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August 10, 2023  
California Air Resources Board (CARB)  
Clean Transportation Incentives Division  
1001 I Street  
Sacramento, CA 95814

Re: Charge Ahead California Comments on the Fiscal Year 2023-2024 Funding Plan for Clean Transportation Incentives

Thank you for the opportunity to provide comments on the proposed Fiscal Year (FY) 2023-2024 Funding Plan for Clean Transportation Incentives development process. We appreciate CARB's continued commitment to prioritize investments in priority populations, and CARB staff have continued to emphasize this as a priority in work groups and community meetings. As low-income communities of color continue to bear the brunt of poverty and pollution, we ask CARB to build upon last year's 70 percent of funding to priority populations and treat this number as a floor.

We appreciate that CARB has incorporated feedback from stakeholders and is implementing a timeline that begins closer to the finalization of the State Budget process that allows for more concrete discussions around what funding for these programs might look like.

#### **I. Moving to need-based programs**

We again ask CARB to transition vehicle incentive and mobility programs to a need-based approach. Our research has demonstrated that harder to reach communities – low-income households in Disadvantaged Communities (DACs), as well as tribal nations – have limited participation in these programs. We recommend that CARB develop a more intentional and targeted need-based approach that goes beyond what is being currently proposed for Clean Vehicle Assistance Program (CVAP). We ask that CARB develop a phased approach where,

initially, the administrator only accepts and processes applications for the lowest income applicants within DACs until outreach efforts have been exhausted for these communities. Once this is complete, they can move to open the program to more applicants. In the alternative, CARB should explore the development of set-asides or other objective approaches that prioritize those households and communities with limited participation and those most in need.

We appreciate that the electric bike incentive program was developed with a hybrid need-based approach, and we ask that CARB commit to transitioning its other incentive programs to need-based. We like that this program's eligibility requirement is available to those earning up to 300 percent of the Federal Poverty Limit and provides an increased incentive amount for low-income applicants and applicants in DACs. We appreciate that staff chose regions for the soft launch that have historically received less funding. The criteria developed for the soft launch can also be guiding criteria for other vehicle incentive programs.

## **II. More robust community outreach and engagement**

We appreciate CARB staff for the work they have done to expand community engagement and acknowledge the effort to provide a space for community members to engage in the process. At the July 18th community meeting, we heard about many of CARB's efforts to reach communities and are particularly optimistic of the geographic representatives who will work closely with communities and develop relationships with CBOs.

Including monthly community meetings and a survey as avenues for engagement in the Funding Plan development process is a step in the right direction, and we recognize CARB staff for making these changes. However, in order to make these meetings most accessible for participants, we would like to see them structured differently. The first two community meetings provided a structure similar to work groups, in which CARB staff presented on programs then asked for questions and comments on the presentation. We would like to see shorter, more high-level presentations paired with a discussion portion that has more open-ended questions that seek to get to the root of what community members care about. These community meetings are a great opportunity for staff to zoom out from the specifics of program implementation and gain insight into community priorities, which staff can use to inform the Funding Plan development and programmatic changes.

Effective meetings will limit jargon, use accessible language, and make clear to attendees how these programs impact their lives. Additionally, we request that CARB more clearly explain what aspects of the Funding Plan or program guideline changes are adjusted through the Funding Plan development process, particularly for those who are new to engaging in the process. These community meetings intend to solicit feedback from community members who do not typically engage in work groups, but without a deep prior understanding of each program and the types of changes CARB makes in response to public comment, those who are less familiar with the process may not be able to provide the most constructive feedback. A question asking how CARB can better engage communities and meet their needs is difficult to answer without knowledge of how CARB currently operates in these areas.

Staff should also provide explanations of how public input will be incorporated into the process or draft and identify within the Funding Plan whether a decision or change was made due to community/stakeholder input.

