



Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project Dealer Training Guide

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CaliforniaHVIP.org

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The information in this manual covers the basis of Standard HVIP. The Drayage Set-Aside and the Public Transit Set-Aside have the same basic processes as Standard HVIP.

The Innovative Small e-Fleets (ISEF) Set-Aside and the Zero-Emission School Bus and Infrastructure (ZESBI) have different requirements, which are listed in the forthcoming FY23-24 Implementation Manual. When the Implementation Manual is available, it will be published at www.californiahvip.org/im and distributed to all participants. For more information on the differing set-aside rules, please contact isef@californiaHVIP.org and SchoolBusTeam@CALSTART.org respectively.

This document is intended to guide new dealers through the process of becoming an HVIP Approved Dealer. It provides high-level takeaways from the [FY23-24 Implementation Manual](#) and does NOT act in place of the IM.

ALL HVIP participants are responsible for understanding and adhering to the rules and requirements in the FY23-24 Implementation Manual. The IM will be distributed to all participants and published to www.californiaHVIP.org/im when made available by the California Air Resources Board.

California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP)

The Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) accelerates the deployment of zero-emission and near-zero-emission vehicles in California. HVIP benefits the residents of California by stimulating deployment of advanced clean commercial vehicles, reducing greenhouse gas emissions to help meet longer term climate goals, and improving community health with immediate air pollution emission reductions.

HVIP responds to a key market challenge by making clean trucks and buses more affordable for fleets. Fleets receive the voucher discount at the point of sale and HVIP Approved Dealers process the required documentation.

HVIP streamlines the voucher acquisition process by requiring dealers to go through HVIP Dealer Training to become HVIP Approved Dealers. Only HVIP Approved Dealers can request and manage vouchers on behalf of their customers. In doing so, dealers become familiar with the process and the project by virtue of repetition, narrowing the margin for error experienced with direct requests from purchasers.

Vouchers are issued on a first-come, first-served basis, and all participants must adhere to the [Implementation Manual](#) (IM) that is in effect at the time of their voucher request.

How to Participate as a New Dealer

1. To begin the process of becoming an HVIP Approved Dealer, [pre-register](#) on the HVIP website. The dealership must sell an HVIP-eligible vehicle on the HVIP [Vehicle Catalog](#). Following pre-registration, the relevant Dealer Training materials are automatically emailed to the dealer.
 - While pre-registering, dealers must use an email address and other contact information affiliated with the business they are participating in HVIP on behalf of. Use of personal contact information and general domains such as “@gmail” are not allowed unless the business-affiliation contact information matches the personal contact information. Please also ensure that the email address is not a general mailbox such as [HVIP@dealership.com](#) or [general@dealership.com](#). The email must contain the first and/or last name or a combination that includes at least the first and/or last name.
2. Review the HVIP Dealer Training materials provided in the previously mentioned automated email to prepare for the HVIP Dealer Quiz. The materials will also be available for review under Step Two on the [HVIP Seller's page](#).
3. After passing the quiz with 100 percent accuracy and within three attempts, the Dealer Registration Form will be automatically emailed to the dealer. Failure to pass the quiz within three attempts requires participation in the additional training call in Step Four.
 - The Dealer Registration Form will prompt the upload of a W-9, state-issued Dealer License, and Manufacturer Authorization Letter from the manufacturer(s), authorizing the dealer to sell each HVIP-eligible vehicle. Please ensure uploads are in pdf format, as they are the most compatible with the registration form upload process. The Dealer Trainer will reach out if there is an error with the upload, which may prolong the certification process.
 - Manufacturer Authorization Letter: The letter from the OEM(s) does not require professional letterhead. A simple PDF'd email correspondence **from** the manufacturer stating that the specific

dealership is authorized to sell specific vehicles from the HVIP Vehicle Catalog will suffice.

Manufacturers who are also acting as dealers are exempt from submitting this letter.

4. The HVIP Dealer Training Call serves as an opportunity for dealers to confirm understanding of HVIP rules and requirements as well as ask questions directly to the Dealer Trainer. Once the HVIP Approved Dealer has become certified, the Dealer Trainer may reach out between one or two weeks after they are added to the website and a VPC account has been completed to discuss any questions they may have.

Who You Need to Know

The HVIP Team

The California Air Resources Board

In 2009, the California Air Resources Board (CARB) created HVIP. CARB has partnered with CALSTART to administer the project since its inception and CALSTART contracts with Tetra Tech to process vouchers.

