



Enhanced Fleet Modernization Program

Air Resources Board

April 21, 2016

Background

- Voluntary vehicle retirement and replacement program administered jointly by ARB and BAR
- Funded by \$1 surcharge on motor vehicle registration
- Total budget exceeds \$30 million annually through 2023
- Recent amendments guided by SB 459
 - Focus on lower-income motorists and disadvantaged communities
 - Increase community outreach and require consumer protections

EFMP Retirement-only

(ARB and BAR Implementation)

- Administered by BAR in conjunction with the Consumer Assistance Program – one application for both programs
- Current \$37 million budget represents over 90% of annual funds expended
- More than 150,000 cars retired since 2010
- Guideline amendments effective July 1, 2015
 - Limited to low-income consumers (<225% FPL)
 - Requires successful completion (pass or fail) of smog check test

EFMP Pilot Retire and Replace (ARB and District Implementation)

- Implemented in the South Coast and San Joaquin Valley air districts
- \$2.8 million annually (~10% of total funds)
- Additional 'Plus-Up' funding for residents in disadvantaged communities to purchase new or used advanced technology vehicles
 - \$2 million in FY 14-15
 - \$10 million in FY 15-16
- Total incentives ranging from \$5,000 to \$9,500 depending on income and replacement vehicle

Pilot Retire and Replace Incentive Levels

Stacking of EFMP and EFMP Plus-Up¹ Incentives

Income Eligibility	Program	8 year old+ Meeting min. MPG ³ (Combined)	35+ MPG (Combined)	Plug-In Hybrid and Zero-Emission Vehicle ⁴	Alternative Transportation Mobility Options
Low Income <225% Federal Poverty Level	EFMP	\$4,000	\$4,500	\$4,500	\$4,500 Face Value
	EFMP Plus-Up ²	\$2,500	\$2,500	\$5,000	Not Available
	Total	\$6,500	\$7,000	\$9,500	\$4,500
Moderate Income <300% Federal Poverty Level	EFMP	Not Available	\$3,500	\$3,500	\$3,500 Face Value
	EFMP Plus-Up ²	Not Available	\$1,500	\$4,000	Not Available
	Total	Not Available	\$5,000	\$7,500	\$3,500
Above Moderate Income <400% Federal Poverty Level	EFMP	Not Available	Not Available	\$2,500	\$2,500 Face Value
	EFMP Plus-Up ²	Not Available	Not Available	\$3,000	Not Available
	Total	Not Available	Not Available	\$5,500	\$2,500

¹ EFMP Plus-Up must be targeted to benefit disadvantaged communities

² Advanced technology vehicles eligible for EFMP Plus-Up include: conventional hybrid, plug-in hybrid, and zero-emission

³ Minimum fuel economy standards by replacement vehicle model year determines if an incentive is available

⁴ CVRP-Eligible new purchase/lease incentives can be combined with EFMP/Plus-Up incentives for a total incentive amount of up to \$12,000

San Joaquin Valley APCD

- Pilot program integrated into existing Tune In, Tune Up events throughout the San Joaquin Valley
- Pre-MY1996 vehicles with a failed emissions test are eligible
- Progress as of January 2016:
 - **290 total vehicles replaced**
 - 25% ICE / 45% hybrid / 17% PHEV / 13% BEV
 - 100% low income participation (<225% FPL)
 - 100% benefitting disadvantaged communities

South Coast AQMD

- “Replace Your Ride” program launched July 2015
- All pre-MY1999 vehicles eligible
 - Post MY2000 vehicles with failed emissions test are eligible, vehicles passing receive local funds only
- Progress to date:
 - **290 total vehicles replaced**
 - 17% ICE/ 43% Hybrid / 21% PHEV / 19% BEV
 - 89% low income participation (<225% FPL)
 - 94% benefitting disadvantaged communities

Program Review

- Useful life study (retirement-only)
 - Validate/quantify program benefits
- Quarterly review of VINs to ensure 30-month ownership requirement
- Staff visits to EFMP events
- Program audit (summer 2016)
 - Review case files and documentation
 - Interviews with contactors and case managers
 - Evaluate random sample of retired vehicles

EFMP Legislation

- AB 1965 (Cooper)
 - Set replacement goals and update guidelines accordingly
 - Expand base program to districts at risk of extreme non-attainment
 - Program performance review and recommendations
- AB 1691 (Gipson)
 - Increase number of replacements annually
 - Update guidelines to address applicant backlog and ensure income eligibility compliance
- Staff working to provide feedback and track progress of bills

Program Expansion

- Significant legislative interest in expansion
- \$30 million Plus-Up budget proposed in FY16-17 AQIP/LCT Funding Plan
 - \$10 million each to South Coast and SJV
 - \$10 million total for new districts
- Three districts currently interested in expansion
 - Sac Metro, Bay Area, and Santa Barbara
- ARB will continue to monitor pilot program results and adjust guidelines if necessary

Program Websites

San Joaquin Valley APCD

<http://valleyair.org/grants/pass.htm>

South Coast AQMD

<https://www.replaceyourride.com/>