Making the Cleanest Cars Affordable

How the State is helping low-income families save money with fuel-efficient and ultra-clean cars thanks to the Enhanced Fleet Modernization Program (EFMP) & Plus-Up Pilot Project

A pilot project for low-income households

The California Air Resource Board is initiating a pilot project in the Greater Los Angeles area and San Joaquin Valley to help low-income individuals and families get rid of old polluting vehicles and purchase much cleaner and more fuel-efficient cars.

The program works by providing increasingly larger cash payments for the lowest-income families to move up to the very cleanest cars. Under this program, for example, it is possible for a family that meets the income guidelines to receive \$12,000 toward the purchase of an electric car.

How does it work?

If a low-income consumer chooses to scrap an old, dirty vehicle, they will receive \$1,500 under an existing program run by the Bureau of Automotive Repair.

Under a new pilot project developed by the California Air Resources Board, however, if that same old, dirty vehicle is scrapped and then replaced with a cleaner new or used vehicle, the State will provide considerably more money to help support that purchase. The amount received depends on two elements: what type of replacement car it is (the cleaner the car, the more money is provided), and income level.

How are the incentives calculated?

The pilot project, currently in the South Coast and San Joaquin Valley air districts, is available for three separate income levels: those with a household income equal to or less than 225 percent of the federal poverty level, those between 226 and 300 percent of the federal poverty level and those between 301 and 400 percent of the federal poverty level. In addition, those individuals must reside in a ZIP code that contains a disadvantaged census tract. (This is determined by CalEnviroScreen. See http://tinyurl.com/p353woz.) The lowest-income recipient purchasing the very cleanest car receives the highest incentive amounts.

Low Income (≤ 225% of the federal poverty level)

If you're in this income level, and replace your scrapped car with a conventional hybrid car (e.g. Toyota Prius) that is less than 8 years old that gets 20 mpg or greater, you are eligible for \$6,500 in incentives. If the replacement car gets 35 mpg or greater (Toyota Prius or Honda Insight), that goes up to \$7,000. If you choose a plug-in hybrid (e.g. Chevy Volt), or an electric car (e.g. Nissan Leaf) you receive \$9,500. In addition, up to \$2,000 for a charging unit at your single residence or multi-unit dwelling is available for the purchase of battery electric cars. Also, in the case of either a brand new plug-in hybrid or electric car, you receive an additional \$1,500 and \$2,500, respectively, from a separate program, known as the Clean Vehicle Rebate Project.

Moderate Income (226% - 300% of federal poverty level)

If you replace your scrapped car with a conventional hybrid model that gets 35 mpg or greater, you receive \$5,000, rising to \$7,500 for a plug-in hybrid or electric car. (In addition, you can receive up to \$2,000 for a charging unit for battery electric cars, and if those are brand new cars, an additional \$1,500 or \$2,500, respectively.)

Above Moderate Income (301% - 400% of federal poverty level)

If you replace your scrapped car with a plug-in hybrid or electric car, you receive \$5,500 – which includes an additional incentive of up to \$2,000 for the charging unit for battery electric cars, and an additional \$1,500 or \$2,500, respectively, if they are brand new.

Can a lower-income consumer purchase a more fuel efficient, conventional replacement car through this program instead of a hybrid electric or cleaner car?

Yes. Lower-income consumers who would like to replace their dirty cars with more fuel efficient conventional cars would still qualify to receive up to \$4,500. Consumers do not have to meet the residency requirement as mentioned above to qualify but still must reside in one of the two participating regions.

Money for public transit

If you scrap an old, dirty car but choose not to replace it, you are also eligible for vouchers for public transit passes, between \$2,500 and \$4,500 in value, depending on your income level.

For more information

Please work with the local air district to determine your eligibility before making any purchases or scrapping your old vehicle. Contact the San Joaquin Valley Air Pollution Control District at 559-230-5800, or in the Greater Los Angeles area contact South Coast Air Quality Management District staff at (909) 396-2647.