CARB determines vehicle and technology eligibility. OEMs must send their eligibility applications to CARB to gain approval for their vehicles and technologies. Dealers can only submit voucher requests for CARB-approved technologies. In addition to eligibility, CARB determines the project's guidelines and special voucher cases (case-by-case review (CBC)) and holds ultimate authority over HVIP policy. More information is available at www.CaliforniaHVIP.org.

CALSTART

The CALSTART team administers HVIP which includes working with dealers to train and then approve them to request HVIP vouchers. Once a voucher is ready for redemption, checks are cut and mailed from the CALSTART Accounts Payable team. CALSTART issues periodic project updates, newsletters, additional training for Approved Dealers and general account administration for the dealers. When HVIP-eligible vehicles need updating on the website or in the VPC, CALSTART staff manage those updates with the OEMs.

The "Dealer Trainers" referred to within this document are CALSTART staff; their primary objective is to support HVIP Approved Dealers. Each year CALSTART will hold a Dealer Training session that will go over the forthcoming fiscal year policies and procedures.

Tetra Tech

The team at Tetra Tech works closely with dealers, purchasers, and their vouchers to ensure alignment with HVIP policy and CARB requirements. Tetra Tech is also referred to as the Voucher Processing Center team.

Voucher Participants

Manufacturers

Participating HVIP manufacturers are responsible for securing a CARB Executive Order (E.O.) and applying for HVIP eligibility for their advanced clean vehicle. Per the [FY23-24 Funding Plan for Clean Transportation Incentives](#), manufacturers may hold up to 100 unredeemed vouchers at a time across all the manufacturer's HVIP-eligible product line and Approved Dealers. Requests from fleets size 20 and smaller do not count toward the 100-voucher cap. As a manufacturer redeems vouchers, more vouchers become available for vehicles from that manufacturer. The cap applies across HVIP funding types, including set-aside funding for drayage, transit, and school bus. Manufacturers may be granted additional vouchers beyond the cap on a CBC basis; the cap does not prevent additional vouchers from being requested, but rather triggers a CBC review process by CARB.

As of the FY22-23 funding year, OEMs that maintain an average voucher redemption rate of at least 50 over a 6-month period or 100 over a 12-month period starting January 1, 2023, are not subject to the cap.

Manufacturers or other affiliated parties who are not Approved Dealers cannot have access to the VPC. However, they can request voucher status information directly from the dealer who submitted the voucher request or by contacting voucherprocessing@tetrattech.com.

HVIP Approved Dealers

The HVIP Approved Dealer is the key to HVIP's success. As an HVIP Approved Dealer, you assume the responsibility for requesting/redeeming vouchers and communicating the progress of the voucher to the manufacturer, purchaser, and Voucher Processing Team. Dealers are also responsible for sharing manufacturer voucher availability with their customers.

Purchasers

Purchasers are those who directly receive the benefits of HVIP vouchers and are responsible for communicating with an HVIP Approved Dealer, to secure a voucher. For the purposes of HVIP, a purchaser is the fleet or individual owner/operator who will operate the vehicle for a minimum of three years after voucher redemption, whether through lease or direct purchase. A purchaser must be a business, non-profit, or government entity which is based in California or has a California-based affiliate. A purchaser is not a manufacturer, dealership, or leasing company that enters into any agreement with another party to operate the vehicle. Entities, including entities under common ownership or control that have been identified as

a dealership, leasing entity, or manufacturer in HVIP transactions beginning January 1, 2022, are prohibited from requesting new vouchers as a purchaser.

The HVIP IM contains over six pages describing Purchaser requirements and responsibilities. Please review Vehicle Purchaser section of the IM.

HVIP Approved Dealers – Eligible Participants

The HVIP Approved Dealer has requirements to participate in HVIP. Below is a list of requirements for an HVIP Approved Dealer. The following entities may be considered eligible vehicle dealer entities for the purposes of HVIP:

- A truck or bus dealership that has had a valid business license for the past two years, has an official state-issued dealer license and has a written agreement with a medium- or heavy-duty HVIP-eligible vehicle manufacturer.
- A truck, van, or bus vehicle manufacturer that manufactures HVIP-eligible vehicles and sells those vehicles directly to fleets.
- A truck, bus, or equipment manufacturer that has a written agreement with another medium- or heavy-duty vehicle manufacturer that has had a valid business license for the past two years and an official state-issued dealer license.
- A manufacturer that manufactures engines certified to the option Low NOx standard of 0.01 g/bhp-hr, or dealer in possession of an official dealer license and selling such engines. A truck, van, or bus manufacturer or dealer that converts an existing vehicle and has had a valid business license for the past two years and either has an official dealer license OR automotive repair dealer license.

