

State of California  
AIR RESOURCES BOARD

**EXECUTIVE ORDER G-20-22**

WHEREAS, sections 39600 and 39601 of the Health and Safety Code authorizes the California Air Resources Board (a or Board) to adopt standards, rules, and regulations and to do such acts as may be necessary for the proper execution of the powers and duties granted to and imposed upon the Board by law;

WHEREAS, section 39003 of the Health and Safety Code charges the Board with coordinating efforts to attain and maintain ambient air quality standards, to conduct research into the causes of and solution to air pollution, and to systematically attack the serious problem caused by motor vehicles, which is the major source of air pollution in many areas of the State;

WHEREAS, sections 39666 and 39667 of the Health and Safety Code authorize the Board to adopt regulations and measures to reduce emissions of toxic air contaminants from vehicular and non-vehicular sources;

WHEREAS, sections 43013 and 43018 of the Health and Safety Code direct the Board to achieve the maximum degree of emission reduction possible from vehicular and other mobile sources in order to attain State air quality standards by the earliest practicable date;

WHEREAS, chapter 3.2 commencing with section 39625 of the Health and Safety Code established the Proposition 1B: Goods Movement Emission Reduction Program (Program) to implement the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, also known as Proposition 1B, which authorizes one billion dollars (\$1,000,000,000) in bond-funded incentives for CARB to reduce emissions associated with the movement of freight along California's trade corridors;

WHEREAS, section 39625.5(b)(1) of the Health and Safety Code requires the Board to allocate funds to local agencies in a manner that gives priority to emissions reduction projects that achieve the earliest possible reduction of health risk in communities with the highest health risks from goods movement facilities;

WHEREAS, in Resolution 08-12 adopted on February 28, 2008, the Board adopted the Proposition 1B: Goods Movement Emission Reduction Program Guidelines for Implementation;

WHEREAS, in Resolution 15-20 adopted on June 25, 2015, the Board adopted updated Final 2015 Guidelines for Implementation (Program Guidelines);

WHEREAS, in Resolution 08-12 the Board delegated authority to the Executive Officer, and his or her designee, to adopt additional conforming modifications as may

be appropriate or as necessary to ensure consistency with the modifications approved by the Board, and directed the Executive Officer to bring proposed changes to the Board for further consideration if the Executive Officer determines that this is warranted;

WHEREAS, in Resolution 10-27 the Board delegated authority to the Executive Officer or his or her designee, to make appropriate changes to the truck equipment project specifications consistent with the intent of Program Guidelines based on new information;

WHEREAS, in Resolutions 09-40 and 10-18, the Board affirmed the existing authority of CARB staff to interpret or clarify the Program Guidelines and delegated to the Executive Officer, or his or her designee, the authority to adopt changes to the Program Guidelines that he or she deems necessary to enable effective implementation of the Program, provided that such changes are consistent with the statute and the goals established by the Board, and such modifications are identified in Attachment A;

WHEREAS, the local agencies solicited applications for equipment projects for all source categories, during multiple solicitations, pursuant to the procedures stated in the Program Guidelines, and funds remain available for additional projects;

WHEREAS, Item 3900-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020) allows local agencies to liquidate funds until June 30, 2022, for Item 3900-001-6054, Budget Act of 2014 (Chs. 25 and 663, Stats. 2014), as partially reverted by Item 3900-495, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017) and Budget Act of 2018 (Chs. 29 and 30, Stats. 2018);

WHEREAS, CARB staff worked with the local agencies to modify existing Guidelines requirements to provide additional opportunities for funding for the trucks, locomotives, ships at berth, and cargo handling equipment source categories as identified in Attachment A;

NOW, THEREFORE, IT IS ORDERED pursuant to the delegation of authority by the Board in Resolution 10-18, the Executive Officer, or his or her designee, hereby adopts the modifications to the Program Guidelines shown in Attachment A.

Executed at Sacramento, California on this 16<sup>th</sup> day of September 2021.



Heather Arias, Chief  
Transportation and Toxics Division

## Attachment A

### Changes to Proposition 1B: Goods Movement Emission Reduction Program Guidelines

#### I. CHANGES TO THE PROGRAM GUIDELINES FOR YEAR 5 OR LATER SOLICITATIONS

##### A. Local Agency Expenditures on Equipment Projects

1. Truck retrofit, repower, replacement projects, three-way truck projects, transport refrigeration unit projects, and cargo handling equipment projects.
  - Extend up to 3 years to verify project completion/closeout payment.
2. Locomotive projects, non-grid-based shore power projects, and projects to install a locomotive or ship emissions capture and control system.
  - Extend up to 3 years to verify project completion/closeout payment.

**YEAR 5 and Later Solicitations  
Local Agency Expenditures on Equipment Projects**

## 2. Local agency expenditures on equipment projects

### a) *Expenditure deadlines for equipment projects*

Local agencies shall comply with the following deadlines to liquidate Program funds. These expenditure deadlines represent the maximum time allowed from the equipment project contract execution date to the expenditure of Program funds to complete and closeout an equipment project:

- 18 months to verify project completion/closeout payment for truck retrofit, repower, replacement, and three-way transaction projects, and cargo handling equipment projects for Year 1 through Year 4, and ~~for~~ For Year 5 and later projects (including transportation refrigeration unit projects) where the equipment is commercially available including CARB certification/verification as applicable, local agencies have 3 years to verify project completion/closeout payment for truck retrofit, repower, replacement, three-way transaction projects, transport refrigeration unit projects, and cargo handling equipment projects.
- 2 years to verify project completion/closeout payment for locomotive projects, non-grid-based shore power projects, and projects to install a locomotive or ship emissions capture and control system. For Year 5 and later projects, local agencies have 3 years to verify project completion/closeout payment for locomotive projects, non-grid-based shore power projects, and projects to install a locomotive or ship emissions capture and control system. In addition, ~~For~~ For Year 4 and later locomotive projects, the CARB Executive Officer or his or her designee may extend a local agency's expenditure deadline for up to an additional 12 months, in the case of a manufacturer delay for a new engine or technology that meets U.S. EPA Tier 4 or lower emission standards. The local agency may submit to CARB a written request to extend the expenditure deadline if they have determined an equipment owner would be unable to meet the project completion deadline due to Tier 4 locomotive manufacturing delays. CARB staff shall review the request and issue a finding. If the finding supports the request for an extension, CARB shall provide an approval letter to the local agency.