

# AGENDA ITEM #4: INCENTIVE FUNDING ACTION PLAN

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# Funding Incentives Action Plan Development

- Action Plan to identify and develop process to secure additional incentive funds
- Draft Funding Plan Outline
  - ✓ Background
  - ✓ Existing funding programs (past and current)
  - ✓ Potential new funding opportunities
  - ✓ Activities to pursue funding
  - ✓ Schedule/Reporting
- Draft 2016 AQMP - Discussion of level of funding incentives needed to help achieve NOx emission reductions associated with the State SIP Strategy “Further Deployment of Cleaner Technologies” measures
  - ✓ Funding Incentives - \$10 to \$12 billion for mobile sources; \$1 to \$2 billion for stationary sources over next 7 to 15 years (~\$1 billion/year)
  - ✓ Proposed actions at local/regional, state, and national levels

# Current Year Funding Programs

*(Does Not Include One Time Funding)*

Funding Program	Funding to South Coast
Moyer Program (SB 1107)	~\$24 Million/Yr
Moyer Program (AB 923/Tire Fee)	~\$32 Million/Yr
AB 2766 (MSRC/Local Governments)	~\$37 Million/Yr
Proposition 1B – Goods Movement Emission Reduction Program	\$137 Million (Current & Last Year of Program)
AB 118 - Air Quality Improvement Program (CARB) - \$25 Million Statewide	??
AB 118 - Alternative and Renewable Fuel and Vehicle Technology Program (CEC) - \$100 Million Statewide	??
Low Carbon Transportation Funding - \$368 Million Statewide	??
<b>Total Funding Level</b>	<b>~\$230,000,000</b>

# Potential Funding Opportunities

Potential Funding Opportunity	Potential Funding to South Coast
VW Settlement (2.0L Engine) - \$381 Million Statewide	??
AB 118 - Air Quality Improvement Program (CARB) - \$25 Million Statewide	??
AB 118 - Alternative and Renewable Fuel and Vehicle Technology Program (CEC) - \$100 Million Statewide	??
Low Carbon Transportation Funding - \$368 Million Statewide	??
Cargo Container Fee (~11 to 12 Million Twenty-Foot Equivalent (TEU)s @ \$35/TEU*)	\$770,000,000
Expanded Auto 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 Gal @ \$0.01/Gal)	\$72,000,000
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
<b>Total Potential Funding Level (Quantifiable)</b>	<b>\$2,625,000,000</b>

# Other Potential Funding Opportunities

Potential Funding Opportunity	Potential Funding to South Coast
New Bond Measures (Similar in Concept to Proposition 1B)	Not Quantified
New Ballot Measures (Similar to L.A. County Measure R, Orange County Measure M)	Not Quantified
Compliance Mitigation Fees	Not Quantified
Supplemental Environmental Projects (Settlement Funds)	Not Quantified
One Time Funding Opportunities (ARRA, Targeted Air Shed Grants, etc.)	Not Quantified
Public/Private Partnerships	Not Quantified
Voluntary Actions	Not Quantified

# Activities to Pursue Funding

- Analysis of Authority
- Formation of Stakeholders Working Group
- Creation of National Collaborative
  - ✓ NACAA for state/local air agencies
  - ✓ Private Sector Members (Engine Manufacturers, MECA, Trade Associations, Labor Unions, etc.)
  - ✓ Non-government Organizations (Local, State, National)
- State Collaboration
  - ✓ Work with CAPCOA
  - ✓ Public/Private Partnerships

# Proposed Activities

Activity	Outcome	Schedule
Review of existing funding programs; Identify new funding program opportunities	Report to Board	In Progress
Complete Draft Financial Incentives Action Plan	Release document for public comments	November 2016
Initiate discussions at national level to form coalition in support of National Clean Air Investment and Cleanup Fund	Provide input to President Elect's Transition Team	Begin within next few weeks
Form working group to discuss/ identify new sources of funding	Report to Board within 3 months on progress/next steps	First meeting to be scheduled early Dec 2016 – Jan 2017
Discussions on options given potential funding shortfalls	Report to Board on progress and recommend next steps	Ongoing
Activities to secure additional funding (Implement Action Plan)	Sustained level of funding (Report to Board on progress)	Post 2016 AQMP adoption and direction from Governing Board