The HVIP Approved Dealer must be the individual responsible for the final invoice (must be itemized and including taxes) to the purchasing fleet AND delivery of the completed vehicle.

The HVIP Approved Dealer must also be able to provide a manufacturer authorization letter for the HVIP-eligible vehicle(s) they sell at the time of applying to become an Approved Dealer.

Each dealership location is limited to three Approved Dealers. If you are leaving your position and need to hand off vouchers to a colleague, please have your colleague alert the HVIP Dealer Training Team about the staff change.

The HVIP Approved Dealer may be considered a dealership or OEM salesperson, grant manager, financial controller, or similar role. These individuals will be responsible for requesting and redeeming vouchers for a vehicle they are approved to sell. HVIP Approved Dealer status is granted at an individual level, not the

dealership as a whole. Sharing VPC credentials is prohibited, dealers who share VPC credentials will result in deactivation from being an Approved Dealer. Please report any dealer changes to the Dealer Training team as soon as possible.

Responsibilities of HVIP Approved Dealers

Dealers are responsible for ensuring a voucher is successfully requested and redeemed by adhering to the rules, and guidelines found in the [HVIP IM](#).

To remain in good standing, all HVIP Approved Dealers are responsible for the following:

- Becoming familiar with **ALL** HVIP requirements.
- Participation in mandatory dealer trainings.
- **Responding to all HVIP-related inquiries, including CALSTART, Tetra Tech, CARB, and prospective HVIP purchasers, within five business days.** Please also ensure that you “**reply all**” to **existing emails chain** relating to vouchers and voucher requests.
- Providing accurate information to the CALSTART, Tetra Tech, and CARB (if requested) teams as well as to your purchaser(s).
 - i. This includes informing the purchaser of voucher request submission and intent to cancel a voucher prior to doing so.
- Completing voucher request and voucher redemption forms, with the assistance of the purchaser, and supplying the necessary vehicle purchase documentation.
- Checking the purchaser’s TRUCRS ID prior to the voucher request submission. Tetra Tech will check the purchaser’s TRUCRS ID status during the voucher Accepted Pending Confirmation status to ensure the fleet is in compliance with the Truck and Bus Regulation. The purchasers TRUCRS ID is required within 10 calendar days of voucher request submission.
 - i. Questions regarding TRUCRS compliance can be directed to CARB and the TRUCRS team.
- Notifying Tetra Tech of any special request or unique transactions **BEFORE** a voucher is requested such as lease deals, special testing, unique financing deals, etc.
- Issuing the final invoice for the completed vehicle to the HVIP purchaser and delivering the completed vehicle to the HVIP purchaser at the

domicile location. The final domicile address must match the domicile address provided on the voucher request.

- i. Invoice must itemize all vehicle charges and show the HVIP voucher amount being provided to the purchaser to discount the purchase or lease of the vehicle.
- Frequently checking the HVIP webpage at www.CaliforniaHVIP.org for updates and announcements. This includes our [Seller's](#) page, [Funding](#) page, [FAQs](#), and [News and Events](#) section.
 - Providing reasonable assistance to Tetra Tech/CALSTART/CARB to obtain updated information, inspect vehicles, and review HVIP-related records during the first three years after vehicle receipt and final payment by the purchasing fleet, whichever is later.
 - Ensuring purchasers are fully aware of EACH Term and Condition before signing the voucher request form.
 - Ensuring access to the correct HVIP-eligible vehicles in the VPC and the HVIP-eligible Vehicle Catalog on the website, and notify the Dealer Training team if either appears inaccurate. The Dealer Trainer will require a Manufacturer Authorization Letter in order to add HVIP-eligible vehicles to the VPC account. Forward this letter or PDF'd email to the Dealer Training team.
 - Refusing to share VPC account credentials with anyone. You may request vouchers on behalf of other salespeople within your organization but may **NOT** share access to the VPC. Dealers who are employed at the dealership who are not Approved Dealers will need to work with the HVIP Approved Dealer to discuss the status of those vouchers. We will only be allowed to communicate voucher statuses with the HVIP Approved Dealer. Non-HVIP Approved Dealers are prohibited from using the Voucher Processing Center. Sharing VPC account credentials may result in the immediate deactivation of the VPC account.
 - i. Once a voucher request is submitted, the dealer, vehicle, and fleet information, cannot change. Therefore, vouchers and/or voucher requests cannot be transferred from one HVIP Approved Dealer's VPC account to another. In the event where an Approved Dealer no

longer works for the dealership and there is addition Approved Dealer(s) who has been an HVIP Approved Dealer(s) for less than one year, a 1–2-page Voucher Transition Plan summarizing voucher nuances, causes for delivery delays, CBC exceptions, etc. is required from the owner of the vouchers prior to their departure.

