

FACTS ABOUT

ARB's Providing Loan Assistance for California Equipment (PLACE) Program for On-Road Vehicles

A heavy-duty vehicle air quality loan program to assist fleets subject to new statewide in-use bus and truck rules

In partnership with the State Treasurer's Office, the Air Resources Board has developed an innovative heavy-duty vehicle air quality loan program to provide financial assistance to truckers affected by the statewide In-Use Bus and Truck Rule and the Heavy-Duty Vehicle Greenhouse Gas Emission Reduction Measure. Implemented through the State Treasurer's Office California Capital Access Program (CalCAP), ARB's PLACE program will provide approximately \$240 million in financing opportunities to qualified truckers.

Am I eligible for the PLACE program?

The target borrower for ARB's PLACE program is the "nearly-bankable" fleet owner unable to obtain affordable financing in today's tight credit market. To meet the legislative intent of the loan program criteria and to provide more small fleets access to the program, ARB has expanded eligibility to fleets with 20 or fewer on-road heavy-duty vehicles subject to the new truck rules.

In addition to meeting ARB's program criteria, CalCAP requires that an eligible trucking company meet basic requirements by qualifying as a small business (fewer than 100 employees), generate less than \$10 million in annual revenue and primarily conduct business in California.

What vehicles and/or equipment may I finance?

CalCAP loans may be used to finance individual technologies, or a combination of technologies, to help fleet owners comply with the two on-road heavy-duty vehicle regulations. Potential products available for financing may range from about \$5,000 to more than \$160,000 and include, but are not limited to:

- 2007 or newer heavy-duty trucks (must comply with 1.2 g/bhp-hr NO_x standard);
- ARB-verified diesel emission control systems;
- SmartWay-approved energy efficiency retrofits (low-rolling resistance tires, aerodynamic skirting and fairings); and;
- SmartWay-approved tractors and trailers.

How do I apply for ARB's heavy-duty vehicle air quality loan program?

Truckers may work with their preferred truck dealers to coordinate financing through participating CalCAP lenders. Truckers may also access the PLACE program simply by contacting qualified CalCAP lenders participating in the loan program and completing a loan application.

Financial institutions throughout the state already participate in CalCAP. An increasing group of lenders are committing to participate in the PLACE program. A list of contact information for these lenders is available at: www.treasurer.ca.gov/cpcf/calcap/institutions.pdf or www.arb.ca.gov/truckstop.

What grants can I use with my CalCAP loan?

Borrowers can use a Carl Moyer Voucher Program incentive grant as a down payment on a truck purchased with a CalCAP loan. Also, the PLACE program can be coupled with Proposition 1B Goods Movement Emissions Reductions program grants.

If fleet owners have received other forms of grant assistance, they should check with the issuing agency to make sure the grant agreement doesn't restrict them from receiving loan assistance from the PLACE program.

Is other financial assistance available?

ARB has several programs that can help fleet owners upgrade or retrofit their on-road and off-road equipment. Fleet owners can go to www.arb.ca.gov/truckstop or call ARB's diesel hotline at (866)6DIESEL or (866)634-3735 for more details.

How does the PLACE program work?

Through CalCAP's Independent Contributor Program, ARB will contribute a small percentage of each enrolled loan into a "loan loss reserve" account. With these funds available, banks are more comfortable lending to businesses that need a little extra assistance and typically offer more favorable terms than the business would otherwise qualify for.

Why has ARB partnered with CalCAP?

CalCAP is ARB's link to reputable financial institutions that will make loans to smaller trucking fleets that need a little extra assistance to access financing. CalCAP has worked with participating financial institutions throughout California to fund over \$1 billion for small businesses that fall just outside conventional underwriting standards.

CalCAP's loan guarantee model provides a stable financing structure that enables lenders to provide competitive loan rates to borrowers that do not fit within traditional lending programs. The CalCAP program provides a win-win situation for the state and for truck owners- a proven program structure that is already in place to meet the demands for affordable financing in the trucking industry.

For More Information

Further information on the ARB's PLACE program is available at www.arb.ca.gov/truckstop or by calling ARB's diesel hotline at (866)6DIESEL or (866)634-3735. Additional information on the State Treasurer's Office CalCAP is available at www.treasurer.ca.gov/cpcf/calcap.asp.

To obtain this document in an alternative format or language please contact the ARB's Helpline at (800) 242-4450 or at helpline@arb.ca.gov. TTY/TDD/ Speech to Speech users may dial 711 for the California Relay Service.