



Air Resources Board



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To: All Interested Parties

Subject: LOWER-EMISSION SCHOOL BUS PROGRAM ADVISORY 08-007
PROPOSITION 1B SCHOOL BUS PROGRAM FUNDING (Last Update
December 22, 2008)

This Policy Advisory is to inform the air districts, local school district, and new school bus and diesel particulate filter vendors that the Air Resources Board has been instructed to freeze all new disbursements of Proposition 1B funds that support the Lower-Emission School Bus Program and to grant a suspension of pending deadlines for the program.

Background

Due to the delay in enacting solutions to the current fiscal year budget crisis, the State Treasurer's Office has been unable to access the bond market to generate funds for General Obligation bond programs such as the Lower-Emission School Bus Program. As a result, until there is a resolution to the budget, and a restoration of the State's ability to access the bond market, all State agencies and departments have been instructed to cease entering into new grants or agreements that commit the expenditure of General Obligation bond funds and freeze disbursements on existing grants.

Program Implementation

Additional disbursements of Program funds will not be issued until such time as the State Treasurer's Office has access to the bond market and therefore Program staff have the ability to reestablish the Program disbursement process.

Lower-Emission School Bus Program staff will be extending the February 1, 2009, deadline for executed contracts and school bus ordering for pre-1977 school bus replacement, as well as, other Program milestones as needed to accommodate the disruption in the disbursement process. **At this time all implementation deadlines currently outlined in the 2008 Lower-Emission School Bus Program guidelines are on hold until further notice.** Additional information on modifications to the Lower-Emission School Bus Program milestones will be forthcoming, if needed.

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 our website: <http://www.arb.ca.gov>.

California Environmental Protection Agency

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If you have any questions regarding this advisory, please contact Mr. Earl Landberg, Air Pollution Specialist, at elandber@arb.ca.gov or (916) 323-1384.

Sincerely,

/s/

Robert H. Cross, Chief
Mobile Source Control Division

cc: Earl Landberg