- i. If you have taken ownership of vouchers of another HVIP Approved Dealer through the voucher transfer process, the vouchers will **NOT TRANSFER TO THE NEW OWNER once the voucher requests convert to vouchers if the transfer occurs while the voucher is still IN THE 'VOUCHER REQUEST' PROCESS.** The new owner will be REQUIRED to inform dealertraining@californiaHVIP.org once the request converts to vouchers in order to receive email notifications pertaining to the converted vouchers.
 - ii. Account Sharing is available in lieu of transferring vouchers for HVIP Approved Dealers working inside the same dealership. With the permission of all parties involved, Account Sharing will allow all HVIP Approved Dealers within the dealership to view and edit each other's vouchers. The owner of the vouchers will still need to be the main contact of that voucher however, it can be visible to other HVIP Approved Dealers. The main owner will also be the individual will receive the email correspondence for the vouchers.
- Coordinating with purchasers so as not to exceed the 30-voucher fleet cap. For purchasers requesting drayage vouchers, the cap is set at 50 vouchers.
 - Coordinating with their vehicle manufacturers so as not to exceed their OEM rolling soft cap.
 - i. Dealers are permitted to submit voucher requests regardless of an OEM's rolling soft cap.
 - Adhering to all rules and requirements of the California Department of Motor Vehicles (DMV) at the point of applying to become an HVIP Approved Dealer and while maintaining status as an Approved Dealer.

- Holding a current and valid state-issued Dealer License that permits selling vehicles within California. Please note: If a dealer is located outside of California, tax reflected on the invoice should still be based on the vehicle's California domicile address.
- Updating the vehicle anticipated delivery date in the VPC every 3 months.
- Remaining active in the VPC. A dealer with no voucher activity for more than 365 days may be deactivated from the VPC. Reactivation may require an additional round of Dealer Training.

Responsibilities of HVIP Purchasers

Purchasers are responsible for collaborating on the voucher request and redemption forms with the dealer, and for paying the non-voucher portion of the vehicle cost. A purchaser cannot be a manufacturer, dealership, or leasing company. The following is a list of the purchasers' responsibilities *at a glance*. The full explanation of the purchasers' responsibilities is provided in the Vehicle Purchaser Section of the HVIP IM. HVIP-participating purchasers are required to:

- Be a business, non-profit, tribal entity, or government entity which is based in California or has a California-based affiliate.
 - I. Private entity purchasers must be registered with the California Secretary of State.
 - II. Non-profits must provide an IRS Determination Letter at the point of voucher request.
 - III. A tax identification number (TIN) must be provided from the purchaser at the point of voucher request.
 - IV. Businesses that are not registered with the California Secretary of State or unable to provide a TIN or SSN are not eligible for HVIP
 - i. Businesses not listed on the Secretary of State portal that believe they are valid HVIP-eligible purchasers as defined by this manual may submit a letter describing why they are not listed to voucherprocessing@tetrattech.com at the time of the voucher request for consideration by CARB, and a copy of a tax filing may be required.
- Purchaser must provide TIN, CA and DOT numbers, fleet size, annual revenue, and domicile address at the time of voucher request.
- Use email addresses and other contact information affiliated with the business on whose behalf they are participating in HVIP.
- Demonstrate reasonable access to charging/fueling equipment at the domicile address to support all vehicles in the voucher request.
- Must not use a residential address unless specifically approved by CARB.
- Comply with California Truck and Bus Regulation (TRUCRS).
- Comply with AB 794 Attestation to Compliance with Labor Laws. Prior to submitting voucher requests, drayage and short haul fleets of one or larger must submit a public attestation online at

www.cazevlaborlawcompliance.org. Renewed compliance attestation is required annually until three years after voucher redemption.

