

Prop 1B/Goods Movement Update (email to listserve on March 5, 2009)

The Air Resources Board (ARB or Board) staff has revised the timeline for implementing the Prop. 1B Goods Movement Emission Reduction Program. We have rescheduled Board consideration of updates to the program guidelines from March to May 2009.

The State budgets for fiscal years 2007-08, 2008-09, and 2009-10 each appropriated installments of \$250 million to ARB for this program, providing a total of \$750 million. As previously described, ARB must obtain the cash to implement this program via a loan from the Pooled Money Investment Board (PMIB), which makes the decisions about how and when to raise funds for all of the State's bond programs.

ARB's initial loan request is pending with the PMIB and covers the 1st round of funding awarded to local agencies last year. PMIB had postponed its consideration of loan requests due to the budget crisis. With a budget plan in place, PMIB is evaluating how fast, and to what extent, it can restore the flow of bond money. The local agencies cannot move forward to sign contracts and pay out monies for cleaner equipment until ARB has access to the necessary funds.

As we work through the PMIB process to access funding, staff is continuing to develop updates to the program guidelines. The updates will include changes since the November 2008 workshops to support alignment of truck incentives under the Prop. 1B, Carl Moyer, and AB 118 Air Quality Improvement programs. Once the Board adopts the Prop. 1B guidelines, staff will begin the public process to award the 2nd and 3rd installments (combined) of funding later this year.

Tentative Milestones:

March 26, 2009: Board hears informational update on truck incentives (funding status, alignment of programs within ARB and with air districts, Moyer vouchers, etc.)

Late April 2009: ARB staff releases proposed Prop 1B/goods movement guidelines and staff report

May 28-29, 2009: Board holds hearing to consider adoption of updated Prop 1B goods movement guidelines; Board also hears informational update on comprehensive truck outreach program

June 2009: ARB staff releases Prop 1B/goods movement "Notice of Funding Availability" to request local agency applications for 2nd and 3rd installments of funding

Fall 2009: Board awards roughly \$475 million in combined 2nd and 3rd installments of Prop 1B/goods movement funds to local agencies (conditioned on ARB getting PMIB loans to support this bond program)

When meeting notices and documents are available, they will be posted on our Program website at: <http://www.arb.ca.gov/gmbond>. If you have questions, please contact us at (916) 44-GOODS or gmbond@arb.ca.gov.