

# California Air Resources Board

## Notice of Public Meeting to Consider Approval of the Proposed Fiscal Year 2024-25 Funding Plan for Clean Transportation Incentives

The California Air Resources Board (CARB or Board) will conduct a public meeting at the date and time noted below to consider approval of the Fiscal Year (FY) 2024-25 Proposed Funding Plan for Clean Transportation Incentives (Funding Plan).

Date: November 21, 2024

Time: 9:00 A.M.

In-Person Location:

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

Remote Option:

Zoom

This public meeting may continue at 9:00 a.m., on November 22, 2024. Please consult the public agenda, which will be posted ten days before the November 21, 2024, Board Meeting, for important details, including the day on which this item will be considered and how the public can participate via Zoom if they choose to be remote.

### Background

To achieve California's numerous air quality, climate change, and zero-emission vehicle (ZEV) deployment goals, CARB has adopted an aggressive, multipronged strategy that uses incentives to complement regulatory approaches. Annually, the State appropriates funding to a portfolio of incentive programs, and each program plays a unique role to improve air quality, enhance community protection, and reduce greenhouse gas emissions. Further, CARB allocates this funding to incentive projects that are designed to support the transition to a low carbon economy across multiple sectors, including investments in the transportation sector administered in accordance with the Funding Plan for Clean Transportation Incentives (Funding Plan).

The Funding Plan is an annual, detailed guide that explains how Clean Transportation Incentive funds will be spent. Developed annually, the Funding Plan has traditionally incentivized multiple technologies at different points on their commercialization arcs. The incentive funds have helped to continue successful deployments of the cleanest available technologies, reduce production costs, promote consumer acceptance, and accelerate technology transfer to other sectors. These projects are designed to achieve immediate emission reductions and support the equitable transformation of California's vehicle and

equipment fleet to zero-emissions where feasible and as clean as possible where zero-emissions are not yet feasible. In designing these investments, CARB strives to maximize benefits for disadvantaged communities, low-income communities, and low-income households (priority populations).

This year, the Funding Plan allocates nearly \$35 million for the Air Quality Improvement Program (AQIP) appropriated to CARB in budget bills passed by the Legislature and signed by the Governor. Created in 2007 by Assembly Bill (AB) 118 (Nunez, Stats. 2007, ch. 750), AQIP has been reauthorized (AB 8, Perea, Stats. 2013, ch. 401) or extended (AB 126, Reyes, Stats. 2023, ch. 319) twice over the years. AB 126 specifies AQIP's purpose is to fund zero-emission technology and certain heavy-duty projects and provide benefits in nonattainment air basins, with a priority for projects in extreme nonattainment areas.

## **Proposed FY 2024-25 Funding Plan for Clean Transportation Incentives**

The Funding Plan describes CARB's policy drivers and vision for mobile source investments, project funding allocations, proposed revisions to project criteria, and other implementation details, as well as justification for these investments. CARB staff's proposal continues to focus incentives on accelerating the development and deployment of the cleanest feasible mobile source technologies and improving equitable access to clean transportation. Since their inception, these investments have supported the emission reduction goals identified in the Climate Change Scoping Plan, State Implementation Plans, California Sustainable Freight Action Plan, and the goals of Sustainable Communities consistent with SB 375 (Steinberg, Stats. 2008, ch. 728). General project categories within the Funding Plan are designed to support the State's public health, air quality, and climate change goals, as well as the transformation of California's vehicle and equipment fleet to one that is zero emitting where feasible, as emphasized in Governor Newsom's Executive Order N-79-20. And, as called for in the Governor's Executive Order N-16-22, the Funding Plan also incorporates equity into the incentive projects as well as in engagement with disadvantaged California communities, including California Native American Tribes (Tribes), that have been historically underserved. In designing these investments, CARB strives to maximize the benefits for priority populations. These investments include targeted support to the communities most impacted by poor air quality and climate change.

In most cases, these projects continue to build on investments from previous budget cycles that were envisioned as multi-year investments, while continuing to shift from broad purchase incentives to more targeted strategies that support lower-income consumers and small businesses facing the greatest barriers to clean transportation. CARB staff's Proposed FY 2024-25 Funding Plan (Proposed Funding Plan) continues to accelerate support for Innovative Small e-Fleets (ISEF), Clean Off-Road Equipment (CORE), and Zero-Emission Truck Loans. Staff developed the proposed project allocations through a public process, considering legislative direction and feedback from interested parties and priority communities, evaluating anticipated demand and technology readiness, and reviewing the long-term planning elements of previous- funding plans.

The investments included in the Proposed Funding Plan fall into the following categories:

- \$34.94 million designated for AQIP,
  - \$14.97 million for ISEF,

- \$14.97 million for CORE,
- \$5 million for Zero-Emission Truck Loans.

The full details on the proposed recommendations for these investments will be included in the Proposed Funding Plan to be released for public comment on October 11, 2024.

## Proposed Action

CARB staff will present the Proposed Funding Plan to the Board for their consideration of approval at the Board Meeting. Copies of the Proposed Funding Plan may be obtained from CARB's [Low Carbon Transportation Incentives and Air Quality Improvement Program](https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-incentives-and-air-quality-improvement-program) website at <https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-incentives-and-air-quality-improvement-program>, beginning on October 11, 2024. Please contact Chris Hopkins, Regulations Coordinator, at [Chris.Hopkins@arb.ca.gov](mailto:Chris.Hopkins@arb.ca.gov) or (279) 208-7347 if you need physical copies of the document.

Interested members of the public may present comments orally or in writing during the meeting and may provide comments by postal mail or by electronic submittal before the meeting. To be considered by the Board, written comments not submitted during the meeting, must be received **no later than Tuesday, November 12, 2024**, and addressed to the following:

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

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

Please note that under the California Public Records Act (Government Code section 7920.000 et seq.), your written and oral comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the public record and can be released to the public upon request.

Further inquiries regarding this matter should be directed to Stephanie Parent, Staff Air Pollution Specialist, at [Stephanie.Parent@arb.ca.gov](mailto:Stephanie.Parent@arb.ca.gov) or (279) 842-9565 or to Lisa Macumber, Branch Chief, at [Lisa.Macumber@arb.ca.gov](mailto:Lisa.Macumber@arb.ca.gov) or (279) 208-7860.

## Special Accommodation Request

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

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

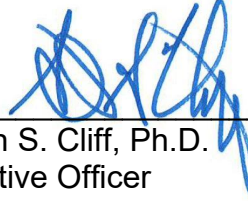
To request these special accommodations or language needs, please contact the Clerks' Office at [cotb@arb.ca.gov](mailto:cotb@arb.ca.gov) or (916) 322-5594 as soon as possible, but no later than ten business days before the scheduled Board hearing. TTY/TDD/Speech to Speech users may dial 711 for the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

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

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

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

California Air Resources Board



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Steven S. Cliff, Ph.D.  
Executive Officer

Date: October 11, 2024

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