- Maintain insurance as required by law.
- Commit to operate the vehicle in California for at least three years after the voucher Redemption Approval date.
- Understand “Common Ownership or Control” guidelines. The policies and procedures are located in Appendix C of the HVIP IM.
- For transit vehicles, a Letter of Intent (LOI) is permitted in lieu of a P.O. for vouchers.
- Purchasers must agree to Telematics requirements specified, meaning a data acquisition system capable of collecting vehicle GPS data, vehicle mileage and hours of operation.
- Communicate their voucher cap to the dealer.
 - I. Each purchaser is limited to 30 voucher requests per calendar year, except for drayage, transit, and refuse fleet/purchasers which are limited to placing 50 total voucher requests per calendar year, cumulatively in the set-asides for HVIP standard funds.
- Allow CARB, CALSTART, or Tetra Tech to verify the vehicle registration with the DMV. The DMV registration must match the vehicle listed on the CARB Executive Order. If a temporary DMV registration (DMV Form REG397) is provided, then a copy of the permanent registration must be provided to the dealer within six months of redemption for upload into the VPC.
- Be available for follow-up inspection, if requested.
- Participate in annual surveys for three years following voucher redemption.
- Disclose all sources of public funding used in combination with HVIP funds.
- Ensure accuracy of the vehicle, engine, and purchaser information on the voucher request and redemption forms.

The Voucher Process and Timelines

Voucher Progression Overview: Statuses in online Voucher Processing Center (VPC) These statuses and their accompanying requirements apply to Standard HVIP vouchers, Drayage Set-Aside vouchers, and Transit Set-Aside vouchers (for ISEF and ZESBI voucher details, please see Appendices F and G, respectively in the IM).

Voucher Request Stages:

- Pending Submittal: Dealer enters information into the Voucher Processing Center (VPC) about the request (quantity, Purchaser, etc.) for Dealers to submit their request, they must choose one vehicle along with the quantity requested and upload a purchase order (PO). If applicable, Dealers submitting bulk POs must upload those as well. If applicable, Dealers submitting 501(c) Nonprofit letters must upload those as well.
- Submitted: The dealer has submitted the voucher request. Individual vouchers will NOT be visible to the Dealer until the “Accepted Pending Confirmation” status is reached. Labor law compliance, if applicable, is checked in this status.
- Queued: Tetra Tech assigns funding status or assigns request to a contingency list if available.
- Funding Reserved: Funds are reserved from the appropriate funding source (i.e. drayage or transit set-aside, etc.) for the voucher request. Tetra Tech then begins standard Initial Review (for example, checking DOT numbers and eligibility for increased voucher amounts for DAC), and dealer will have 10 days to address any issues.
- Accepted Pending Signed Forms: The purchaser receives and completes additional required information via Purchaser Form. After the Purchaser Form is complete, Tetra Tech sends Terms and Conditions to both the dealer and purchaser for review and signature.
- Vouchers Created: All stages of a voucher request have been completed. Terms and Conditions and Purchaser Form have been approved. Under the “Voucher Requests” tab, the Dealer will see the “Vouchers Created” status. Simultaneously, under the “Vouchers” tab in the VPC, the Dealer will be able to see assigned voucher IDs by looking at the “Accepted Pending Confirmation” status.

Voucher Stages:

- Accepted Pending Confirmation: Individual vouchers are now visible to Dealers under the “Vouchers” tab in the VPC. Dealers must fill out VINs and requested vehicle information in the “Key Fields” section for their vouchers to move forward. The Voucher Processing team conducts TRUCRS compliance review, reviews VIN, and confirms the Model Year of the vehicle listed in the VPC Vehicle Catalog.
- Pending Delivery: Vouchers must be updated every 90 days to re-confirm the anticipated delivery date. Dealers must fill out additional vehicle information in the “Key Fields” section for vouchers to move forward. Also, photos of the VIN Tag with GVWR and the Vehicle Emission Control Information (VECI) label with vehicle family name are required at this status.
- Redemption Processing: Dealers are sent a Redemption form for completion; purchasers are also sent the form. Dealers must also complete all items on a Redemption Checklist to move their vouchers forward. CARB extension approval is needed if redemption won’t occur within 18 months of the date funding is reserved, except for vouchers for public transit buses which have a longer timeline at 36 months from the date funding is reserved.
- Redemption Approved: CALSTART’s Accounts Payable team mails payment to Dealer (approximately 7 business days). The Purchaser is required to complete an annual survey for 3 years after redemption.
- Completed Paid: Check information has been added to voucher record. Dealer reimbursement process is complete.
- Cancel/Voided: Upon Dealer or Purchaser request or for other reasons, Tetra Tech can cancel a pending voucher or voucher request at any stage. Visible to the Dealer in the Voucher Processing Center, the Voucher Processing team will mark a cancellation reason and will notify both the Dealer and Purchaser via email. If a voucher is cancelled within the first 30 days after which it was requested, it is considered Voided, whether the cancellation was initiated by the Purchaser, Dealer, or by HVIP staff.

