



California Pollution Control Financing Authority

# California Capital Access Program (CalCAP) Lender Roundtable

*January 16, 2020*

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# CalCAP Lender Roundtable Agenda

- Introductions
- CalCAP/CARB Program Updates
- CARB Compliance
- Discussion of Potential Program Changes



# CalCAP/CARB by the Numbers

*As of January 4, 2020*

Total CalCAP/CARB enrollment since 2009:

**25,547** loans for **\$1.7** billion for **26,234** trucks, **620** retrofits and **628** trailers

Total CalCAP/CARB Contributions since 2009:

**\$118.8** million

Total CalCAP/CARB Claims since 2009:

**1,621** claims for **\$57.9** million

2019 CalCAP/CARB enrollment:

**4,472** loans for **\$314.7** million for **4,595** trucks and **142** trailers

2019 Total CalCAP/CARB Contributions:

**\$12.8** million

2019 Total CalCAP/CARB Claims:

**422** claims for **\$15.3** million

# CalCAP/CARB Program Reminders

1. CalCAP/CARB's Truck Loan Assistance Program supports loans to **small business** owners, with **fleet size of 10 or fewer trucks**, to purchase trucks driven **primarily in California** to comply with the State's engine emission standards.
2. Current CalCAP/CARB Contribution Thresholds:
  - 14 % Contribution - for first \$500,000 in total contributions
  - 7 % Contribution - for \$500,001 - \$1.5 million in total contributions
  - 4 % Contribution - for contributions over \$1.5 million
3. Lenders can submit loan enrollments via web-based portal at <https://calcap.treasurer.ca.gov>



# CalCAP/CARB Program Reminders (cont.) <sup>5</sup>

4. CalCAP/CARB now allows the cost of warranties on eligible equipment to be included in the loan financing.
5. Electric trucks and lighter vehicles (GVWR 14,001-26,000 lbs) are eligible for CalCAP/CARB loan enrollment.
6. Please share our CalCAP/CARB Borrower's webpage with your borrowers:  
<https://www.treasurer.ca.gov/cpcfa/calcap/arb/borrowers.asp>
7. Program Summary, Lender Manual, and Loan Enrollment Forms are available at:  
<https://www.treasurer.ca.gov/cpcfa/calcap/arb/index.asp>
8. CARB One-Stop 2020 Events will be posted soon. Stay Tuned!  
<https://ww3.arb.ca.gov/msprog/truckstop/azregs/training.htm>

# Important: CalCAP/CARB Compliance Updates

- The Truck and Bus Regulation has been in effect, and vehicles must currently meet the compliance deadlines.
- Starting January 1, 2020, the DMV began verifying compliance with the regulation in order to register vehicles based on the schedule.
- 2010 or older vehicles (2009 or older engines) must be replaced based on the schedule in these tables.

Lighter Vehicles (14,001 - 26,000 lbs GVWR)	
Vehicle Model Year	DMV Begins Compliance Verification*
2004 & older	January 1, 2020
2005 - 2007	January 1, 2021
2008 - 2010	January 1, 2023

Heavier Vehicles (>26,000 lbs GVWR)	
Vehicle Model Year	DMV Begins Compliance Verification*
2000 & older	January 1, 2020
2001 - 2005	January 1, 2021
2006 - 2007	January 1, 2022
2008 - 2010	January 1, 2023

\* You may already be out of compliance and currently subject to DMV registration holds.

***CalCAP Staff advises that lenders not enroll loans for any vehicle that will fall out of compliance prior to the maturity of the loan.***



# CARB/CPCFA Interagency Agreement Amendment

- Approved by CPCFA on December 10, 2019
- Pending final execution by CARB & Department of General Service (DGS)
- Key Updates:
  - \$48 million in new funding.
  - Proof of CA DMV registration required at time of loan enrollment.
  - Updated Borrower Certification (will be posted after final approval).





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## Questions/Comments on CalCAP/CARB Program Updates?





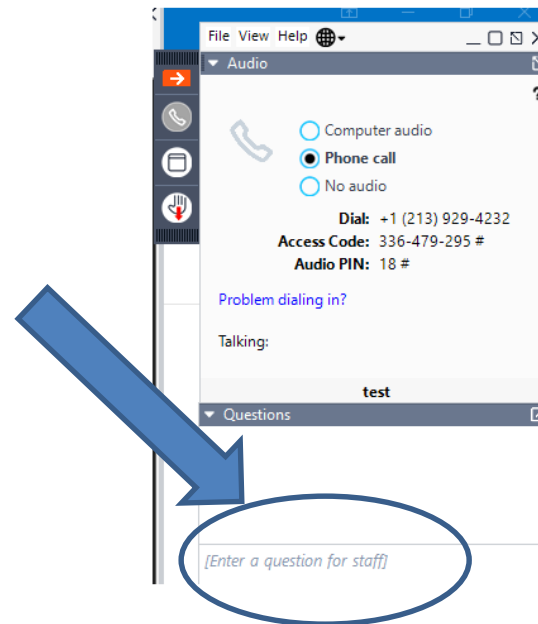
# Discussion

## How to provide your input

- If you would like to talk, please click the 'raise hand' icon on your GoToWebinar toolbar so we can unmute you

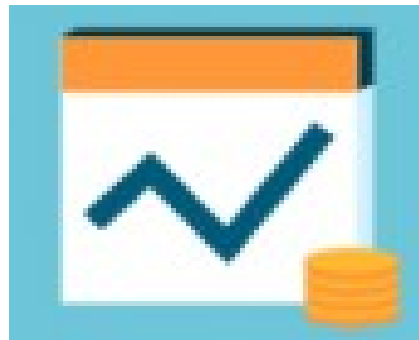


- You may also type in your comments/questions in the Question box



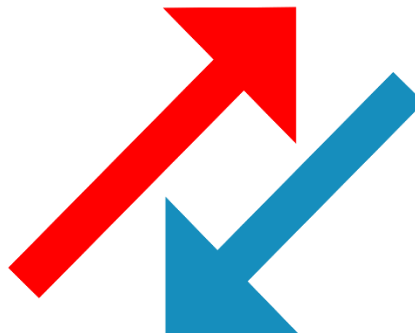
# Lender Question 1:

- Would an increase in the CalCAP/CARB contribution rate from 4% to 10% increase the number of loans your institution would enroll in the program?
- What are some of the determining factors for making a loan with the increased contribution amount?



## Lender Question 2:

- Would an increase in the CalCAP/CARB contribution rate from 4% to 10% expand the number of borrowers eligible for a loan from your institution?
- Would an increase in the CalCAP/CARB contribution rate allow you to decrease the down payment amount?



## Lender Question 3:

- What economic factors are contributing to riskier loans or less qualified borrowers?



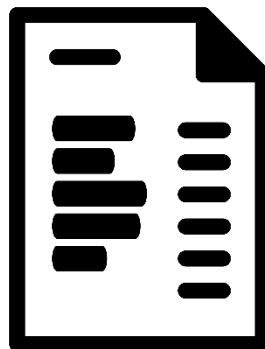
## Lender Question 4:

- Do you anticipate a recession in the trucking industry?
- If so, what data do you rely on to support this?



## Lender Question 5:

- What kinds of repair bills have caused defaults?
- What portion of the defaults are caused by unaffordable repairs?
- How much do the repairs typically cost?



# Additional Comments

We are providing the opportunity for all lenders to provide additional input, comments and data.

We encourage you all to submit your written comments, feedback and documentation to [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov) no later than January 23, 2020.

Please include: “Follow-up to 1/16/2020 Webinar” in the subject line.

