that both of these programs be sustained with existing  
10 funding so they can provide ZEV benefits to equity  
11 communities throughout all of California and not just in  
12 specific geographies. We recognize that this will require  
13 CARB to make changes in how it allocates funding between  
14 the statewide DCAP Program and the air district Clean Cars  
15 4 All programs. We believe that if CARB applies the draft  
16 allocation formula to the remaining funding that all these  
17 programs will be able to stay open for the coming fiscal  
18 year and beyond.

19           In our experience, providing program continuity  
20 across geographies is critical for maintaining consumer  
21 confidence in driving equitable EV adoption. In many  
22 cases, these programs complement programs offered by PG&E.  
23 But for this to continue effectively, CARB should avoid a  
24 patchwork of funding that can lead to customer confusion.  
25 For these reasons and because it is unclear whether the

1 Legislature will authorize addition additional funding for  
2 these equity programs, PG&E encourages the Board today to  
3 direct the use of the draft allocation formula to ensure  
4 consistent availability of this funding within the overall  
5 funding limitations.

6 We appreciate CARB's consideration of these  
7 recommendations and its continued collaboration in  
8 advancing the clean -- the State's clean transportation  
9 goals. Thank you.

10 BOARD CLERK LEVRINI: Okay. Next five speakers,  
11 we have Maurissa Brown, Maria Ruiz, Virgil Looney, Brett  
12 Zeuner and Kailin Scott Peoples.

13 Maurissa, I have activated your mic. You may  
14 unmute and begin.

15 MAURISSA BROWN: Good morning. On behalf of the  
16 Greenlining -- on behalf of the Greenlining Institute, I'm  
17 calling in general support of CARB's 2024-2025 funding  
18 plan contingent on several outstanding concerns. The UCLA  
19 Luskin Center recent report on vehicle incentive  
20 distribution found that low-income households and  
21 disadvantaged communities have the lowest participation in  
22 car programs, yet serve to benefit the most from these  
23 investments.

24 Given the limited resources, CARB should move  
25 towards a more intentional and targeted approach to get

1 these incentives in the hands of the low-income households  
2 who live in disadvantaged communities and have older  
3 vehicles. We also request that the Clean Cars 4 All and  
4 Drive Clean Assistance Program funding formula that has  
5 been designed for future years be applied to existing  
6 funds as there are no guarantees that funding will be  
7 available in future years. We want to make sure that all  
8 programs have adequate funding and avoid any of them going  
9 dark, so let's apply this formula now and ensure we're  
10 tracking the needed data to make these decisions.

11 We request more data be made available of the  
12 clean mobility programs. As of now, it's unclear how the  
13 projects are going, benefits being provided, and what  
14 level of support will be needed to sustain these programs.  
15 We also request that CARB update their ZEV insights  
16 webpage to have more detailed public information on  
17 participant -- participation data and funding  
18 availability.

19 For medium- and heavy-duty vehicles, we support  
20 the suggested change in ISEF to allow vouchers for the  
21 purchase of used trucks which will help in increasing  
22 accessibility of zero-emission vehicles. We thank CARB  
23 staff for their work on putting this funding plan  
24 together, given the tough budget year. Thank you.

25 BOARD CLERK LEVRINI: Thank you. Maria Ruiz, I

1 have activated your mic. You may unmute and begin.

2 MARIA RUIZ: Good morning. It's Ruiz. Maria  
3 Ruiz. Good morning. My name is Maria Ruiz. I am the  
4 Associate Director of Outreach and Policy over at the  
5 Central California Asthma Collaborative. I want to thank  
6 the Board for providing this space for community based  
7 organizations like ours to play a part in these decisions.

8 CCAC is working closely with CHDC and DCAP as a  
9 subcontractor in implementing hubs to assist residents  
10 throughout the state in applying for DCAP. We do believe  
11 that DCAP's approach of working with the residents in  
12 assisting with vehicle options and affordable vehicle  
13 loans capped at eight percent is a critical component  
14 needed for the communities that we serve, and preventing  
15 them from falling victims to predatory loans which  
16 unfortunately has been the case in past experiences when  
17 we've worked with residents.

18 Cutting funding will exclude low-income families  
19 from clean transportation solutions leaving them reliant  
20 on exploitative lenders or outdated high emission cars  
21 that may not qualify for scrap and replace. CCAC, along  
22 with our partners over at Madera Coalition for Community  
23 Justice would for like DCAP's funding to remain in tact  
24 for 2025 and beyond.

25 Thank you.

1 BOARD CLERK LEVRINI: Thank you.

2 Virgil Looney, I have activated your mic.

3 VIRGIL LOONEY: Good morning. My name is Virgil  
4 Looney and I'm the Director of the Driving Clean  
5 Assistance Program, DCAP, at Community Housing Development  
6 Corporation. DCAP is the first CARB program to combine  
7 two critical services for lower income residents under one  
8 program, scrap and replace services in areas lacking  
9 pathways to retire high polluting vehicles and financing  
10 assistance for individuals without a vehicle to scrap,  
11 offering them incentives to purchase clean vehicles.

12 Even after getting an incentive, most people need  
13 a loan. To support disadvantaged community members in  
14 both program pathways, we provide one-on-one financial  
15 counseling with HUD certified counselors addressing  
16 budgeting and credit repairs so participants can access  
17 loans. After financial counseling, participants receive  
18 warm hand-offs to one of our six vetted CDFI credit union  
19 partners. This means they've been recognized by the U.S.  
20 Department of Treasury for serving low-income and  
21 disadvantage communities. These credit unions offer loans  
22 at eight percent interest or lower for DCAP participants,  
23 ensuring affordable financing for clean vehicle purchases.

24 In contrast, other CARB-funded light-duty  
25 programs allow loans up to 16 percent interest, offer no

1 consumer protections, and provide minimal education. Why  
2 defund DCAP when it clearly offers comprehensive services  
3 community members need and want. An eight percent rate is  
4 half of 16 percent. A 16 percent loan means double the  
5 interest. Defunding DCAP will push low-income residents  
6 into higher interest loans increasing their financial  
7 burden. Defunding DCAP is a step backward. Let's ensure  
8 equitable access to affordable clean vehicle financing for  
9 the communities that need it most. Please approve the  
10 funding plan as presented by CARB staff.

11 Thank you.

12 BOARD CLERK LEVRINI: Thank you.

13 Brett Zeuner, I have activated your mic. You may  
14 begin.

15 BRETT ZEUNER: Hello. My name is Brett Zeuner,  
16 Senior Manager of Environmental Equity at the Foundation  
17 for California Community Colleges. The Foundation  
18 supported numerous projects with the Air Resources Board  
19 for nearly 10 years and including also other programs like  
20 Replace Your Ride as a primary contractor for South Coast  
21 AQMD.

22 And CARB's resolution today will strengthen the  
23 progress made over several years to ensure that everyone  
24 does have access to these incentives. But replacing the  
25 existing solutions and strategies for addressing program

1 continuity as proposed in some public comment just  
2 represents and overly complicated and volatile solution  
3 and sets a dangerous precedent.

4           Some public comments are proposing changes that  
5 are in stark conflict with expectation in norms around  
6 program implementation. In stripping communities of  
7 funding who have never had access to such a program to  
8 give to those who have had access for over a decade does  
9 not support equity and it does remain unclear why some air  
10 districts are able to maintain reliable funding while  
11 others are not. It may be that those air districts have  
12 not full phased out conventional hybrid vehicles,  
13 implemented the needs-based model and may continue to use  
14 a first-come first-serve model, which we know results in a  
15 more rapid drawdown.

16           South Coast AQMD has successfully demonstrated  
17 and ability to maintain reliable access to funding. And  
18 as a contractor for over 10 years, we've seen the  
19 improvement they've made including putting forth local  
20 funds to date. If South Coast AQMD can do it, I believe  
21 other air districts can too. The proposed changes should  
22 not be considered until less dramatic strategies have been  
23 attempted by those air districts, because they ignore the  
24 reality that DCAP can provide incentives to residents  
25 living in a regional CC4A area when their local program

1 funds are exhausted. If the goal is to ensure access to  
2 incentives, the solutions proposed here today are  
3 unnecessary and harmful. And I would like to see some of  
4 those other strategies implemented before such volatile  
5 ones are proposed.

6 BOARD CLERK LEVRINI: Thank you.

7 Kailin Scott Peoples, I have activated your mic.  
8 You many unmute and begin

9 KAILIN SCOTT PEOPLES: Hello. Good morning. My  
10 name is Kailin Scott Peoples. I'm the CEO and Executive  
11 Director at Neighborhood Housing Services of the Inland  
12 Empire serving Riverside County and San Bernardino County,  
13 headquartered in the City of San Bernardino.

14 NHSIE is a contracted service provider for the  
15 DCAP Program leading the Inland Empire hub. We were  
16 engaged by CHBC because of our unique positioning to  
17 access the residents in our region who have been  
18 overlooked and underserved. Although NHSIE's primary  
19 mission is supporting clients to access affordable housing  
20 through our assortment of services, we believe the DC --  
21 the DCAP Program is essential to approving the quality of  
22 life in the Inland Empire.

23 The Inland Empire has some of the worst air  
24 quality in the state and a poor public transportation  
25 system. Many low-income families have to commute



1 distances from home to work due to the cost of living. It  
2 is difficult to mobilize without personal transportation.  
3 DCAP will bring accessibility to electric vehicle  
4 resources to these families whom have -- who have -- who  
5 would have otherwise never had the opportunity.

6 This can save them money on the inflated cost of  
7 gas and help decrease the contribution to air pollution in  
8 the Inland Empire. Investing in community-based  
9 organizations like DH -- CHDC, excuse me, and NHSIE allows  
10 us to work together to provide a viable way of connecting  
11 these resources to the greater communities. We are urging  
12 the Board to continue this funding and support the DCAP  
13 program. Thank you.

14 BOARD CLERK LEVRINI: Thank you. We have four  
15 more speakers. Fred Soares, Soumya Jain, Nathan Okawa and  
16 Beverly DesChaux.

17 Fred, I have activated your mic. You may unmute  
18 and begin.

19 FRED SOARES: Good morning. My name is Frederick  
20 Soares. I'm the CEO of Elite World Trading a food  
21 distribution company here in Los Angeles. And it's --  
22 I've been, you know, listening to all of you and I've been  
23 reading all the new regulations on trucks for California  
24 and that worries me, because I've talked to many other  
25 food distributors in Socal and nobody has the funds to

1 change their fleet into electric. And I believe that the  
2 conversion truck versus buying a truck, it's a brand new  
3 vehicle, that's kind of -- it's impossible for us to buy  
4 new vehicles and for most of the distribution companies.  
5 And if you can convert and we can have the additional  
6 funds to do that, it's the only way for us to survive,  
7 because if you guys don't do that, we are probably going  
8 to have to close or we're probably going to have to choose  
9 another state to work in, because it's going to be  
10 impossible for us to be here in California and, you know,  
11 it's just sad, because there are a lot of food  
12 distribution companies here that are not Sysco and U.S.  
13 Foods that will have to close their doors.