Dealer Dashboard VPC Resource

While logged onto the VPC account, navigate to the Dashboard tab to discover recently added reports. Within that tab you will see six dynamic voucher dashboard components. These are components meant to help you with your existing voucher requests and vouchers. This dashboard can be refreshed every minute!

Dealer: Voucher Request by Status – This will give a snapshot of the voucher requests currently by status, this will allow dealers to see what stage those voucher requests are in.

Dealer: Vouchers by Status – This will give a snapshot of the active vouchers currently by status, this will allow the dealer to see what stage those vouchers are in.

Dealer: Vouchers in Pending Delivery – This component will show the number of vouchers that are currently pending delivery.

Dealer: Vouchers: Expiration Date – This component will show which vouchers are nearing expiration; it will allow dealers to keep an eye on approaching dates.

Voucher Docs with Voucher Requests – This component will report which voucher documents are missing on the voucher requests. It will show dealers which voucher requests have paperwork missing to proceed with the voucher.

Voucher Documents with Vouchers – This component will report which voucher documents are missing on the vouchers. It will show dealers which vouchers have paperwork missing to proceed with the voucher.

Voucher Modifiers

15% Disadvantaged Community/Tribal Government Voucher Enhancement:

Vehicles domiciled in a Disadvantaged Community (DAC), **or** any vehicle purchased or leased by a California Native American tribal government are eligible for an additional 15% of voucher funds. Dealers are responsible for indicating DAC eligibility on the Voucher Request Form. The DAC incentive is only available to vehicles purchased and domiciled in a DAC by public or private small fleets with 20 or fewer trucks or buses, and less than \$15 million in annual revenue for private fleets (or for any purchase by a tribal entity).

HVIP defines DAC eligibility as vehicle domicile address in any of the following areas of the map at <https://webmaps.arb.ca.gov/Prioritypopulations/>. Please search the prospective purchaser's address to confirm their domicile location is located within a DAC or surrounding areas per the legend below.

- Effective 7/21/23, HVIP defines DAC eligibility as vehicle domicile address in any of the following areas:
 - Disadvantaged Communities (yellow area on map legend)
 - Disadvantaged and Low-Income Communities (green (yellow and blue) area on map legend)
 - Low Income Communities within ½ mile of a Disadvantaged Community (crosshatched purple area on map legend)
 - Low Income Households within ½ mile of a Disadvantaged Community (crosshatched grey area on map legend)

25% Refuse Reimagined: A voucher enhancement of 25% is applied [HVIP-eligible refuse vehicles](#) used for solid waste collection started November 18, 2022. This increased incentive amount is available until December 31, 2024.

25% Drayage Truck Early Adopter: The voucher modifier is 25%. The \$150,000 voucher amount for drayage truck early adopters will continue through December 31, 2024. See the IM for Drayage Truck Early Adopter eligibility requirements.

15% Public Transit Agencies: Applicable for transit buses purchased by a city or county government; a transportation district/transit district; or a public agency. Public transit includes paratransit services.

65% School Buses for Public School Districts: A voucher enhancement of 65% is automatically applied to yellow school buses. This voucher modifier is separate from the ZESBI incentive amounts.

-50% Plug-in Hybrids and In-Use Converted/Remanufactured Vehicles: The Plug-in Hybrid and In-Use Converted/Remanufacturer voucher modifiers are applied before any other voucher adjustments or modifiers. The dealer is prohibited from requesting a voucher for a transaction involving only the powertrain/drivetrain without installation of the powertrain/drivetrain into a vehicle identified at the time of voucher request.

Policy Changes to Know

Modifications to the manufacturer rolling soft cap: Requests from fleets with 20 vehicles or fewer, submitted on or after January 1, 2023, do not count toward the 100-voucher cap. Also, manufacturers are exempt from the cap if they maintain an average voucher redemption rate of at least 50 vouchers over a 6-month period or 100 vouchers over a 12-month period starting January 1, 2023.

Purchase Order Age: Starting 1/1/24, Purchase Orders or other binding sales agreements for private-entity purchasers can be dated no earlier than 90 calendar days before the date the voucher request is submitted. For public-entity purchasers, POs or other binding sales agreements can be no older than March 30, 2023.

