CALIFORNIA AIR RESOURCES BOARD

NOTICE OF PUBLIC MEETING TO CONSIDER PROPOSED ASSEMBLY BILL (AB) 118 AIR QUALITY IMPROVEMENT PROGRAM CLEAN VEHICLE REBATE PROJECT WAITING LIST EXPANSION

The Air Resources Board (ARB or Board) will conduct a public meeting at the time and place noted below to consider expanding the Clean Vehicle Rebate Project waiting list.

DATE: April 24 & 25, 2014

TIME: 9:00 a.m.

PLACE: California Environmental Protection Agency
Air Resources Board
Byron Sher Auditorium
1001 I Street
Sacramento, California 95814

This item will be considered at a two-day meeting of the Board, which will commence at 9:00 a.m., April 24, 2014, and may continue at 8:30 a.m. on April 25, 2014. This item may not be considered until April 25, 2014. Please consult the agenda for the meeting, which will be available at least 10 days before April 24, 2014, to determine the day on which this item will be considered.

Background:

The Air Quality Improvement Program (AQIP), administered by ARB, is a voluntary incentive program created under the California Alternative and Renewable Fuel, Vehicle Technology, Clean Air, and Carbon Reduction Act of 2007 (AB 118; Nuñez, Chapter 720, Statutes of 2007). Through AQIP, ARB invests in clean light- and heavy-duty vehicle and equipment projects that reduce criteria pollutant and air toxic emissions, often with concurrent climate change benefits. Staff prepares funding allocations and policy updates and presents them to the Board annually in the Proposed AB 118 AQIP Funding Plan (Funding Plan). The fiscal year (FY) 2013-14 Funding Plan was approved by the Board on July 25, 2013 and amended on September 26, 2013. Staff intends to propose the FY 2014-15 Funding Plan to the Board at its June 2014 meeting.

Clean Vehicle Rebate Project:

The Clean Vehicle Rebate Project (CVRP) is one of several projects identified for funding in the FY 2013-14 Funding Plan. CVRP is designed to promote the purchase and use of zero-emission vehicles (ZEV), including electric, plug-in hybrid electric, and fuel cell vehicles. Rebates of up to $2,500 per light-duty vehicle are available for individuals, nonprofits, government entities and business owners who purchase or lease

a new eligible zero-emission or plug-in hybrid electric vehicles. As of January 2014, CVRP has provided approximately $100 million in rebates for approximately 49,000 vehicles in California, resulting in the reduction of about 400 tons of nitrogen oxides and 490,000 metric tons of carbon dioxide equivalents.

The FY 2013-14 Funding Plan allocated a total of $59.55 million to CVRP from multiple sources: 1) $10 million allocation from AQIP, 2) $5 million approved by the Energy Commission, 3) $20 million appropriated by Senate Bill 359, and 4) $24.55 million transferred to the Air Quality Improvement Fund by Assembly Bill 101 and allocated by the Board in September 2013.

Despite this significant investment, rebate demand has outstripped available funding. In FY 2013-14, CVRP experienced a rapid rise in rebate demand after manufacturers announced vehicle price reductions, with over 160 percent increase in rebate reservations in 2013 compared to 2012. In December 2013, a new record was set, with over 3,700 rebates reserved. Because of this increased demand, ARB staff is projecting a potential funding shortfall of about $30 million for the current fiscal year.

The Board approved FY 2013-14 Funding Plan allows for creation of a FY 2013-14 waiting list of up to $5 million to be funded from FY 2014-15 funding for CVRP to bridge any short-term funding gap and ensure program continuity. The waiting list has been opened; however, based on current expenditures, staff anticipates exhausting the $5 million waiting list funding for FY 2013-14 by the end of April 2014. Therefore, staff recommends expanding the waiting list for FY 2013-14 by $25 million, supported by future funding anticipated as part of the FY 2014-15 State Budget, which is expected to fully meet rebate demand through the end of June 2014. Staff recommends that CVRP applicants approved for the waiting list be subject to existing Board approved eligibility criteria and funding amounts.

SUBMITTAL OF COMMENTS

ARB staff will present the *Proposed AB 118 Air Quality Improvement Program Clean Vehicle Rebate Project Waiting List Expansion* at the meeting. Interested members of the public may present comments orally or in writing at 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 physically submitted at the meeting must be received **no later than 5:00 p.m. on April 21, 2014,** and addressed to the following:

Postal mail: Clerk of the Board, Air Resources Board
1001 I Street, Sacramento, California 95814

Electronic submittal: http://www.arb.ca.gov/lispub/comm/bclist.php

Please note that under the California Public Records Act (Government Code section 6250 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.

ARB requests that written and email statements on this item be filed at least 10 days prior to the meeting so that ARB staff and Board members have additional time to consider each comment. Further inquiries regarding this matter should be directed to Ms. Lisa Macumber, Air Pollution Specialist, at (916) 323-2881, or Ms. Graciela Garcia, Air Pollution Specialist, at (916) 323-2781.

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 meeting;
- Documents made available in an alternate format or another language;
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerk of the Board at (916) 322-5594 or by facsimile at (916) 322-3928 as soon as possible, but no later than 10 business days before the scheduled Board meeting. 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;
- 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 (916) 322-5594 o envié un fax a (916) 322-3928 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

Date: April 4, 2014

Richard W. Corey
Executive Officer