14 Thank you.

15 BOARD CLERK LEVRINI: Thank you.

16 Soumya Jain, I have activated your mic. You may  
17 unmute and begin.

18 SOUMYA JAIN: Good morning, Chair and Board  
19 members. Thank you for the opportunity to speak and for  
20 your commitment to advancing ZEV equity. My name is  
21 Soumya Jain and I am a small fleet owner based in Southern  
22 California representing SBR Express. We are a very proud  
23 California company. Been operating in this space for 15  
24 years and have dedicated to be providing affordable  
25 trucking and fulfillment solutions to communities across

1 California and nationwide. As a small fleet owner, I urge  
2 you to expand incentives specifically for the purchase of  
3 used conversion trucks in the medium- to heavy-duty  
4 segment. Retrofitting these trucks are far more feasible  
5 than spending on new zero-emission vehicles, especially  
6 for smaller fleets like ours with limited capital  
7 expenditure budgets.

8 Higher incentives like proposed including grants  
9 tax credits and lower interest financing will be critical  
10 to making these solutions attainable for small businesses  
11 like mine. These programs really help us in preserving  
12 existing assets and minimizing the costs.

13 And this will not only enable small fleets to  
14 maintain the emission standards, but also help  
15 California's clean air goals on our behalf. We play a  
16 crucial role in local economies and I urge you to consider  
17 the request to maintaining our ability to serve our  
18 communities effectively, while advancing sustainability.

19 Thank you for your leadership and consideration.  
20 I appreciate the opportunity to talk.

21 BOARD CLERK LEVRINI: Thank you.

22 Nathan Okawa, Okawa, I have activated your mic.  
23 You may unmute and begin.

24 Nathan Okawa.

25 Okay. We'll go ahead and move on to our last

1 commenter, Beverly DesChaux and we'll come back to you,  
2 Nathan.

3           Beverly, I have activated your mic. You may  
4 unmute and begin.

5           All right. That concludes our Zoom commenters.

6           CHAIR RANDOLPH: All right. Thank you.

7           I will now close the record on this agenda item.

8           Board members do you have any questions or  
9 comments?

10           Board Member De La Torre.

11           BOARD MEMBER DE LA TORRE: Thank you, Chair.  
12 Maybe I'll start with the other stuff and then finish with  
13 the more complicated one.

14           First of all on HVIP, I had a question about  
15 application times, I've heard some complaints in this  
16 regard. And so if you can just say what is the process,  
17 the time frame for someone who gets an HVIP grant, how  
18 long does it take?

19           MSCD INNOVATIVE STRATEGIES BRANCH CHIEF  
20 CHRISTENSEN: Thank you. Peter Christensen. Appreciate  
21 the question. HVIP has an over 10-year history of being  
22 one of the most streamlined incentive programs in our  
23 portfolio and we look forward to continuing that.

24           In terms of the payment for HVIP vouchers, we  
25 recognize that that is really important, especially for

1 the dealerships. In a normal HVIP transaction, one that  
2 has all the paperwork and all the documentation that's in  
3 place, that processing time after the truck is delivered  
4 is -- can be in the neighborhood of six to eight weeks,  
5 which is a pretty efficient timeline. There are  
6 transactions where that timeline --

7 BOARD MEMBER DE LA TORRE: Six to eight weeks  
8 application to check?

9 MSCD INNOVATIVE STRATEGIES BRANCH CHIEF  
10 CHRISTENSEN: From the truck delivery to the check. In  
11 some cases, the truck has to be produced. It has to be  
12 built. That timeline is up to the OEM. But once the  
13 truck is ready to be delivered and the paperwork is in,  
14 that would be six to eight weeks.

15 In cases where that takes longer are usually  
16 where there's aspects of the sales transaction that are a  
17 little bit outside of the norm. If there are signals that  
18 we see that require some additional work, staff will take  
19 a closer look at some of those transactions, and usually  
20 that means asking questions of the dealerships or, in some  
21 cases, with the end user fleet. So that can extend the  
22 timeline, but we do recognize that there's a -- there's an  
23 impact on dealerships because they have to float that cost  
24 while the transaction is being finalized.

25 I will say that we've been working very closely

1 With dealerships and OEMs on this issue over the past  
2 year. We, along with our administrator, have been working  
3 with dealerships. We conducted a dealership listening  
4 tour. And that actually helped us to identify a couple of  
5 areas where we can shorten the process and streamline  
6 while we're still making sure that we're fulfilling all of  
7 our oversight responsibilities in the program. So  
8 we're -- we remain committed to doing that and continuing  
9 to work with dealerships and others on that issue.

10 BOARD MEMBER DE LA TORRE: Thank you.

11 I appreciate the increase in conversions.  
12 Somebody mentioned it. I know that some of that work is  
13 not that great, but if there are manufacturers, companies  
14 that are doing the conversions from an internal combustion  
15 engine to a battery electric or I suppose a hydrogen, if  
16 they did it right, fuel cell, if they're -- if the -- if  
17 the work is quality work recognized by the experts - we  
18 are the experts - and it has a strong warranty so that  
19 that vehicle will be on the road for a significant amount  
20 of time like a new truck, I think they do deserve to have  
21 a higher percentage, because it is somewhat equivalent to  
22 a new truck. And, you know, obviously, these are small  
23 scale sometimes niche products out there. So we've -- we,  
24 the Board, constantly hear, oh, there isn't a vehicle for  
25 this niche vehicle.

1 Well, if we could start to have some increases in  
2 incentives like this, that would incentivize folks to do  
3 the handful of vehicles that are sold every year in this  
4 niche, that niche, bucket trucks, you know, whatever,  
5 street sweepers. These are niche vehicles. And so I  
6 think this should help to push those niche markets into  
7 zero emission. And so I really appreciate that effort  
8 here.

9 And then the my last thing for HVIP is a couple  
10 months ago, I brought up a report that staff did on the  
11 ridiculous difference between pricing here and pricing in  
12 Europe. And so I hope that in our HVIP discussions with  
13 OEMs, this is part of it, because we need to use every  
14 lever we can to get parity with the Europeans. And that  
15 doesn't mean bringing them up to us, it means us going  
16 down to where they are on the pricing. So thank you. I  
17 appreciate that.

18 On e-bike, you know, it's been a long time  
19 coming. And so, I'm -- I appreciate the data that was on  
20 the chart here that it's launching soon. I've got -- had  
21 calls -- I got a call from a senator about this and, you  
22 know, folks are anxious. I know -- I know this one here  
23 is.

24 (Laughter).

25 BOARD MEMBER DE LA TORRE: So, yes, I hope

1 there's going to be a lot of news about it, a lot of pomp  
2 and circumstance when that launches, so that people know  
3 it's available and they can do that.

4           Okay. So now, the big one, which is DCAP, Clean  
5 Cars 4 All. First of all, I want to be clear, I support  
6 DCAP continuing. No one here, I think, wants to get rid  
7 of it, but there has been a fundamental change in the  
8 United States recently, where we're not going to get any  
9 federal money that was going to support some of these  
10 transactions. We know, because we saw it in June, that  
11 there's no State money for this. And so right now, the  
12 only funds that we have are the funds that are sitting  
13 there in DCAP.

14           And so I want to go back a couple of years to the  
15 fall of 2022 where the Board, this Board, asked staff  
16 to -- in this measure that we did two years ago to  
17 withdraw the statewide Clean Cars 4 All, DCAP, from the  
18 five existing air districts. So this Board has already  
19 taken a position in terms of the need to have both side by  
20 side.

21           Last year, this Board took a similar action,  
22 which was to approve a staff proposal that funds were  
23 fungible between the -- all the programs in this space, so  
24 DCAP and the five air districts. And we specifically  
25 delegated authority to the Executive Officer to reallocate



1 funds between DCAP and the districts' Clean Cars 4 All  
2 programs as needed, so that they were all fluid.

3 This was with the -- again, the acknowledgment  
4 that these things all need to be side by side. They all  
5 need be running simultaneously. And so we've been clear,  
6 this Board has been clear, for two years now about the  
7 interaction between the programs.

8 Clean Cars 4 All was established by SB 459 by  
9 Pavley and SB 1275 by DeLeon, and it was further codified  
10 by Cooper's AB 630, and then the most recent measure was  
11 SB 1382 by Lena Gonzalez, Senator Gonzalez, all in this  
12 space, all making it clear that Clean Cars 4 All is a  
13 thing and DCAP was something we created, but it's been  
14 acknowledged since then.

15 In terms of funding, the money that is sitting  
16 there now is over three fiscal years, '21-'22, there was  
17 14 million, in '22-'23 there was 64 million -- these are  
18 Greenhouse Gas Reduction Funds, Cap-and-Trade dollars --  
19 '23-'24, it was 15 million, and then from the general  
20 fund, when there was general fund money. It feels like  
21 ages ago. In '22-'23, there was 122 million. The budgets  
22 were flush back then. They were trying to put money in as  
23 many boxes as possible. Also in '22-'23, there was the  
24 ZAP. That was 10 million, which was discussed earlier,  
25 and then also in '23-'24 another 11 million. That's a lot

1 of money that's been put into this program. So, it is  
2 just getting off the ground, as was said. The map we got  
3 had a couple of places -- big places that said coming  
4 soon. So that's kind of the context.

5         The resolution today in multiple places says that  
6 the Board can delegate -- or is delegating to the  
7 Executive Officer to allocate a portion of funds to -- and  
8 to -- that it can allocate, reallocate, redirect, modify,  
9 combine, and adjust grant and incentive amounts. And it  
10 says that in multiple places in this resolution. It says  
11 it can make adjustments, corrections, updates,  
12 modifications of the projects in the funding plan. It  
13 says -- another section in Section 8, the same thing. It  
14 also says we're delegating to draft, negotiate, amend,  
15 extend, execute, and terminate grant agreements. Again,  
16 not saying terminate, it's just -- it's just in the  
17 resolution. It's already authorized by this Board in this  
18 resolution that was prepared by staff. So it also says  
19 down below that the proposed FY '24-'25 funding plan with  
20 provisions to make modifications where necessary or shift  
21 funding as needed multiple places throughout the  
22 resolution.

23         So it clearly is something this Board can take  
24 action on. I understand the concern. I got a call from  
25 one of the subcontractors about this. And I said, no one

1 is saying we're zeroing this out. It's not being killed,  
2 but I think the Board has been consistent over several  
3 years in wanting to have these be side by side. And so, I  
4 hope, Chair, that we can have a conversation about that at  
5 the end of everyone's comments today.