Compliance with labor standards: Fleets purchasing drayage and short-haul trucks will be required to directly attest that they are in compliance with state labor laws, that they will remain in compliance with labor laws for up to at least three years or the duration of the incentive agreement, and that they will retain direct control over the manner and means for performance of any individual using or driving the vehicle.

Bulk vehicle purchase requirement for fleets with more than 500 vehicles: Private fleets with more than 500 medium- and heavy-duty vehicles will only be allowed to access HVIP funding if they demonstrate that they are purchasing ZEVs in bulk. These fleets must present a Purchase Order for at least 30 HVIP-eligible vehicles, and the HVIP incentive will be applied only for vehicles purchased above 30. The existing fleet voucher request limit of 30 vouchers per fleet per year (50 vouchers for drayage trucks) continues to apply, regardless of the size of the bulk order. HVIP funding for fleets with more than 500 vehicles may only be applied to vehicles domiciled in disadvantaged communities. Bulk purchases are not required for fuel cell vehicles until they achieve greater market penetration. Also, 501(c)(3) nonprofit organizations are exempt from the bulk purchase requirement.

Voucher amount adjustments based on fleet size:

<u>Voucher Adjustment Type</u>	<u>Voucher Adjustment Base Amount</u>
Public and Private fleets with 20 or fewer vehicles above 8,500 lbs.	<u>+100%</u>

Private fleets with between 101 - 500 vehicles above 8,500 lbs.	<u>-20%</u>
Private fleets with more than 500 vehicles above 8,500 lbs.	<u>-50%</u>

Common Ownership or Control Definition: For the purposes of HVIP fleet size, “common ownership or control” can be defined as being owned by the same person, corporation, partnership, limited liability company, or association. In addition, vehicles managed day-to-day by the same directors, officers, managers, or by corporations controlled by the same majority stockholders are considered to be under common control, even if their title is held by different business entities. Vehicles owned by different entities but operated by using common or shared resources to manage the day-to-day operations by using the same motor carrier number, displaying the same name or logo, or contractors who represent the same company are considered to be under common ownership or control. Common ownership or control includes relationships where the controlling party has the right to direct or control the vehicle as to the details of when, where, and how work is to be performed or where expenses for operating the vehicle, such as fuel or insurance, are shared. However, if the purchaser is hired as a contractor by a larger fleet the purchaser does not need to count trucks operated by the hiring fleet as part of the purchaser’s fleet size, though the contractor’s vehicles are counted as part of the hiring fleet. At CARB’s sole discretion the contractor may be required to provide additional documentation, including but not limited to, copies of their California Business License, CA # or DOT #, or a copy of their written contract agreement with the hiring fleet. Common ownership or control does not include agreements for individual loads that are competitively bid and issued to the lowest qualifying bid, and such agreements do not need to be counted towards a purchaser’s fleet size. See Appendix C of the IM for more information.

Private fleets of more than 50 vehicles: Private fleets of more than 50 vehicles remain eligible to request HVIP vouchers until January 1, 2025, postponing by a year the policy set in the FY 2022-23 Funding Plan.

ACF Regulations and HVIP’s stance on ACF are as follows: The ACF regulation applies to fleets performing drayage operations, those owned by state, local and federal government agencies, and high priority fleets. High priority fleets that own, operate, or direct at least one vehicle in California, and that have either \$50 million or more in gross annual revenues, or that own, operate, or have common

ownership or control of a total of 50 or more vehicles (excluding light-duty package delivery vehicles). The regulation affects medium- and heavy-duty on-road vehicles with a GVWR greater than 8,500 pounds, off-road yard tractors, light-duty mail and package delivery vehicles. To review the ACF regulation and how HVIP relates to ACF is that which is published in the forthcoming FY 23-24 IM, and related materials such as our FAQs on our website.

HVIP will remain available to fleets purchasing a zero-emission truck or bus prior to compliance deadlines or in excess of regulatory requirements, including:

- Zero-emission drayage truck purchases in existing drayage fleets.
- High-priority and public fleets using the milestones option may access HVIP for any zero-emission vehicles purchased in excess of their milestone requirement. Similarly, State and local agencies not using the milestones option may access HVIP for any vehicles purchased above their requirement. For example, if a fleet on the 50 percent milestone purchases 20 trucks and 15 of those are zero-emission, five will be eligible for HVIP incentives.
- Eligible fleets purchasing zero-emission vehicles prior to a regulatory deadline will be able to access HVIP, even if those vehicles eventually are counted toward regulatory requirements. Eligibility relative to the regulatory deadline will be determined by purchase order date (high-priority and public fleets will be allowed to use a letter of intent or binding resolution in place of a purchase order).

