



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT

PROPOSITION 1B: GOODS MOVEMENT EMISSION REDUCTION PROGRAM COMPONENT

Heavy Duty Truck Replacement Eligibility Criteria and Application Guidelines

The San Joaquin Valley Air Pollution Control District (SJVAPCD) is currently accepting applications for the Proposition 1B – Goods Movement Emission Reduction Program. Applications will be accepted for advanced technology truck projects, as defined in the CARB Proposition 1B Program guidelines. Funding and eligibility will be based on the class/engine type of the current and new truck and encompass Class 5 - 8 trucks. Applying for Prop 1B funding simultaneously through multiple Air Districts is not allowed.

For additional information, assistance, or to receive application materials, please contact:

San Joaquin Valley Air Pollution Control District
Strategies and Incentives Department
1990 East Gettysburg Avenue
Fresno, CA 93726-0244

You may also contact us by phone or e-mail, or visit our website at:

(559) 230-5800

grants@valleyair.org

www.valleyair.org

Important Information:

⇒ **DO NOT PURCHASE NEW EQUIPMENT!** Trucks funded by this program can only be purchased after contract is signed between the equipment owner and the District, and executed. New truck(s) may be pre-ordered prior to contract execution and after posting of District rank list at the equipment owner's risk.

⇒ **STAY COMPLIANT!** Register in ARB's Truck Regulation Upload, Compliance, and Reporting System (TRUCRS). Ensure fleet is compliant with requirements of the ARB Truck and Bus Regulation or applicable regulatory advisories for duration of incentive program participation. Retirement of existing equipment included in application or the replacement equipment being purchased cannot be used to demonstrate compliance for eligibility determinations.

⇒ **KEEP EXISTING TRUCK REGISTERED AND IN OPERATION!** Maintain DMV registration and operable condition until the truck has been relinquished to a District-approved dismantler.

⇒ Visit your local DMV office and request a Vehicle Registration Information Record (INF 1125) for each truck in your application. To find your local DMV office, please visit <http://www.dmv.ca.gov>. You may also obtain and pay for the DMV printout online at: <http://www.dmv.ca.gov/online/vrr.htm>.

⇒ Gather 2 mileage records. Date on one record must be within 30 days of application submittal.

⇒ Determine the manufacturer's Gross Vehicle Weight Rating (GVWR) as noted on door jamb of truck. GVWR picture to be submitted with application.

⇒ Applicants may request reduced funding amounts to improve cost-effectiveness and competitiveness of the project.

⇒ Projects committing to 90% operation in California may be less competitive due to decreased emission reductions achieved within California.

ELIGIBILITY CRITERIA

- Must engage in goods movement as defined by the California Air Resources Board (ARB). See page 4 for full definition.
- Demonstrate that your fleet is in full compliance with ARB’s Truck and Bus Regulation, or applicable regulatory advisories.
 - Any outstanding ARB equipment violations associated with the owner’s entire fleet of vehicles must be corrected prior to applying for funding and maintain compliance throughout the entire application process through payment of grant funds.
- Applicants will be required to submit:
 - A minimum of 2 years CA DMV registration, 24 months total.
 - 2 mileage records, one must be dated within 30 days of application submittal. (minimum use of 20,000 miles/year for each Class 7 or 8 truck and at least 10,000 miles for each Class 5 or 6 truck – old truck mileage for 2-for-1 projects may be combined to meet minimum mileage requirement)
 - Truck title clear of any lien holders.
- Trucks need to have operated at least 75% in California for the past two years (applicant must operate new truck 90%-100% of the time in California for length of their contract) and 10% within the SJVAPCD boundaries.
- Old truck must currently be in-use and in operational condition and maintain this condition until replaced.
 - Operating condition is determined through an inspection process conducted prior to agreement execution.
- New engines must be 2019 or newer zero emission, hybrid zero emission, Low-NOx Natural Gas (0.02 g NOx), Hybrid, or Natural Gas.

GENERAL REQUIREMENTS FOR EQUIPMENT OWNERS

The **participant** must:

- Submit all completed application packets to the SJVAPCD’s Strategies and Incentives Department at the e-mail or physical mailing address listed on the application and page 1 of these guidelines.
 - Applications will be accepted starting April 5, 2021 to June 1, 2021 or until the District receives a requested total of \$8 million on application, whichever comes first.
 - Information regarding the amount of requested incentives received on applications can be found at <http://valleyair.org/grants/prop1b.htm> and is updated every Monday and Thursday.
- Adhere to all program requirements during the project life.
- Maintain replacement value insurance for the vehicle through the full term of the agreement.
- Submit a copy of Internal Revenue Service (IRS) Request for Taxpayer Identification Number and Certification Form W-9 (Form W-9).
- Submit annual reports to the SJVAPCD through the full term of the agreement as well as comply with recordkeeping and audit requirements. This includes copies of current vehicle registration and insurance.