6 Thank you.

7 CHAIR RANDOLPH: Okay. Thank you.

8 I do want to make sure and hear from other Board  
9 members on this topic, but I did kind of want to, you  
10 know, level set at a little bit and think about some  
11 possible next steps.

12 First of all, the -- unfortunately, we are  
13 basically talking about scraps, right? I mean, we are  
14 talking about inadequate funding for getting vehicles to  
15 residents that could not otherwise afford cleaner  
16 vehicles. And we have, you know, two mechanisms to do  
17 that. We have the district programs. We have DCAP.

18 We are also dealing with some, you know,  
19 direction from the Legislature that is not necessarily  
20 backed up by appropriations or clear in the sense that  
21 there -- you know, there is plenty of budget language that  
22 basically says, we, Legislature, would like you, CARB, to  
23 take this cake of money and magically slice it up into  
24 slices that vastly exceed the available resources. So  
25 that's the other piece we're dealing with.

1           The next piece we're dealing with is the process  
2 of implementing programs. The process of implementing  
3 programs is you are allocated funds. You -- those funds  
4 are appropriated. You need to encumber those funds in a  
5 timely manner, so you do not lose those funds. Then, you  
6 also need the administrators to know what they're -- what  
7 they're -- what they're working with, what they're dealing  
8 with. And they bid for these programs and implement these  
9 programs based on the budget that is provided to them.

10           We are also dealing with programs that are well  
11 established in the districts that have functioned well  
12 over time, while we are also trying to stand up programs  
13 that reach residents that have not had this opportunity  
14 before. CVRP, for many years, was not oriented towards  
15 lower income residents. It is now no longer a program.  
16 And so we have a situation now where the only incentives  
17 for light-duty vehicles are the ones in the district  
18 programs, which leaves many, many residents unable to  
19 access any kind of vehicle incentives oriented to  
20 low-income residents.

21           So, I just want to make sure we all understand  
22 sort of the reality that we're dealing with. So as we're  
23 thinking about those competing interests, I also want to  
24 note -- you know, we've heard a lot of public comments  
25 saying, well, we should use the allocation that is agreed

1 to for future funds between the districts and CARB, the  
2 allocations between the statewide program and the -- and  
3 the district programs. The problem with that is that the  
4 DCAP portion of that is very, very small, and the  
5 contractor has an existing agreement and there are funds  
6 encumbered that we cannot revert back without losing those  
7 funds that exceed the DCAP portion of the future funding.

8 In other words, the future -- the future funding  
9 allocation for DCAP is so small that we would -- if we  
10 were to use that funding allocation, then it would be  
11 impossible for the contractor to fulfill the agreement,  
12 for us to be able to use encumbered funds, and for the  
13 program to get off the ground.

14 That said, it is also true that there are funds  
15 that could potentially be adjusted. And I also want to  
16 note briefly that staff did follow the Board's direction  
17 this summer when it allocated additional funds to the San  
18 Joaquin program, as was noted in the -- in the staff  
19 report. So I just really want to be clear that they did  
20 follow our instructions. And so we are now in this  
21 incredibly difficult position of trying to figure out as  
22 the districts continue to use their funds, drawdown their  
23 funds, as DCAP continues to get off the ground, are there  
24 any more opportunities to allocate portions of the DCAP  
25 funds to district's programs?

1           And honestly, I don't think that we have a clear  
2 answer to that quite yet. We know that the future funding  
3 allocation would not be consistent with the funds that  
4 have been encumbered, but we also know that there are  
5 future funds that DCAP is using that are part of the  
6 overall allocated budget for that program that could  
7 potentially -- because they are funds, that could  
8 potentially be allocated that, you know, we could have  
9 that conversation to see if there are portions that we  
10 might be able to provide to the districts, if they run out  
11 of funds.

12           The last thing I will note is we absolutely need  
13 to, at all levels, and for all programs we need to be  
14 requesting more funds. And I'm a little less pessimistic  
15 than my colleagues as to whether or not there is an  
16 opportunity for future funds. And fortunately, because of  
17 the hard work of staff and representatives from the  
18 districts, we have an idea of how any future funds would  
19 be allocated.

20           So my suggestion, and I'm interested to hear from  
21 my colleagues, I think it would be worth spending some  
22 more time picking apart the different budget allocations  
23 and how they are structured, recognizing that the large  
24 ask that some advocates have made that we use the funding  
25 allocation for future fundings -- funding opportunities is

1 not really feasible, trying to see if there are some  
2 smaller buckets that we can think about as a potential way  
3 to modify the allocations for DCAP to be available to the  
4 districts.

5           And to your point, Board Member De La Torre,  
6 the -- you know, the -- I think the resolution as drafted  
7 provides that flexibility. And I think what I'm hearing  
8 from you is, you know, you would like to make sure that  
9 there is more engagement as part of that. And I can  
10 commit to working with staff and reporting back. And if  
11 we cannot come up with a possible allocation, you know, it  
12 can come back to the Board. But I do think that there is  
13 an opportunity to -- you know, to roll up our sleeves and  
14 think about some potential flexibilities.

15           All that said, I am now interested to hear what  
16 my colleagues have to say. Dr. Shaheen, you have your  
17 microphone up.

18           Oh, Okay. I wasn't looking. Was it Board Member  
19 Guerra.

20           BOARD MEMBER GUERRA: Sure.

21           CHAIR RANDOLPH: Okay.

22           BOARD MEMBER GUERRA: Thank you, Madam Chair. I  
23 appreciate that. And I'll go to those points at the end  
24 of my conversation here. I guess you must have looked at  
25 my notes here, or -- but I'm going to go through HVIP,

1 e-bike, and then this last conversation on Clean Cars 4  
2 All and DCAP afterwards.

3 But first -- first, let me -- let me start with  
4 HVIP here. You know, one -- and first I say like I  
5 appreciate the presentation. The presentation what I  
6 mentioned to staff when I got my briefing, I think, you  
7 know, for -- this is my second budget funding cycle. It  
8 just -- it always surprises me and impresses me how much  
9 we're actually doing, and that can't be lost in this  
10 conversation. I think it was one of the final points, how  
11 much we're actually moving the needle forward on every  
12 single aspect of the ways from heavy-duty down to  
13 bicycles, okay? I mean, in every single aspect of being  
14 able to try to improve our air quality.

15 So I want to thank the staff for that and thank  
16 you, staff, for an amazing presentation, because I think  
17 that makes it easy for anybody watching at home to  
18 understand.

19 On the -- on the HVIP side, first, I want to  
20 thank Board Member De La Torre for his comments during our  
21 last budget hearing on -- our last hearing that's led to  
22 some of the questions on CVRP. I also want to highlight  
23 and I'm concerned about the voucher time distribution.  
24 And we have to do our due diligence to make sure that  
25 every voucher that we are releasing we're checking all the



1 quality assurance pieces of it, that they're actually  
2 going. But there were many times I've heard, particularly  
3 on the hydrogen vehicle side, that purchasers are willing  
4 to give up, because of the delay time and the insecurity  
5 of when that voucher was coming.

6 So when we're trying to get this market moving  
7 forward, particularly on the heavy-duty vehicle side, and  
8 that's -- the heavy-duty vehicle side is the area that's  
9 impacting the air quality the most in the Sacramento  
10 region.

11 So I want to make sure that we're moving forward  
12 with that. I was very pleased to hear the conversations  
13 of how the -- how staff is working on how to improve the  
14 distribution of those vouchers forward, and I hope to get  
15 more information on that.

16 On the electric retrofit side as well, you know,  
17 we inspired about the opportunity to look at that. I  
18 represent the industrial area of our city here, and  
19 actually the region's largest industrial area. And  
20 knowing these vehicles, sometimes the chassis and the  
21 equipment on the chassis are actually going to be worth  
22 more than the motor. And so, getting this market moving  
23 forward I think is going to help. Not only that, but even  
24 in our industrial area, we have a high school that is  
25 training, you know, kids in South Sac how to do electric

1 retrofit, and I brought this up before.

2           So it brings me to, you know, an idea that I want  
3 to throw out there. You know, we have been using HVIP  
4 very successfully to electrify our electric bus fleets,  
5 and I'm very proud of that. I'm proud about Twin River  
6 Unified School District and its leadership and the support  
7 that CARB has done to moving that forward.

8           But here's where I want to link that support and  
9 the electric retrofit support. I would like to see in the  
10 future -- and I don't know if it's through the CEC, and  
11 I'm glad they were here today, or through CARB, how a  
12 school that gets HVIP support for their electric bus  
13 retrofits -- I mean, electric bus replacement also can get  
14 some level of support for starting or creating these  
15 capstone programs in their shop classes to teach electric  
16 retrofit.

17           You know, I learned how to pull an engine out and  
18 do that work when I was in shop, but it was ag related. I  
19 mean, why wouldn't we be training, you know folks in an ag  
20 setting, an off-road setting how to do electrofits. I  
21 know that's not part of this item, but I want to figure  
22 out how, as we -- as students are seeing their -- the HVIP  
23 program success of getting those old diesel buses, them to  
24 be able to be linked in saying, hey, I can learn to work  
25 on this and have a career in this field.

1           So that's just a little -- you know, throw a  
2 point of -- and -- to spark ideas on how to move that  
3 forward. Very supportive of the -- moving to 70 percent  
4 on -- for the -- on HVIP for EV retrofit and also on the  
5 forklift side for -- to being able to move that. I  
6 visited one agricultural facility. Their entire facility  
7 was propane forklifts and they were going to have to move  
8 completely over and -- into that. And I think this is  
9 going to help that agricultural committee facility move  
10 forward quickly.

11           On the E-Bike Voucher Program, let me move to  
12 that there. I can't say how, you know, just frustrated  
13 I've been. And, you know, thank you Lisa for your time to  
14 sit down with our community partners or leaders, our  
15 housing authority, and housing multi-family housing  
16 advocates who already service the community that's  
17 eligible at that income level. And they're the folks who  
18 may not even be eligible for a loan, let alone a low  
19 interest loan. And this would -- the e-bike voucher  
20 opportunity actually gives people a true reliable way to  
21 address that first mile, last mile in the gaps of our  
22 public transit system

23           So -- but I have been frustrated in the rollout  
24 and it's only a small program. It's a \$21 million  
25 program. And I do think that that has brought concern.

1 And I appreciate the work that's been done to finally get  
2 it going, but, you know, I know Board Member De La Torre  
3 has heard me vent quite far -- much about that, so I'm  
4 excited about that moving forward.

