



Update on Draft Financial Incentives Funding Action Plan for the 2016 AQMP

Agenda No. 19

SCAQMD Governing Board Meeting

January 6, 2017

Draft Financial Incentives Funding Action Plan

- Proposes Guiding Principles to Secure and Allocate Incentives Funds
- Identifies Potential Sources of Funding Revenues
- Proposes Activities to Secure Additional Funding Revenues
- Released for Public Comments – December 2016

Draft Guiding Principles to Secure and Allocate Incentive Funds

1. Evaluate all potential opportunities (local, state, and/or federal)
2. No diversion from purposes other than air quality
3. Minimize economic impact to the funding source
4. Collaborative approach to a prioritized specific set of potential revenue sources
5. Develop a coalition of stakeholders to educate elected officials on the need for funding and the benefits
6. Ensure funding provides additional criteria pollutant reduction co-benefits
7. Maximize disbursements/benefits to residents living in environmental justice and disadvantaged communities

Potential Funding Opportunities

Potential Funding Opportunity	Potential Funding to South Coast Region (annual)
Expansion of the Diesel Emission Reduction Act Funding	ND
Expansion of the U.S. DOE Clean Cities Program	ND
Volkswagen Settlement (2.0L Engine) - \$381 Million Statewide	ND
AB 118 - Air Quality Improvement Program (CARB) - \$25 Million Statewide	ND
AB 118 - Alternative and Renewable Fuel and Vehicle Technology Program (CEC) - \$100 Million Statewide	ND
Low Carbon Transportation Funding - \$368 Million Statewide	ND
New Bond Measures (Similar in Concept to Proposition 1B)	ND
New Ballot Measures (Similar to L.A. County Measure M)	ND
Public/Private Partnerships	ND

Potential Funding Opportunities

(Estimates for Discussion Purposes)

Potential Funding Opportunity	Potential Funding to South Coast Region (annual)
Cargo Container Fee (~11 to 12 Million Loaded TEUs @ \$35/TEU)	\$385,000,000
Expanded Motor Vehicle Registration Fees (~12 Million Registered Vehicles @ \$20/vehicle)	\$240,000,000
Mileage-Based User Fee (\$0.005/Mile Add-On to SCAG RTP/SCS Analysis)	\$1,040,000,000
Gasoline/Diesel Excise Tax Add-On (~7.2 Billion Gallon @ \$0.01/Gal)	\$72,000,000
Crude Oil Sales Tax (~28.5 Million Barrels @ \$40/barrel with 10% Tax)	\$114,000,000
Property Tax (\$2.3 Trillion Secured and Unsecured Tax Roll @ 0.01%)	\$230,000,000
Retail Sales Tax Add-On (\$273 Billion Taxable Sales @ 0.1%)	\$273,000,000
Total Potential Funding Level (Quantifiable)	\$2,354,000,000

Proposed Activities

- Convene Financial Incentives Working Group to Discuss/Identify Funding Opportunities to Pursue
- Initiate Efforts to Inform State Legislature on Funding Needs
- Finalize Draft Action Plan as Part of Governing Board Consideration of the 2016 AQMP