- Agree to allow the SJVAPCD or its representatives to inspect the replacement vehicle upon request.
- Sign a legally binding agreement with the SJVAPCD agreeing to project milestones and completion deadlines prior to funding being awarded. Under a lease program, the owner and lessee must sign the agreement.
- Any new truck(s) purchased **prior** to contract execution is/are **ineligible**.
- **Vehicle Owner**
 - Commit to a project life of:
 - 5 years or 500,000 miles (whichever comes first) for a Class 8 or Class 7 truck
 - 5 years or 300,000 miles (whichever comes first) for a Class 6 truck or Class 5 truck
 - Properly maintain replacement vehicle according to the manufacturer's recommendations, to ensure it remains in good operating condition.
 - Purchase a minimum of a 1-year or 100,000-mile major component engine warranty for Vehicle that covers parts and labor.
 - Provide a copy of ARB Executive Order documenting that the new engine is a 2019 or newer zero emission, hybrid zero emission, Low-NOx Natural Gas (0.02 g NOx), Hybrid, or Natural Gas. Executive Orders may be found on ARB's website at <https://www.arb.ca.gov/msprog/onroad/cert/cert.php#6>.
 - Scrap the current/old vehicle with a participating dismantler contracted with the SJVAPCD.
 - The engine block and frame of the current vehicle must be physically destroyed in such a manner to eliminate the possibility of future operation. Engine blocks shall be punctured and the vehicle frame shall be dismantled, cut and/or demolished to render the equipment useless.
- Equipment owners that are awarded funding will be responsible for annual reporting to the San Joaquin Valley APCD. The equipment owner shall submit annual reports for the project life.

Project Evaluation

- All applications received within the specified application period will be subject to a review process, which will include the following:
 - Assignment of a unique project number.
 - Verification of the vehicle owner's eligibility to participate in the Program.
 - Verification that the proposed project is consistent with these guidelines.
 - Determination that all information necessary to calculate benefits and costs is included.
 - Compliance check to verify the vehicle and owner's fleet is compliant with ARB regulations.
- All projects received within the specified application period will be ranked according to the following criteria:
 - Emission reductions that the project will achieve.

- Project cost-effectiveness.
- Payments shall be made to the vehicle owner **or** to the vehicle owner **and** dealership by method of two-party check only after a completed claim for payment has been received and the SJVAPCD has performed a post-monitoring inspection.
 - Allow up 60 days from the time a claim for payment is deemed complete to receive funding.
- Remedies for project non-performance may include, but are not limited to:
 - Recovery of all or a portion of the program funds.
 - Other fiscal penalties on the vehicle owner based on the severity of non-performance.
 - Cancellation of the agreement.
 - Prohibiting the vehicle owner from participating in future District incentive programs.
 - Prohibiting a specific vehicle from participating in another District incentive program.

DEFINITIONS

“Engine Family Name”

The Engine Family Name is a 10 to 12 character alpha-numeric code assigned by the engine manufacturer that allows specific engine certification information to be determined.

- You will find the engine family name on the emission control label (ECL) nameplate.
- If your ECL is missing or illegible you should contact your local dealer or engine manufacturer to obtain the engine family information and to order a replacement label.
- Example engine families: TCP629EZDARM or 2DDXH12.7FGF.
- The engine family name is not the engine manufacturer, engine model or serial number. The oldest engines may have an engine family name only a few characters long.



“Engine Date of Manufacture”

The year in which the current engine was manufactured. This number is found on your engine’s data plate. The first letter or number of the engine family name may also be used to determine the year of manufacture. The table below provides the Letter to Model Year coding:

Code	Year	Code	Year	Code	Year	Code	Year
A	1980	L	1990	Y	2000	A	2010
B	1981	M	1991	1	2001	B	2011
C	1982	N	1992	2	2002	C	2012
D	1983	P	1993	3	2003	D	2013
E	1984	R	1994	4	2004	E	2014
F	1985	S	1995	5	2005	F	2015
G	1986	T	1996	6	2006	G	2016
H	1987	V	1997	7	2007	H	2017
J	1988	W	1998	8	2008	J	2018
K	1989	X	1999	9	2009	K	2019

“Fleet Size”

The number of diesel-fueled vehicles traveling in California that are registered to be driven on public highways and have a manufacture’s gross vehicle weight rating (GVWR) of 14,001 pounds or greater that are under common ownership or control by the organization listed on the IRS W-9 form.

“Goods” According to Commercial Code §2105:

“§2105(1) **“Goods”** means all things (including specially manufactured goods) which are movable at the time of identification to the contract for sale other than the money in which the price is to be paid, investment securities (Division 8) and things in action.

"Goods" also includes the unborn young of animals and growing crops and other identified things attached to realty as described in the section on goods to be severed from realty (Section 2107).

(2) Goods must be both existing and identified before any interest in them can pass. Goods which are not both existing and identified are "future" goods. A purported present sale of future goods or of any interest therein operates as a contract to sell.

(3) There may be a sale of a part interest in existing identified goods.