5 But I do -- but it brings me to my concern with  
6 the \$250 million contracts for DCAP. And if we're having  
7 a difficult time managing the \$21 million contract, I'm  
8 concerned about how we're going to run a \$250 million  
9 statewide contract or contracts for that. And maybe this  
10 is more of a process question, because I wasn't here in  
11 2022. But, you know, as a councilmember, you know, we, in  
12 our city at least and many cities and other boards, set  
13 thresholds of when something has to come to the Board  
14 before contracts are actually authorized or approved.

15 And I'm actually kind of a little concerned that  
16 \$250 million worth of contracts were approved or  
17 authorized, and then we're coming back here on the funding  
18 side. So to me, that's sounds a little backwards. And I  
19 get -- I get that, you know, you don't want to all of a  
20 sudden have such a low threshold that everything is on  
21 consent. And then what does it really matter the purview.  
22 But, to me, that just is process standpoint for this  
23 Board.

24 So I would, in the future, like to have a  
25 conversation about, you know, how we actually not get into

1 this position where you have opposing opinions from the  
2 Board, and staff has already executed contracts. And the  
3 Board does have, in my opinion, after listening to the  
4 conversation here, in looking at this, have the authority  
5 to adjust and amend any existing contracts.

6 The -- and now let me bring this point to the --  
7 how I feel about Clean Cars 4 All. I'm very excited about  
8 the success of this program. It's probably, in  
9 Sacramento, one of our most successful programs. And I do  
10 remember our first, you know, launch of this program. And  
11 speaking to one of the parents -- a single parent with two  
12 kids who had an unreliable car, and talking about the  
13 experience of when that car broke down and figuring out  
14 what to do, and how they were going to get to school. And  
15 so, while many folks talk about just the air quality piece  
16 of it, this is bringing reliability to low-income  
17 families.

18 And I've seen that success happen at the local  
19 level at the air district level. And so the -- and then  
20 it's in -- we're in a federal non-attainment zone. And I  
21 think that the air districts that have been doing this  
22 work are working in the cities that not statewide but  
23 nationally are the most polluted, at least by the American  
24 Lung Association. The air districts that are serving  
25 these areas it's the most polluted and facing those

1 impacts.

2           So, to me, you know, this is where I feel like  
3 having watched over the last six years I think, or seven  
4 years, of that program at the local level, I have a  
5 different opinion on how DCAP has come about and how we're  
6 expanding service that is successful and efficient. And  
7 in a time of austerity, in a time with very little  
8 resources, we need to be using the best and -- possible  
9 way to execute the most number of clean vehicles serving  
10 the most families at the most lowest possible cost. And  
11 this program, Clean Cars 4 All, is so hands-on. And maybe  
12 this is the difference between, you know, our air quality  
13 leaders at the -- at the State level, at CARB, and our  
14 air quality leaders at the local level.

15           I relate it to, you know, if you're ever in  
16 sales, it's wholesale versus retail, you know, wholesale  
17 air quality versus retail air quality. And at the retail  
18 level, you've got to work one-on-one. And the reason why  
19 these programs have been successful is because of the  
20 one-on-one work that the air district staff does with the  
21 individual.

22           I have a big concern that at the wholesale level,  
23 you're going to do that one-on-one. We're going to be  
24 able to achieve that one-on-one that has shown the success  
25 by the air district. So, to me, I've got a lot of

1 hesitation with such a big chunk of money for a statewide  
2 program in that effort.

3           So bottom line, I think, you know, what's -- what  
4 has been said is maintaining continuous funding for the  
5 programs that have shown that our existing success to  
6 execute those funds should be our number one priority,  
7 given the fact that we have no certainty of future  
8 funding. We know that we will get more low-income  
9 families, more families in federal non-attainment polluted  
10 cities moving forward if we focus on that. And it's  
11 intentional about its approach.

12           And finally, I'll just say that I appreciate your  
13 recommendation, Chair, but I have a much more stronger  
14 point of view. I think that giving the air districts that  
15 are -- have proven successful programs more funding to  
16 help and grow outwards is a much more better approach.  
17 And I'll give you the example here in Sacramento.

18           We -- and we already do this in other programs,  
19 like in HVIP. West Sacramento residents breathe the same  
20 air just over the river here, a few blocks away from us,  
21 that we do, but they are not eligible for this program.

22           The families in Broderick who are low income,  
23 communities of color, some farmworking can apply for this  
24 program, but the Sacramento Air District could be able to  
25 support that, if we would fund the air districts to expand

1 that way, where they already know what's been working and  
2 they know how to reach ag communities in the county on the  
3 south area, and we can actually help support them. It  
4 requires more staff assistance and the ability to expand  
5 that way.

6 In HVIP, Sacramento is able to help Yolo, Solano  
7 and the City of Vacaville with the smaller air districts  
8 that have less staff support to be able to execute a  
9 bigger electric bus program. We were able to get the  
10 Solano County buses when we got the Twin Rivers buses in  
11 Sacramento. So there's already ways that we're using more  
12 efficient ways, rather than creating another statewide  
13 program. So I will -- I will put that as a thought  
14 process on this, because I do think that San Joaquin could  
15 help it's neighboring counties much better, since they  
16 know and seen when we've had failures and successes. I do  
17 think San Diego could help its neighboring counties much  
18 better than having another statewide program that  
19 overlaps.

20 And I would feel terrible if I told one of my  
21 constituents to say, hey, we're out of -- you know,  
22 because we might end up out of money in August or  
23 September in Sacramento to say can't come to us, but you  
24 can go to the statewide program that you're going to be  
25 competing to everybody else, when we know we've been



1 successful.

2           So in that one, very, very, very passionate about  
3 how well this program has worked. That's the exciting  
4 part, and very, you know, frustrated that it is, as the  
5 Chair mentioned. It's scraps. It's such a small amount  
6 of money. And when we see success, we should be funding  
7 that success.

8           So thank you, Chair. And those are my at least  
9 thoughts on how maybe we could move forward.

10           CHAIR RANDOLPH: All right. Thank you. I do  
11 want to give staff an opportunity to respond to a couple  
12 of the questions you mentioned, but I will note that the  
13 Legislature specifically said, you know, specifically  
14 allocated money to the statewide program. It's not like  
15 we just decided, oh, let's do a statewide program. So I  
16 do think we need to be cognizant of the legislative  
17 direction that we have. All right.

18           BOARD MEMBER GUERRA: Chair, do you mind if I  
19 respond to that?

20           I do agree, but in the statute and in the trailer  
21 bill, it doesn't say DCAP. It just says statewide  
22 program. And I think it's the purview of this Board to  
23 identify how we execute a statewide program. At least in  
24 the information that CARB staff sent me and the -- and on  
25 the trailer bill language, that's what it said, so -- but

1 that would be my approach. And I get it, but DCAP has  
2 been moving, but we're not going to, you know, eliminate a  
3 program.

4 CHAIR RANDOLPH: Yeah, which we have done. We  
5 have -- we have created a statewide program.

6 I'm going to turn it to our Executive Officer.

7 EXECUTIVE OFFICER CLIFF: Thanks. Actually, I'm  
8 going to ask Lisa Macumber to respond to a few of the  
9 points on the contracting piece especially.

10 MSCD EQUITABLE MOBILITY INCENTIVES BRANCH CHIEF  
11 MACUMBER: Hi. Thanks. Lisa Macumber.

12 So, yeah, just to comment on a couple of the --  
13 of the concerns that you raised. First, comparing our  
14 small E-Bike Program and administrator we selected for  
15 that project with the administrator that we selected for  
16 the Driving Clean Assistance Project. The amount of  
17 funding that we received for the E-Bike Program was  
18 initially very small, \$10 million.

19 And at the time that we ran the solicitation for  
20 that grant, we had a lot of community activists telling us  
21 you always get into grant with the same people. You need  
22 to broaden out and consider folks in communities that can  
23 help to run these projects. And lo and behold, we had a  
24 scoring application from somebody we'd never worked with  
25 before and we are about ready to get that program launched

1 and we are really excited about that.

2 But when you do work with new folks, it does take  
3 a little extra time. There's a lot of learning. There's  
4 a big learning curve for them to understand how the State  
5 works, and what our expectations are, and to be able to  
6 meet those expectations.

7 That said on the flips side with the Driving  
8 Clean Assistance Program, we've actually worked with the  
9 Community Housing Development Corporation for almost a  
10 decade. We ran a small scale pilot with them in Richmond  
11 in the Bay Area, where they moved through several million  
12 dollars to help get folks into zero-emission vehicles and  
13 work on financing.

14 That project -- that pilot we have taken all of  
15 our learnings from and really used that to help guide how  
16 we are design -- how we designed the Driving Clean  
17 Assistance Program and how we plan to implement it. And  
18 so they come with lots of experience, and lots of trusted  
19 experience with communities, with banks, and with success  
20 of the programs. And we felt at the staff level very  
21 confident that they could handle the amount of funding  
22 that we put into that grant initially.

23 And then further, I think on the second concern  
24 of one-on-one, again learning from the lessons that we  
25 built within this project, the Community Housing and

1 Development Corporation works one on one, that is their  
2 core mission is to help consumers get into homes, to help  
3 consumers have a better life. They work -- majority of  
4 the folks that we have that go through that program are of  
5 the lowest income group. They are minority. They are  
6 folks that have not been able to get a chance elsewhere.

7 This entity is by far one of the most well-suited  
8 to be able to speak to those other communities throughout  
9 the State of California that have not had an opportunity  
10 to participate. They have built strong partnerships of  
11 almost a dozen CBOs. And within those CBOs, even more,  
12 because we've got lots of networks kind of built  
13 throughout the state. The one-on-one, we absolutely  
14 believe that we will be able to scale and offer through  
15 this program and make it very successful for low-income  
16 consumers to compete and get access to the dollars that  
17 they've never had before and that they would never have  
18 been able to achieve through the broader ZEV advancing  
19 programs like CVRP.

20 CHAIR RANDOLPH: All right. Thank you.

21 Dr. Shaheen.

22 BOARD MEMBER SHAHEEN: Thank you, Chair.

23 All right. Well, I've spent quite a bit of time  
24 looking at this issue and I appreciate all the time of  
25 staff and stakeholders to help educate me more on this

1 issue.

2           The first thing I'd like to start with is just  
3 celebrating all of the accomplishments, right? Slide six  
4 clearly demonstrates \$6 billion has been awarded for clean  
5 transportation incentives, 60 percent of that going to  
6 low-income groups. I noted Stephanie during your  
7 presentation that you said that many of the programs  
8 funneling into this analysis were actually not initially  
9 directed or intended to go to equity. So it looks like,  
10 as we continue to emphasize equity as a priority, that's  
11 showing up in our outcomes. So I just wanted to take a  
12 moment. I know this is a tough conversation when we have  
13 limited funds and lots of needs.