We also encourage staff to conduct intentional outreach to the communities they are aiming to reach, including setting goals to connect with a diverse set of environmental justice (EJ) groups. We recommend that CARB staff be proactive by emailing the presentations and any other materials to those who have previously registered for the community meetings. We encourage CARB to leverage the Access Clean California Outreach Partner Network, Assembly Bill (AB) 617 Community Steering Committee members, and other groups that have established partnerships with CBOs. CARB should also provide room for open-ended discussions to hear about community priorities. In addition to holding meetings for EJ groups, CARB should show up to meetings hosted by these groups.

In recent meetings, staff have asked participants how CARB can better reach, serve, and prioritize communities. We appreciate that CARB is soliciting this feedback, however we have not yet heard how CARB is adjusting their outreach process based on this feedback. We would like CARB to provide an update on how they plan to outreach to and direct program investments to communities they have identified as hard to reach or that have historically received less funding.

### **III. Procedural Equity**

We would like CARB to develop a plan for how they will ensure that applications for all programs are processed at a faster rate. We recognize that CARB themselves do not administer many of these programs, however CARB does have the responsibility to oversee these processes and encourage administrators to operate within a reasonable timeline. We heard from community members that wait times for approval and participation are taking longer than expected, with one member waiting almost a year.

We would like to see more of CARB's written materials distributed in Spanish. More than a quarter of Californians report speaking Spanish at home, so outreach efforts and work group materials should be bilingual. At this time, some of the public meetings provide a separate audio channel for Spanish speakers. This should be standard practice for all public meetings held by CARB. To best determine what translation services are needed, we encourage CARB to include a question in each of their registration forms asking if the individual needs materials in another language and/or needs interpretation so they can better meet their needs.

We continue our request that CARB post their agenda, presentations and any other materials at least 10 days before meetings to allow time for stakeholders to review and be prepared. This is standard practice at agencies like the California Energy Commission and California Public Utilities Commission and so we ask CARB to follow the same procedures.

### **IV. Direction on allocation of Light Duty Investments**

In the Budget Act of 2023, the Legislature and Governor provided a total of \$80 million towards “a suite of statewide equity transportation programs under the Charge Ahead California Initiative, including, but not limited to, the Clean Cars 4 All Program” and gave CARB the authority to determine allocation for these funds. Additionally, \$60 million “shall be used for sustainable community-based transportation equity projects established under the Charge Ahead California Initiative, which increase access to zero-emission mobility in low-income communities, reducing vehicle miles traveled and air pollution.” We want CARB to prioritize funding for programs that have received minimal funding or have not been funded in recent years to see these move forward.

a. Clean Cars 4 All

While the language is unclear whether these statewide funds can be allocated to regional CC4A administrators, it is reasonable to interpret that the regionally administered programs are part of a statewide program. We would like to see funding allocated to regionally administered CC4A so that these programs, which have established connections to community organizations and cover 85 percent of DACs, can continue to operate without interruption due to funding.

b. Clean Vehicle Assistance Program

This is a moment of transition to a new administrator for CVAP. We have heard from the previous administrator that lack of continuity of funding was a significant challenge and that long waitlists led to consumers buying non-electric cars because they had an urgent need for a new vehicle. We recommend that CARB allocate enough funds to CVAP to ensure that the program can operate without gaps.

c. Zero Emission Assurance Program

We ask CARB to provide an update on this program and the intended equity outcomes. The most recent update on this program was that it would be piloted through CHDC's Finance Assistance Program. We would like the update to include an overview of intended equity outcomes, fundings, lessons learned and how the program will fit into the new program administration.

d. Clean Mobility Options, Clean Mobility in Schools, and Sustainable Transportation Equity Project

While we agree that these programs need a simpler application process, we are concerned that combining the funding into one category risks each program competing against each other for funds. Considering that CMO, CMIS, and STEP have all been underfunded and oversubscribed and each serve unique goals, we have concerns about combining the selection process without first determining funding allocations. We encourage CARB to make these decisions before finalizing the RFA process to best guide applicants and be clear on what amount of funding is available.