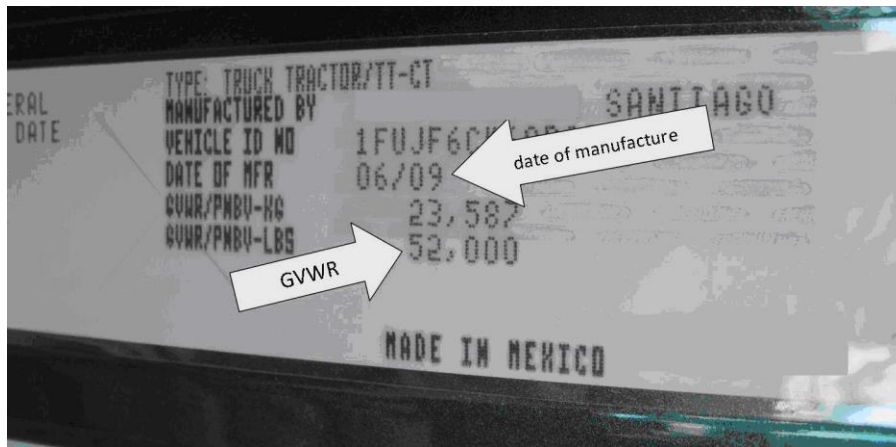
(4) An undivided share in an identified bulk of fungible goods is sufficiently identified to be sold although the quantity of the bulk is not determined. Any agreed proportion of such a bulk or any quantity thereof agreed upon by number, weight or other measure may to the extent of the seller's interest in the bulk be sold to the buyer who then becomes an owner in common.

(5) "Lot" means a parcel or a single article which is the subject matter of a separate sale or delivery, whether or not it is sufficient to perform the contract.

(6) **“Commercial unit”** means such a unit of goods as by **commercial** usage is a single whole for purposes of sale and division of which materially impairs its character or value on the market or in use. A **commercial** unit may be a single article (as a machine) or a set of articles (as a suite of furniture or an assortment of sizes) or a quantity (as a bale, gross, or carload) or any other unit treated in use or in the relevant market as a single whole.”

“Manufacturer Gross Vehicle Weight Rating” (GVWR) As define by the California Department of Motor Vehicles:

“The weight specified by the manufacturer as the loaded weight of a single vehicle.” Vehicles with a GVWR of less than 16,001 pounds are not eligible for funding. This number may be found on your vehicle’s data plate, which is usually located on the door jamb.



APPLICANT RESOURCE WEB PAGE

To assist applicants participating in the SJVAPCD’s Proposition 1B: Goods Movement Emission Reduction Program, the SJVAPCD has developed an Applicant Resource web page. When preparing an application, we ask that you utilize the information presented within the links on this page. By submitting complete application packets with accurate information, we can reduce the amount of time and resources necessary to process your application.

The Applicant Resource web page can be found at <http://valleyair.org/grants/prop1b.htm>.

APPLICATION GUIDELINES

- ❖ Fill out the application completely and as accurately as possible. Do not leave any required fields blank, as it lengthens the processing timeframe associated with the application and delays funding.
- ❖ Certifications Page with signature by Agreement Signing Authority (Legal Owner of Truck(s)).
- ❖ Form(s) A2 (and A3 if applicable), for each truck to be replaced.
- ❖ A **copy** of the following items must accompany the application at the time of submittal in order to be deemed **complete**:
 - Internal Revenue Service (IRS) Request for Taxpayer Identification Number and Certification Form W-9 (Form W-9).
 - The information entered into Applicant Information section of form A1 must be **identical** to the information on Form W-9, as this information will be used to generate all binding documents and be used to report incentive funding to the IRS.
 - A copy of the IRS Form W-9 can be downloaded at <https://www.irs.gov/forms-pubs> or by calling 1-800-829-3676.
 - The driver’s license of the vehicle’s registered owner.
 - Copy of existing vehicle title

- Title is not required to be “clean” (i.e. no lienholder) at time of application, but must be “clean” prior to contract execution)
- Copy of current CA DMV Registration Cab Card
- DMV Vehicle Registration Information Record
 - This report will show your previous 8 transactions at the DMV for your truck. The DMV printout may be obtained by submitting a Request for Driver Record Information form (INF 1125) to the DMV. To find your local DMV office, please visit <http://www.dmv.ca.gov> You may also obtain and pay for the DMV printout online at: <http://www.dmv.ca.gov/online/vrr.htm>
- Proof of insurance for the past 24 months.
- Two (2) mileage records, one (1) showing the current odometer reading, and one (1) mileage record showing odometer reading from at least six (6) months ago
 - Date on one (1) record must be within 30 days of application submittal. Acceptable documentation includes, but is not limited to, maintenance records, Biennial Inspection of Terminals (BIT inspection), International Fuel Tax Agreement (IFTA) records, daily logs, etc. Documentation must clearly identify the truck by ID number, license plate, or VIN
- Two (2) photographs, one (1) of the manufacturer’s tag found in the door jamb of the truck showing VIN and GVWR and one (1) photograph of the engine tag showing Engine Serial Number (ESN) and the US EPA Engine Family Name (Legibly printed or electronic photos only)
- Compliance certificate from ARB’s TRUCRS reporting database (or provide TRUCRS username and password)
- Fleet summary printout from ARB’s TRUCRS reporting database (or provide TRUCRS username and password)

MAP OF THE TRADE CORRIDORS