14           I'd also like to take an opportunity to uplift us  
15 all, right, is -- what I've learned is we've learned a  
16 lot. We've got people working very hard to get people  
17 into cars, the most deserving to get them into cars in San  
18 Joaquin and in the South Coast.

19           I'd like to celebrate those types of  
20 accomplishments. And in the outreach and engagement  
21 activities that we're outlined in slide nine, just really  
22 want us to think about building communities a practice and  
23 yielding more repeatable, scalable models. Now, I know  
24 during our staff briefing, we talked about the difference  
25 between a large scale repeatable model for the entire

1 state. And it's something that is more customized to the  
2 regions is probably even more effective and I actually  
3 really agree with that. But I just wanted to again start  
4 by uplifting us. This is a difficult conversation.

5 I'm supportive of the HVIP proposal. Peter, I  
6 mentioned to you as well, when we spoke accelerating this  
7 I know you've run into a few issue that explain some of  
8 the delays, but expediting it, great.

9 Before I get to DCAP, I wanted to talk a little  
10 bit about e-bikes. So I've been a fan of e-bikes for a  
11 really long time. And actually I have a scar on my chin  
12 from an e-bike. So, yeah, they're pretty powerful,  
13 particularly before the pedal acts, right? Oh, you're  
14 feeling for me, Dr. Balmes? Good.

15 (Laughter).

16 BOARD MEMBER SHAHEEN: Okay. So my question is  
17 about safety. So are we involving our bike advocates and  
18 bike community in training and safety? I know, Lisa,  
19 you're really excited about the launch of this program,  
20 but I'm really concerned about people's safety and the use  
21 of these devices on our roads, and just for people that  
22 are unfamiliar with them. Throttle bikes are pretty darn  
23 powerful. So I'd love to hear on that first.

24 MSCD EQUITABLE MOBILITY INCENTIVES BRANCH CHIEF  
25 MACUMBER: Yes. Lisa Macumber.

1           Yes, absolutely. We -- safety has been a big  
2 concern of ours from the beginning as well. We built into  
3 the program the basics, you know, consumers can get a  
4 helmet, they can get safety equipment when they get the  
5 bike through the program, but education is really  
6 important. And so they do have, as part of the  
7 application process a safety component, in which they do  
8 have to -- you know, there are some videos. There's some  
9 education.

10           And then in working with our community-based  
11 organizations that are out in the field with consumers, a  
12 lot of the different models do incorporate things like how  
13 to ride the bikes safely, how to understand what the bike  
14 laws are in their areas, and things like that. So  
15 we are -- education and outreach is a huge component of  
16 the Program.

17           BOARD MEMBER SHAHEEN: Thank you very much. That  
18 makes me so happy to hear, because you can get injured on  
19 these. I know that for a fact.

20           Okay. So DCAP, right? I've been really, really  
21 trying to understand the economics and the funding over  
22 three different fiscal periods. I mean, ultimately what  
23 concerns me and I don't know how we sort through this,  
24 but, you know, what happens when one of our regional Clean  
25 Cars 4 All programs runs out of funds? And sadly, Lisa,

1 you shared with me that that could be quite soon. And I  
2 wondered how that all squares with the CAPCOA formula and  
3 the nine percent distribution going to this statewide  
4 program? How would that work if we're using the CAPCOA  
5 formula?

6 MSCD EQUITABLE MOBILITY INCENTIVES BRANCH CHIEF  
7 MACUMBER: So the formula that we've proposed in the staff  
8 report again would cover future years. And one component  
9 of what went into that was looking at past performance and  
10 where the projects are. And so, yeah, the 91 percent of  
11 the funds are allocated in the future for district  
12 programs, nine percent for statewide. But one of the  
13 things we would still have to look at each year is what do  
14 that programs need?

15 You know, we could see that there is greater need  
16 somewhere and need to make some type of an adjustment and  
17 we would work with the air districts and CAPCOA to do  
18 that, but we -- but we want to make sure that we had a  
19 foundation, so that when the Legislature passes a budget,  
20 we could move swiftly to start getting money out to  
21 districts. Without something like that in place, we have  
22 to wait till we bring you a formal plan the following  
23 November, and that could be a very large gap in time that  
24 could keep a program non-operational.

25 One of the other things though to consider in



1 this discussion around that -- around the regional  
2 programs and the State programs is what funding is out  
3 there altogether. And so, while there is funding that's  
4 within the Driving Clean Assistance Program for both the  
5 car scrap and for financing, the districts do have access  
6 to a lot of other funds as well. We have the Community  
7 Air Protection Program, in which districts could access  
8 those dollars to help support Clean Cars 4 All projects.  
9 They do have their district AB 923 dollars, which is a \$2  
10 motor vehicle fee that's assessed that they decide how  
11 that's spent. And car scrap and replace is something that  
12 they could use those dollars for.

13           So there are several different mechanisms that we  
14 could consider. And so to the Chair's point, I think  
15 really looking across all of the different considerations  
16 that are on the table to find the best way to make sure  
17 that the -- that the projects that have been running have  
18 the capability to stay running. We certainly don't want  
19 to see any program close. I suffered this for decades  
20 running the Clean Vehicle Rebate Project, right. That  
21 program start and stopped over and over. And it's very,  
22 very challenging, not just on the administrators, but on  
23 the consumers. It's very confusing. It's very  
24 challenging. And so we don't want that for any project,  
25 but we -- but we certainly want to make sure that we're

1 doing a very -- whatever we're doing, we're doing in a  
2 really thoughtful way.

3 BOARD MEMBER SHAHEEN: Thank you. It seems like  
4 we really need to all lean in, all work together at this  
5 time of need, and, you know, come up with creative  
6 solutions.

7 Just two more points. I really appreciated the  
8 staff briefing, but also Virgil Looney who spoke from the  
9 Community Housing Development Corporation, he was online.  
10 He talked about all of the efforts that are being set up  
11 or have already been set up with the community credit  
12 unions to ensure that we are not looking at predatory  
13 loans, that there's a loan loss reserve program, and I  
14 think deep expertise in financial counseling. I think  
15 this is a lesson learned from some of the other districts,  
16 right? So could you just confirm, Lisa, that that is the  
17 case.

18 MSCD EQUITABLE MOBILITY INCENTIVES BRANCH CHIEF  
19 MACUMBER: So the -- what we're doing in the financing  
20 mostly is lessons learned from our pilot that we ran with  
21 the -- with the Community Housing Development Corporation  
22 over the last several years. So in the pilot that we ran  
23 for financing assistance, it was specifically focused on  
24 finance assistance. We offered down payments for clean  
25 vehicles and really worked to get them into loans. The

1 cap -- loan cap for that program was eight percent, but  
2 the loan average typically was at five percent. So most  
3 low-income consumers coming into that program were getting  
4 right around a five percent loan.

5 We took our learnings in how we developed those  
6 partnerships in working with CDFI type banks, and that is  
7 what we are -- that's what we're doing in the new  
8 statewide program is really expanding upon those lessons  
9 learned. And so we've seen a lot of success in that -- in  
10 that particular space.

11 One other point that I -- that I should have  
12 mentioned with your last question as well is with the  
13 statewide program being open at the beginning of the year  
14 state -- throughout the entire state, any consumer  
15 throughout the state will be able to apply to that  
16 program. And any subcontractors that are working right  
17 now through a district program, should a district program  
18 need to close, and we be in a situation of not finding  
19 additional funding, they can work through the statewide  
20 program. So we are very cognizant that that need is  
21 there. That is something that could be accommodated  
22 through the statewide program as well.

23 BOARD MEMBER SHAHEEN: In terms of the DCAP  
24 guidelines, should I be concerned at all about a  
25 needs-based approach potentially slowing down application

1 processes and potentially opening up opportunities for  
2 people who are less in need getting higher priority?

3 MSCD EQUITABLE MOBILITY INCENTIVES BRANCH CHIEF  
4 MACUMBER: I don't believe so. And that's the reason why  
5 we're trying out this needs-based approach. You know, we  
6 heard again years and years, and you all have heard this  
7 from commenters over the years, that the first-come  
8 first-serve approach to just taking in an application and  
9 processing that first does not work from an equity  
10 standpoint.

11 And so what we're trying to do with the  
12 needs-based approach is really rank the applications based  
13 off of stated need, but then, everything I've learned  
14 having a teenager, you trust and then verify. So we're  
15 trusting that the application meets it, but we're  
16 verifying that it does as well. And those applicants that  
17 can verify that their income is, in fact, of the lowest  
18 income, we're moving them to the front of the line. We're  
19 setting them up right away with a case manager. Those  
20 case managers hand hold that one-on-one all the way  
21 through the process.

22 So we aren't just giving them information and  
23 then telling them to go figure it out. We are helping  
24 them through the process. We're working -- one of the  
25 partners, the Foundation for Community Colleges has a --

1 an extensive kind of phone bank set up. So we've got  
2 people there all the time to answer questions when it's  
3 convenient for consumers. And -- so we're taking just  
4 this very different approach this time to making sure that  
5 folks are available. We really are reaching those that  
6 are lower income, that they aren't having to wait.  
7 They're getting through that process. We have a goal of  
8 getting to about a 30-day time frame for a consumer to be  
9 able to get in, get through all their financial education,  
10 and be able to go out and start shopping for their car.  
11 It's going to take us a little while to hit that mark, but  
12 that is our goal.

13 BOARD MEMBER SHAHEEN: Wonderful. And then one  
14 last bit here is, you know, I'm always very excited about  
15 data, and tools, and metrics. And I really appreciate the  
16 data dashboards that your group has put up. I'd be really  
17 delighted to see in addition to the statewide data and  
18 metrics, that we could add the regional Clean Cars 4 All  
19 programs. And I don't know if you could speak to that,  
20 Lisa, is that something that we can make happen?

21 MSCD EQUITABLE MOBILITY INCENTIVES BRANCH CHIEF  
22 MACUMBER: Yes. In fact, I believe that we do have some  
23 district programs' data built into the dashboard right  
24 now. And so we are working with them to make sure that we  
25 are getting consistent data and that all of that can fold

1 in.

2 BOARD MEMBER SHAHEEN: Wonderful. Thank you so  
3 much.

4 CHAIR RANDOLPH: Board Member Rechtschaffen.

5 BOARD MEMBER RECHTSCHAFFEN: Thank you. I'm  
6 going to follow Dr. Shaheen's precedent and focus on the  
7 positive of our clean energy programs. And I just want to  
8 give one anecdote. Yesterday, I had the privilege of  
9 helping to launch a program funded by our Sustainable  
10 Transportation Equity Program, STEP. We helping to fund a  
11 new community shuttle in the -- in Bayview Hunters Point  
12 in San Francisco. And it was a wonderful event. There  
13 were dozens of community members and multiple community  
14 organizations that participated in formulating the  
15 project. And it's really going to make a dramatic  
16 difference in providing a clean, very affordable, and zero  
17 emitting option to connecting people who live in Bayview  
18 with -- to BART, to Caltrain, to medical offices, to jobs,  
19 to other opportunities.