e. California E-Bike Incentive Project

We support the proposal of \$20 million allocated to this project, and we're eager to see the project launched successfully.

f. Zero Emission Motorcycles

We support establishment of a voucher that enables low and moderate income Californians to buy down the cost of a zero-emission motorcycle. Such a voucher would help to provide equitable clean mobility and reduce harmful emissions.

g. Program Updates

With much of the information about programs being moved out of the Funding Plan document and onto the CARB website, the new platform is a great opportunity for CARB to provide more frequent updates and report more data for each of their programs. As part of CARB's continued efforts, we urge CARB to more clearly and frequently provide updates for each individual program on equity metrics, including what percent of total funds are invested in DACs, and how many incentives are distributed to priority populations.

## **V. Medium and Heavy Duty Investments**

The Budget Act provided \$80 million for zero-emission drayage trucks through the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project. This limited amount of funding for Medium and Heavy Duty is not nearly enough to reach targets set by Advanced Clean Fleets, Advanced Clean Trucks, and Governor Gavin Newsom's Executive Order N-79-20 to get 100 percent of Medium and Heavy Duty vehicles in California to zero-emission by 2045 and by 2035 for drayage trucks. Given the incredibly limited funding, we agree with the direction from AB 102 (Ting) that these funds should prioritize smaller fleets and benefit DACs and small businesses. Compared to large fleets, small fleets encounter greater challenges while transitioning their trucks to zero emissions. They have less access to capital to purchase zero emission trucks and cover high upfront costs, less staff capacity and technical resources specialized to apply for grants, and fewer resources and vehicles to spare if they encounter technological issues. Disadvantaged Communities suffer disproportionate impacts from drayage truck pollution, so funds should be targeted to benefit residents of those areas.

The 2023 Budget Act provided \$28.64 million in Air Quality Improvement Program funds (AQIP). We recommend that CARB direct these AQIP funds to Innovative Small e-Fleets (ISEF), making sure to assist or cover applicants' vehicle insurance fees, and to CORE. ISEF offers wraparound services that meet the multiple needs of small fleets like all-inclusive leases, peer-to-peer truck sharing, truck-as-a-service, assistance with infrastructure, and individual owner planning assistance.

At this time the California Department of Insurance (CDI) is unclear on how affordable existing insurance for zero emission trucks is, and they are in the process of passing the AB 844 bill to

collect data and make this information transparent. In the meantime, CARB should aim to continue to support small fleets with affording insurance as to speed deployment of zero emission technology. Additionally, CORE funds, which help to reduce toxic off-road emissions that damage the health of sensitive populations, should be targeted to benefit DACs.

## **VI. Develop a Plan for Equity Programs**

As CVRP, a program which received over \$1 billion in funding, is set to sunset by the end of this year, we would like to see an equivalent additional investment into the equity programs. CVRP received \$100-200 million in funding per year. If the same amount of funding is committed to CARB to distribute through equity programs, we could see significant improvements in air quality and mobility for our communities. We urge CARB to develop a comprehensive proposal for how they plan to bolster equity programs that support community-led projects. We also continue to request a transition plan for the sunset of CVRP and how to maintain the funding that CVRP received, but for vehicle incentive equity programs. With a solid plan in place, CARB will provide us and other advocates with a helpful advocacy tool in conversations with the legislature.

We appreciate CARB staff's continued engagement and consideration of our comments and feedback throughout this process. We further acknowledge and appreciate CARB staff reaching out to meet with Charge Ahead representatives. We look forward to continued work with CARB in the implementation of this Funding Plan, should it be adopted.

Bill Magavern  
Policy Director  
Coalition for Clean Air

Max Baumhefner  
Senior Attorney, Climate & Clean Energy  
Natural Resources Defense Council

Bahram Fazeli  
Director of Research and Policy  
Communities for a Better Environment

Laura Deehan  
State Director  
Environment California Research and Policy  
Center

Román Partida-López  
Senior Legal Counsel for Transportation  
Equity  
The Greenlining Institute