HVIP does not prohibit vehicles receiving incentives from being used for future compliance purposes. In other words, an HVIP-funded vehicle purchased prior to or in excess of regulatory requirements, as explained above, can be used to count toward future requirements where applicable.

In April 2023, CARB adopted the [Advanced Clean Fleet \(ACF\) regulation](#), a medium- and heavy-duty zero-emission fleet regulation with the goal of achieving a zero-emission truck and bus California fleet by 2045 everywhere feasible and significantly earlier for certain market segments such as last mile delivery and drayage applications. The initial focus is on high-priority fleets with vehicles that are suitable for early electrification, their subhauliers, and entities that hire them. The goal of this effort is to accelerate the number of medium and heavy-duty zero-emission vehicle purchases to achieve a full transition to zero-emission vehicles in California as soon as possible.

For more information, please see <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-fleets>. Go to the 'Resources' tab for ACT Fact Sheets.

Commonly Forgotten Rules and Mistakes

We've curated a list of HVIP rules that are often forgotten to help reduce the chance of running into issues with your vouchers.

- A voucher request should be submitted at the time of Purchase Order issuance.
- The Purchase Order must include the purchaser and dealer names, HVIP voucher amount, number of units (if a batch request), model name and year of the vehicle as listed on the CARB EO, issued date, HVIP eligible vehicle description, and the purchaser's signature. The purchase order provided by the dealer must represent a real vehicle order that is ready to be placed. Voucher requests submitted with a purchase order / sales agreement that is missing any of this mandatory information may be subject to cancellation at the point of voucher request.
- Voucher requests submitted for vehicles that have already been delivered, paid for, and/or registered will not be accepted.
- HVIP funding may not pay for any taxes or fees. Taxes and fees must be paid by another funding source.
- Neither the purchaser, dealer nor the vehicle model information may change from the information initially listed on the Purchase Order and voucher request. If the vehicle, dealer or the purchaser information change, the voucher will be cancelled and the dealer will be allowed to submit a new voucher request, funding availability permitting.
- Domicile addresses cannot change during the voucher process. In the event a domicile address must be changed, it will require an exemption from CARB. **DO NOT** change the address without approval from CARB.
- Do not proceed with changes/updates related to a CBC review until the case has been approved.
- When requesting a batch of vouchers, the vehicle model, purchaser, and dealer information must be identical for all vouchers in the batch.

- Special requests or unique transactions requested such as lease deals, special testing, unique financing deals, etc. must be disclosed with the initial voucher request (before voucher is approved).
- The vehicle price less the voucher amount must be listed on the Purchase Order. The final signed invoice must show that the voucher amount has been fully discounted from the vehicle price.
- The VPC issues automated emails containing reminders or voucher milestones. Dealers are encouraged to check their junk mail to ensure they receive their voucher updates.
- Please ensure that you reply all to each email that requires a response.
- Vouchers cannot be submitted for vehicles that have been paid for prior to submission or have been delivered prior to submittal date.
- The dealer must sell the entire HVIP-eligible vehicle with an engine certified to the optional Low NOx standard of 0.01 f/bhp-hr to the purchaser. Voucher requests for incomplete vehicles, including vehicles without the body installed, and zero-emission powertrains/drive trains alone are prohibited and are subject to cancellation at the point of voucher request.
- Voucher requests for incomplete vehicles, including vehicles without the body installed, and zero-emission powertrains/drivetrains alone are prohibited and are subject to cancellation.
- Standard HVIP and all Set-Asides except for the ZESBI and ISEF, can cover up to 90% of the cost of each vehicle for private entities, and up to 100% for public entities, exclusive of taxes, fees, and other non-vehicle costs.

HVIP Voucher Incentive Calculator

If you need assistance calculating example voucher amounts, please navigate to the “Resources” tab on the VPC. This calculator will allow you to test out voucher calculations and it includes set-asides. Please keep in mind that this calculator was created with the intent to estimate a voucher amount. Users are encouraged to test out the HVIP Voucher Incentive Calculator to get a better understanding of how modifiers and base adjustments can affect a voucher amount. Please note that the calculator may not account for nuanced eligibility requirements.

HVIP Dealer Training Office Hours

The Dealer Training team holds weekly HVIP Dealer Training Office Hours on Monday and Thursday between 1:00pm to 1:30pm PDT. To sign up to ask questions, please navigate to [Calendly](#) and sign up for a date that works best for you.