20 And one of your colleagues, Pedro Peterson, was  
21 there, and he and I were treated like celebrities. It was  
22 a very -- well, I was -- I'm always treated like a  
23 celebrity, but anyway.

24 (Laughter).

25 BOARD MEMBER RECHTSCHAFFEN: It was a very

1 festive atmosphere. And there's a tremendous amount of  
2 gratitude to CARB for funding that program. So that's  
3 a -- that's a really positive anecdote.

4 I completely agree with Chair Randolph that we're  
5 dealing with scraps and there's an urgent need for  
6 continuous robust funding of these programs. It seems  
7 like we've been doing the pleading since the Clean Vehicle  
8 Rebate Program was first adopted over a decade ago. And I  
9 think Lisa is a quite right that the boom and bust cycle  
10 of funding opportunities and incentives is very  
11 problematic to growing the market.

12 Chair Randolph, I have a couple of quick  
13 questions about your suggested path forward. Do you  
14 envision that this would apply for the next year or until  
15 we get additional funding for the programs?

16 CHAIR RANDOLPH: I think we should be thinking  
17 about it in the -- well, first of all, we do redo the  
18 funding plan every year. And also, of course, there's a  
19 new budget every year, right? So we will know, as budget  
20 proposals are made, and the May revise and everything, I  
21 mean, we'll have a sense of whether or not we're looking  
22 at any opportunities for funding. So I'm thinking of it  
23 is as a this year thing. And I also think, and this is  
24 something, you know, in these conversations we can figure  
25 out, if there are proposals for new funding, and some of

1 the DCAP funds are reallocated, to the extent possible,  
2 you know, can those be allocated back if there's enough  
3 funding? And so, you know, I think that there are -- you  
4 know, we would have to sort of see how the budget goes and  
5 then, you know, staff can always report back to the Board  
6 updating, you know, how things are -- things are moving  
7 along.

8 BOARD MEMBER RECHTSCHAFFEN: So it's a makeshift  
9 for now until we figure things out.

10 CHAIR RANDOLPH: Yes.

11 BOARD MEMBER RECHTSCHAFFEN: And you anticipate  
12 another -- or the second question I had is staff going to  
13 report back to the Board, are you going to report back to  
14 the Board on how those discussions go?

15 CHAIR RANDOLPH: Yeah, absolutely. I think I --  
16 I think I would envision reporting back in writing and  
17 then making that information available on the website,  
18 unless we need further Board guidance, in which case it  
19 would -- could come back as an agenda item.

20 BOARD MEMBER RECHTSCHAFFEN: Well, I support  
21 the -- your -- the suggested path forward that you've  
22 outlined. And I want to echo what has been said by a  
23 couple of my colleagues. The local air district programs  
24 have been uniquely successful in reaching very hard to  
25 access populations in a way that many of our other



1 programs unfortunately haven't been. And I think Board  
2 Member Guerra talked eloquently about what's happened in  
3 Sacramento. In the San Joaquin Valley, we have a similar  
4 experience of uniquely successful programs. And we want  
5 to make sure that there's a continuous source of funding  
6 for those programs, because they really are making a  
7 difference in people's lives.

8 I also think the statewide program is important.  
9 I think the financing piece is innovative and very  
10 important, since we know most people, the great majority  
11 of people, and certainly very low income people finance  
12 their vehicles. They need sources of low-cost financing.  
13 And I also agree with what Lisa said about first-come  
14 first-serve doesn't always work with equity populations.  
15 The money is gone too quickly and the most resourceful  
16 people get it.

17 So I'm supportive of these ongoing discussions to  
18 make sure to see if we -- how -- if funds can be  
19 reallocated while maintaining fidelity to what the  
20 Legislature supported us to do the impossible, keep --  
21 follow the directions without enough money to do it. But  
22 we'll do our best, so thank you for that compromise, Chair  
23 Randolph.

24 CHAIR RANDOLPH: Board Member Takvorian.

25 BOARD MEMBER TAKVORIAN: Thank you, Chair and

1 thanks to all of my colleagues for their comments. I  
2 wanted to appreciate the staff for the exceptional work  
3 that you've done yet again this year. I really appreciate  
4 it and I know that this has been a very challenging year  
5 as we're -- we've heard from you and we're hearing from  
6 speakers as well as the Board members. It's really  
7 concerning with such a deep and significant reduction in  
8 funding that we may not be able to continue all of the  
9 programs that we have started, and that's going to be  
10 certainly challenging for our ability to meet our  
11 statewide goals.

12 But I appreciate and support the Chair's  
13 recommendation for us to dig around a little bit. As a  
14 nonprofit director for many years, I understand that  
15 concept pretty well, and can help to look under some rocks  
16 as needed. But I also, as a nonprofit administrator  
17 understand the continuity that's needed for our  
18 contractors. And for the folks that are trying to deliver  
19 these important services, it wasn't that many years ago  
20 that we really weren't integrating equity. It wasn't that  
21 many years ago that we weren't really taking it as  
22 seriously, as clearly the programs that you've described  
23 today are -- are taking it.

24 And I -- I -- Lisa, I really want to say that I  
25 appreciate your description of Community Housing

1 Development Corporation and the holistic manner in which  
2 they're delivering these services. I think that's really,  
3 really critical. And with all due respect to districts,  
4 because I'm not sure that they have that capacity to  
5 really look at a family's full financial profile and full  
6 circumstance in life, and I think that's a unique kind of  
7 service that we need to really support. And I just want  
8 to say how much I appreciate the fact that you're being so  
9 thoughtful about that being the right kind of contractor  
10 that should be executing these -- this work for us. I  
11 think that's our best representation in our community. So  
12 huge gratitude for that. And whatever we can do to  
13 continue those programs in that holistic way I think are  
14 really important.

15 I -- one question I guess I have, and then a  
16 couple of other comments is in the -- in the circumstance  
17 where a district may not have that expertise, are they  
18 able to access assistance from the State program?

19 MSCD EQUITABLE MOBILITY INCENTIVES BRANCH CHIEF  
20 MACUMBER: Absolutely.

21 BOARD MEMBER TAKVORIAN: Okay. So we want to  
22 encourage them --

23 MSCD EQUITABLE MOBILITY INCENTIVES BRANCH CHIEF  
24 MACUMBER: Um-hmm.

25 BOARD MEMBER TAKVORIAN: -- when they may not be

1 able to do that, because while I have lots of positive  
2 anecdotes, there are some where community members that I  
3 know that we've encouraged have not felt that there was an  
4 understanding. Certainly, there was support from the  
5 district, but maybe not an understanding of how to look at  
6 the finances. And so I think we just all need to work  
7 together a little bit more to make sure that happens.

8 I do think that the needs-based approach, which  
9 again we've transitioned to, is critically important and,  
10 in my mind, that's the equity approach. First-come  
11 first-serve, whether it's for light-duty or medium- and  
12 heavy-duty, I think is really critical, because we know  
13 that some organizations and corporations really have great  
14 systems and they're -- you know, they've got somebody  
15 that's there making the call as soon as the program opens,  
16 and that leaves out folks that need to be educated about  
17 it. So I think that's the right approach and we're  
18 modeling that I think of others.

19 I do want to just spread this -- you know, look a  
20 little bit more broadly and say I think that the HVIP  
21 Program really dem -- fulfills the priorities of some of  
22 the 617 programs -- many of the 617 programs. And I don't  
23 think we should lose sight of the fact that those goals  
24 are getting fulfilled as we're -- as we're executing this  
25 program, but these really integrate as well.

1           And then the last thing I just want to ask about  
2 is, you know, I agree with Board Member Guerra and De La  
3 Torre that we're really waiting on and want this E-Bike  
4 Program to be very successful and safe.

5           And I'm not getting on an e-bike but --

6           (Laughter).

7           BOARD MEMBER TAKVORIAN: -- but many people  
8 should. But I think one of the things we talked about a  
9 lot last year was really how we are reducing VMT and how  
10 this -- these programs are helping us do that.

11           And frankly, I don't -- I don't feel like there's  
12 much there at this point for VMT reduction. So my  
13 question is, in a more holistic way, is it possible for  
14 the consultation that families get in regards to  
15 potentially purchasing vehicles, can they also get  
16 consultation in regards to the incentives and  
17 opportunities that are available for them to take transit  
18 or other alternative transportation? And I hadn't  
19 heard -- if I missed it, I apologize, but I hadn't heard  
20 that level of integration.

21           MSCD EQUITABLE MOBILITY INCENTIVES BRANCH CHIEF  
22 MACUMBER: Yeah, really great question there. So as part  
23 of Clean Cars 4 All as a whole, one of the options for  
24 consumers instead of getting a new vehicle, they can use  
25 alternative transportation instead. And so yes, those

1 types of services to help them understand how they can  
2 move about, if they don't want to replace the vehicle, are  
3 baked into all the programs, regional and statewide.

4 BOARD MEMBER TAKVORIAN: I guess what I'm looking  
5 for -- thank you -- is more a proactive way to say -- so  
6 let's think about whether or not buying a new car is your  
7 best pathway or whether transit may be a good pathway.  
8 And we can learn more, to Dr. Shaheen's point, of, yeah,  
9 I'd love to take transit, however, you know, this is the  
10 two hours it's going to take me to get to work with my  
11 children, and groceries, and all of that. So we -- we're  
12 facing the real-world dilemmas, but also helping to solve  
13 them.

14 MSCD EQUITABLE MOBILITY INCENTIVES BRANCH CHIEF  
15 MACUMBER: Yes, absolutely.

16 CHAIR RANDOLPH: Dr. Balmes.

17 BOARD MEMBER BALMES: I will make my comments  
18 brief. I've enjoyed listening to my fellow Board members  
19 and agree with much of what they've said. I especially  
20 feel that this discussion has shown both the value of the  
21 local programs and of the State program. And I think we  
22 do have to do both. And I think Lisa, you and your staff  
23 have done a good job of trying to balance the legislative  
24 requirements for the statewide program with continuing to  
25 fund, you know, local programs. I don't think we can do

1 much better with the scraps that are currently available.

2 I guess the only thing I would say -- well, two things.

3 One is when I ride my mechanical bike up the  
4 hills in Berkeley where I live, the e-bikes go really fast  
5 past me and I --

6 (Laughter).

7 BOARD MEMBER BALMES: -- with a little kid on the  
8 back and I worry about the safety, so I think that's a  
9 real issue. But seriously, I think hearing this  
10 discussion, that we really need to get a report back, you  
11 know, sooner than the annual report that we always get.  
12 So I just would -- and I think in writing probably isn't  
13 good enough right now. I think that, from what I hear, it  
14 would be good to have something, you know, at a Board  
15 hearing, in terms of reporting how things are going in  
16 this year of scraps.

17 Thank you.

18 CHAIR RANDOLPH: Dr. Pacheco-Werner.

19 BOARD MEMBER PACHECO-WERNER: Thank you so much.  
20 And, you know, I really want to start by thanking all the  
21 staff for thinking through very thoughtfully all the  
22 programs and how to best improve them over time, and that  
23 you were responsive as you were framing the DCAP Program  
24 to be more -- you know, to stretch our imagination in  
25 terms of what it means to do outreach with equity in mind.

1 And I hope all of the programs, whether statewide or  
2 district, continue to do that, particularly those  
3 communities -- to those communities that we receive  
4 feedback from that need to be served more, such as the  
5 African American and tribal communities. So, I think that  
6 we need to remember that aspect as well.

7 I think in terms of the -- I have a couple of  
8 questions. So in the San Joaquin Valley, you know, we  
9 cannot take new applications starting about mid-December.  
10 So that doesn't mean that we'll disburse all the money,  
11 but no new applications, because we will have no more. We  
12 have enough applications for the funding that we have.

13 So when I look at the DCAP website, I see that in  
14 the San Joaquin Valley a program will start running Q1.  
15 But for residents who message me, which they often do on  
16 social media, asking about this program, I usually send  
17 them a cell phone number of somebody because that's how  
18 the local program goes. They can text Veronica and that's  
19 how -- that's like the level of outreach where it's at,  
20 right? And so I know that Veronica will pick up and call  
21 back.

22 And so, for me, what am -- what is the  
23 expectation when we say Q1 on the website? For residents  
24 that message me, will there be someone to refer them to in  
25 January 1 or March 31?



MSCD EQUITABLE MOBILITY INCENTIVES BRANCH CHIEF

MACUMBER: So that's a great question and there's, I think, a few different nuances to that. So one, I think that we've got a little bit more time in the valley program beyond --

BOARD MEMBER PACHECO-WERNER: I just spoke to the Executive Officer, they do not.

MSCD EQUITABLE MOBILITY INCENTIVES BRANCH CHIEF

MACUMBER: Okay. Well, thank you for that. That's -- we're going to need to follow up with staff, because I think that's a little bit different information than I have. That said however though, the statewide program, while it won't be fully open, the call center is open. There is information available and so you could refer them to be able to ask questions and get set up. They could start getting set up and getting ready to apply, so that when it opens -- when the program does open up for the districts to be able to access, they can -- they'll be able to do that.

I can't speak to a particularly day. I don't have -- I can check with the team and see we if we have a day slated for when it will open up for those regions, but I believe it's just early January. Our trend so far has been like around the 10th of each month is when each of the new regions have kicked off.

1 BOARD MEMBER PACHECO-WERNER: Yeah. And my  
2 concern with that is that, you know, for me, there is no  
3 wait and see in terms of the local program. They let  
4 staff go, right? And staff that have a lot of expertise.  
5 So when we're talking about funding and when it will come,  
6 if it will come, some of these district programs can't  
7 have people just like wait around. And so we have to  
8 think about the institutional local expertise that's on  
9 the line here, as well. So time is very much of the  
10 essence here.

11 And so there was also -- in the past comments,  
12 there was also a mention about how some of the future  
13 funding allocation has already been spent and that being  
14 part of the issue. Can you please give me a dollar amount  
15 and what that money has been spent on? Thank you.

16 MSCD EQUITABLE MOBILITY INCENTIVES BRANCH CHIEF  
17 MACUMBER: Just for clarification, a dollar amount for?

18 BOARD MEMBER PACHECO-WERNER: There was a  
19 mention -- the Chair mentioned about the future funding  
20 allocation for the future years that that money has  
21 already been spent, is that correct, and I just --

22 CHAIR RANDOLPH: I think you're asking about to  
23 what extent are there fund -- not necessarily -- not  
24 future funds --

25 BOARD MEMBER PACHECO-WERNER: No, funds that were

1 reserved for future years.

2 CHAIR RANDOLPH: Yeah, I mean, funds like '22.  
3 Yes, the encumbered --

4 BOARD MEMBER PACHECO-WERNER: Yes.

5 CHAIR RANDOLPH: -- funds verse not encumbered  
6 funds. I think what we're you're asking --

7 BOARD MEMBER PACHECO-WERNER: Yes.

8 CHAIR RANDOLPH: -- is what's been encumbered and  
9 what has not been encumbered.

10 BOARD MEMBER PACHECO-WERNER: Yeah, if you can  
11 give me an actual dollar amount and what that's been spent  
12 on. Thank you.

13 CHAIR RANDOLPH: Yeah.

14 EXECUTIVE OFFICER CLIFF: So all of -- oh, sorry.  
15 I was just going to say all of the money has been  
16 encumbered. There's no bank at the State of California in  
17 which there's just a pot of money sitting there waiting.  
18 All of that money is under grant agreement or been  
19 allocated to districts.

20 BOARD MEMBER PACHECO-WERNER: Okay. And so what  
21 is it being spent on as we speak?

22 MSCD EQUITABLE MOBILITY INCENTIVES BRANCH CHIEF  
23 MACUMBER: So as we speak, each of the programs are  
24 processing applications and getting dollars out the door  
25 to help consumers get into the vehicles. So they're all

1 being used for their purposes within the projects. And I  
2 think some of the confusion here I think may lie in a lot  
3 of the terminology that we use kind of in the budget  
4 space. So all of the dollars are encumbered. They're  
5 committed under grant. That doesn't mean every dollar has  
6 gone out the door to a consumer yet, right? Some of the  
7 dollars are -- kind of been pending and waiting to go be  
8 fed out for their purpose within each of the programs.

9           The actual dollar amounts for the grants, I don't  
10 have the dollar amounts for each of the grants with me,  
11 but I can tell you what remains for each of them. Within  
12 the -- let's see, within the statewide program what  
13 remains right now is 198 million. Within each of the  
14 districts, there's total of 99 million for those -- the  
15 suite of the entire. Would you like a breakdown for each  
16 of the districts as well?

17           BOARD MEMBER PACHECO-WERNER: No.

18           MSCD EQUITABLE MOBILITY INCENTIVES BRANCH CHIEF  
19 MACUMBER: No. Okay.

20           CHAIR RANDOLPH: Can I just -- can I just note,  
21 you know, it's important to note that when staff moved the  
22 14 million to San Joaquin, they did have to go in and  
23 revise the grant agreement. So that's -- so, you know,  
24 that's staff's point that, you know, those funds are under  
25 agreement. And some of those funds -- and if the

1 agreement were to go away, that would be a problem --

2 BOARD MEMBER PACHECO: Right.

3 CHAIR RANDOLPH: -- because then the funds would  
4 no longer -- would be -- you know, revert back, and we  
5 would have to go through a whole process, and we would not  
6 necessarily get that money back.

7 So I think it's important to recognize that, you  
8 know, this is not -- this is not a simple, oh, we're just  
9 going to move this pot of money over there --

10 BOARD MEMBER PACHECO: Right.

11 CHAIR RANDOLPH: -- but I do think it is worth  
12 taking some time to see if there are options to be clear  
13 kind of around the edges. I mean, like I was saying  
14 before, you know, there is no way we get anywhere near the  
15 proposed allocation for the -- for future funds. That's  
16 not -- that's not a thing. But the question is, you know,  
17 are there some modifications we could make temporarily to  
18 help some of the district programs stay alive.

19 BOARD MEMBER PACHECO-WERNER: Yeah. So I think,  
20 you know, I really want to make sure that it's clear that  
21 I support the Chair's direction, and I also note that for  
22 me, time is really of the essence here in terms of the  
23 institutional expertise that we have at our local levels  
24 already. And I also know some of these nonprofits, and I  
25 know that they're outstanding and -- in what they do. I

1 have not seen them in this space, so I can't speak to this  
2 space. And I know that there's -- you know, they're  
3 outstanding in what they do. And I know that you have  
4 been very intentional in trying to do, as I mentioned  
5 before, being responsive to doing some of that outreach to  
6 populations that have not always been served at the  
7 proportion as we would strive for them to be served.

8 So I commend you in that and I really want to  
9 make sure that we set up everybody to be successful with  
10 the understanding that even though -- you know, I mean, I  
11 acknowledge that, you know, everybody has used the term,  
12 you know, scraps. And for me, in the valley we're  
13 scrappy.

14 (Laughter).

15 BOARD MEMBER PACHECO-WERNER: So it's a lot of  
16 money. For me, when I see that amount, it's a lot of  
17 money and I expect a lot of cars out the door with that  
18 money and not a lot of overhead, because that's what I  
19 expect a scrappy program. Thank you.

20 CHAIR RANDOLPH: Board Member Hurt.

21 BOARD MEMBER HURT: Thank you, Chair and thank  
22 you Dr. Pacheco-Werner for that scrappy comment. I'm  
23 there with you a hundred percent. We need to be lean and  
24 mean and get as much of this money out. You know, if  
25 we're going to achieve our climate goals and really

1 improve public health and the quality of life for  
2 Californian -- Californians all over.

3           And when I think about this program, I think a  
4 lot about making active transportation really a viable and  
5 competitive option for those in need. That we accelerate  
6 the transition of light-, medium- and heavy-duty vehicles  
7 to cleaner alternatives as quickly as possible, and that  
8 we advance incentive equity in the most impacted  
9 communities, and doing our best to eliminate roadblocks,  
10 expedite the availability of clean, convenient, and  
11 equitable transportation for all Californians. And it's  
12 my opinion that this plan is a critical step in advancing  
13 those objectives. And I want to thank the staff for their  
14 on going efforts.

15           It seems every time this has come to the Board,  
16 we've continuously improved the funding strategy. We've  
17 learned from the past experiences. And while it's not  
18 perfection, it sure is going in the right direction. And  
19 so I just want to appreciate the staff and also celebrate  
20 the work that we've done so far. I also want to  
21 appreciate the staff for being responsive to my support  
22 for a needs-based approach. I absolutely think it's more  
23 equitable than a first-come first-serve model. In the Bay  
24 Area, we've already seen the positive impacts of that sort  
25 of shift in communities. I think in line with the Chair's

1 remarks, you know, at the start of this discussion, we  
2 absolutely have to acknowledge that the available funding  
3 is still insufficient to meet all the needs.

4           And so we're allocating these resources wisely,  
5 strategically. And this is challenging, but this plan is  
6 really designed to make the most of the resources we have  
7 to drive us towards our goals.

8           So again, I think this is a celebration, as  
9 someone said earlier, and there's always more work to do.  
10 And I'd say there are also a lot of moving parts and  
11 programs, so I'm going to be looking for in the future,  
12 you know, how you're going to ensure accountability, and  
13 whether what we intend to do is actually happening, just  
14 how we're going to prove out all this work and how monies  
15 are getting or not getting to the folks that need it the  
16 most. I think that's really going to be important to this  
17 discussion of, you know, with each iteration we're  
18 improving the plan. And so, getting that information, and  
19 data, and learning from the past I think is going to be  
20 really essential, to also -- to someone else's point  
21 earlier about building trust and that we really are doing  
22 all that we can.

23           So, I want to thank those who've reached out, the  
24 public, the workshop participants, and again, I want to  
25 thank the staff for their continued work in shaping this



1 plan.

2 And those are my comments. I look forward to  
3 supporting this.

4 CHAIR RANDOLPH: Okay. Thank you.

5 Any other questions or comments?

6 Is there -- is there a motion to approve the  
7 funding plan?

8 BOARD MEMBER BALMES: So moved.

9 BOARD MEMBER DE LA TORRE: So moved.

10 (Off record: 11:47 a.m.)

11 (Thereupon a recess was taken.)

12 (On record: 12:05 p.m.)

13 CHAIR RANDOLPH: Okay we are back on webcast. We  
14 apologize. We had a medical emergency here in the room.  
15 The individual is fine, so the emergency has been  
16 resolved, so we can move forward with the meeting.

17 Dr. Balmes had just made a motion to adopt the  
18 resolution.

19 BOARD MEMBER DE LA TORRE: Madam Chair.

20 CHAIR RANDOLPH: And Board member De La Torre had  
21 raised his hand.

22 BOARD MEMBER DE LA TORRE: Yes. Thank you.

23 So I support the motion, but I wanted to make a  
24 slight tweak based on your comments, Chair. But before I  
25 that, I also wanted to say CVRP is new -- was new car --

1 new car purchase. It started in 2010. It ended '22, '23,  
2 whatever. \$1.2 billion to incentivize EV purchases in the  
3 state of California. Roughly half a million cars, which  
4 stood up the EV market in California. And now as many --  
5 a few people mentioned, we're over 26, 27 percent of new  
6 car sales being EVs. It worked. Then we shut it down.

7 This is for used EVs for low-income impacted  
8 communities. And we should have the same commitment to  
9 these communities -- and Chair you said this, we need to  
10 have the same commitment year after year that we had for  
11 that, here. And so, in that vein, I want to offer An  
12 amendment -- a slight amendment to the third paragraph  
13 down on page five of the resolution, where we delegate  
14 authority to the Executive Officer. I read earlier what  
15 some of those components here about drafting, negotiating,  
16 amending, making updates and modifications in the approved  
17 FY 24-25 funding plan consistent with Board direction, et  
18 cetera, et cetera. And that wherever the right place is  
19 for the funding plan -- I don't know if it's up in the  
20 first part of that paragraph or down below, that there be  
21 a review of funds allocation for Clean Cars 4 All and  
22 DCAP, and that that allocation must be approved by the  
23 Chair.

24 CHAIR RANDOLPH: Can you -- sorry. Can you  
25 repeat that one more time?

1 BOARD MEMBER DE LA TORRE: That there be a review  
2 of the funding allocation for Clean Cars 4 All and DCAP  
3 and that that allocation must be approved by you, Chair.

4 CHAIR RANDOLPH: Okay. I think that's fine. I  
5 think I will slightly amend that. I don't know -- I don't  
6 want to add language, but I just want to state two values  
7 that I will be considering as part of that review, which  
8 is that we are not putting any funds at risk, and that we  
9 are not jeopardizing the implementation of DCAP, and that  
10 we are balancing -- or recognizing the balance that we are  
11 trying to achieve with the -- with the district programs,  
12 with our sort of limited -- very, very limited, very  
13 limited funds.

14 Okay. We have a motion and a second.

15 Clerk, would you please call --

16 BOARD MEMBER GUERRA: Madam Chair, can I -- can I  
17 have a question on your value statement there on that  
18 point?

19 And -- in -- because I would have preferred to  
20 have a solid number. And I get that -- trying to do a  
21 number on the fly here could be problematic, but -- so  
22 how -- in your process moving forward to get to that  
23 number, because every district has a different  
24 fluctuation, what will be the mechanism to -- say, you  
25 know, we get a lot of popularity in March in one district,

1 and it moves faster, but you've already approved the  
2 allocation -- I mean, I guess that's my worry about not  
3 trying to set a number where the districts can plan  
4 appropriately.

5 CHAIR RANDOLPH: Well, so this is -- this is the  
6 point I was making at the beginning, right, which is that  
7 you have programs that need to move forward. You have  
8 administrators that have funds and they need to implement  
9 those programs, so you cannot preserve optionality  
10 forever.

11 BOARD MEMBER GUERRA: Okay.

12 CHAIR RANDOLPH: And so what I would like to do  
13 is work with staff to see what, if any, optionality we  
14 have, and see if there are solutions that might assist in  
15 trying to balance all these things, but I, you know,  
16 cannot guarantee an amount at this point.

17 BOARD MEMBER GUERRA: Sure.

18 CHAIR RANDOLPH: What I can commit to is working  
19 closely with staff and reporting back to the Board. And  
20 as I mentioned, you know, if there's a need to bring this  
21 item back, that is always an option.

22 BOARD MEMBER GUERRA: Very good. Very good.

23 Well, thank you and I appreciate that. And I  
24 won't belabor the point, but I just -- this is one of  
25 those where no good deed goes unpunished. You know, I

1 think I feel for our -- the district staff here locally,  
2 who have tried not to create any false expectations and  
3 push to limits to make sure that we get every maximum  
4 amount applying. I know that with resources and staff, we  
5 could have, you know, gotten even more. But I appreciate  
6 you. I trust your judgment and your ability to understand  
7 these balances and I'll support the motion and second the  
8 motion, if it has not been seconded.

9 CHAIR RANDOLPH: I think we do have a motion by  
10 Dr. Balmes, second by De La Torre with the modifications.

11 Clerk would you please call the roll.

12 BOARD CLERK MOORE: Dr. Balmes?

13 BOARD MEMBER BALMES: Yes.

14 BOARD CLERK MOORE: Mr. De La Torre?

15 BOARD MEMBER DE LA TORRE: Yes.

16 BOARD CLERK MOORE: Senator Florez?

17 Mr. Guerra?

18 BOARD MEMBER GUERRA: Guerra, aye.

19 BOARD CLERK MOORE: Mr. Hurt?

20 BOARD MEMBER HURT: Aye.

21 BOARD CLERK MOORE: Mr. Kracov?

22 BOARD MEMBER KRACOV: Yes.

23 BOARD CLERK MOORE: Dr. Pacheco-Werner?

24 BOARD MEMBER PACHECO-WERNER: Yes.

25 BOARD CLERK MOORE: Mr. Rechtschaffen?

1 BOARD MEMBER RECHTSCHAFFEN: Yes.

2 BOARD CLERK MOORE: Dr. Shaheen?

3 BOARD MEMBER SHAHEEN: Aye.

4 BOARD CLERK MOORE: Ms. Takvorian?

5 BOARD MEMBER TAKVORIAN: Yes.

6 BOARD CLERK MOORE: Chair Randolph?

7 CHAIR RANDOLPH: Yes.

8 BOARD CLERK MOORE: The motion passes

9 CHAIR RANDOLPH: Okay. We will -- we are now  
10 moving on to open comment -- open public comment. We will  
11 provide the opportunity for those who wish to provide a  
12 comment regarding an item of interest within the  
13 jurisdiction of the Board that is not on the agenda.

14 The clerk will call on those who have submitted a  
15 request to speak card. And if you are joining us remotely  
16 and wish to comment, please click the raise hand button,  
17 or dial star nine now.

18 Clerk, would please call commenters.

19 BOARD CLERK MOORE: We currently have no open  
20 comment -- commenters.

21 CHAIR RANDOLPH: Okay. I -- before we take a  
22 break for our closed session, I just wanted to take a  
23 moment to acknowledge Annette Hébert, who is retiring from  
24 the California Air Resources Board. And we are all just  
25 deeply, deeply appreciative of her amazing service to the

1 people of the state of California, the work she has done  
2 on our enforcement cases, including the most -- you know,  
3 the most famous one, the Volkswagen cases, and many, many,  
4 many other enforcement actions, the work she has done to  
5 ensure strong regulatory frameworks, the work she has done  
6 to ensure a strong certification system, the work she did  
7 to build and implement the most amazing Southern  
8 California headquarters, the incredible capacity of that  
9 lab to do incredible work, her leadership in building  
10 community partnerships as part of that process, her  
11 unfailing sense of humor, and calmness in the most crazy  
12 situations. And I just can't express my thanks enough for  
13 what you have provided to the State of California. So  
14 thank you.

15 (Applause).

16 (Standing applause).

17 CHAIR RANDOLPH: We are all going to miss you so,  
18 so much.

19 DEPUTY EXECUTIVE OFFICER HÉBERT: Likewise.

20 CHAIR RANDOLPH: Yeah. Okay. The Board will now  
21 break for closed session as authorized by Government Code  
22 sections 11126(a)(1) and 11126(e) to conduct our second  
23 annual Executive Officer performance review and discuss  
24 with counsel pending litigation. We will adjourn the  
25 meeting after the closed session.

1 Thank you, everyone.

2 (Off record: 12:15 p.m.)

3 (Thereupon the meeting recessed  
4 into closed session.)

5 (Thereupon the meeting reconvened  
6 open session.)

7 (On record: 1:26 p.m.)

8 CHAIR RANDOLPH: All right. The Board has  
9 emerged from closed session. No action was taken.

10 This meeting of the California Air Resources  
11 Board is now adjourned.

12 (Thereupon the California Air Resources Board  
13 meeting adjourned at 1:26 p.m.)

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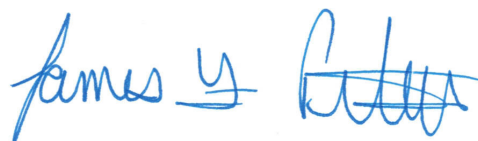
CERTIFICATE OF REPORTER

I, JAMES F. PETERS, a Certified Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing California Air Resources Board meeting was reported in shorthand by me, James F. Peters, a Certified Shorthand Reporter of the State of California, and was thereafter transcribed, under my direction, by computer-assisted transcription;

I further certify that I am not of counsel or attorney for any of the parties to said meeting nor in any way interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 5th day of December, 2024.



JAMES F. PETERS, CSR  
Certified Shorthand Reporter  
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