Commercial Lawn & Garden Equipment Replacement
Addendum to the Carl Moyer Program Policies and Procedures

Introduction

The Carl Moyer Memorial Air Quality Standards Attainment Program (Moyer Program) provides monetary grants for the incremental cost of cleaner than required technology. The 2024 Moyer Program Guidelines provide minimum requirements for projects including eligible project source categories supported by the program. Lawn and Garden Equipment Replacement projects are addressed in Chapter 9 of the Moyer Program Guidelines. In 2023, CARB updated Chapter 9 of the 2017 Guidelines to ensure a streamlined approach to reducing emissions from small off-road engines (SORE) by funding the replacement of zero-emission equipment. These updates support the goal to transition California to 100 percent zero-emission off-road vehicles and equipment by 2035 where feasible according to the Governor's Executive Order N-79-20.

This document is an addendum to the Feather Air Quality Management District's (District) Moyer Program Policies and Procedures Manual describing the implementation of the District's Lawn and Garden Equipment (L&GE) Program consistent with Chapter 9 of the Moyer Program Guidelines. All projects and applicants must meet the minimum requirements stated in the 2024 Moyer Program Guidelines, CARB Technical Advisories, and District Carl Moyer Policies and Procedures to which this addendum is made.

Program Goals and Objectives

The L&GE Program furthers the goal of electrifying California's small off-road engine fleet by 2035 by offering incentives toward the replacement of existing combustion lawn and garden equipment with cordless, zero-emission lawn and garden equipment. The emission reductions are surplus because zero-emission lawn and garden equipment is not currently required by end users. This program will include outreach and educational components to inform applicants about available technology and capabilities and the benefits of switching to zero-emission equipment.

The L&GE Program will provide vouchers to qualifying applicants for the purchase of cordless, zero-emission lawn and garden equipment from eligible dealers and manufacturers. The District is currently implementing this program for Commercial Lawn and Garden Equipment Replacement projects only.

Project Eligibility

Eligible Applicants

Applicant must be either (1) a California business providing landscape maintenance services for residential, commercial, institutional or public properties that has held a California business license for at least two (2) years prior to submitting an application to the Program; or (2) a public agency, non-profit entity that conducts commercial-scale

landscaping activities, forest management, land management or fire hazard reduction activities.

For purposes of this program, a "California business" means the individual and/or business applicant resides in California. A business resides in California if its principal place of business is physically located in California and it has held a California business license for at least two years.

Applicants must currently own and operate existing lawn and garden equipment and intend to operate the replacement equipment within California for a minimum of 36 months from the date of purchase. For the District's program, the business must operate within Yuba and Sutter counties demonstrated by either the business license address or owner address is within Yuba or Sutter counties or providing a copy of a payment from a customer in Yuba or Sutter counties for commercial lawn and garden services rendered in the previous 6 months. The public agency or non-profit entity must reside within Yuba or Sutter counties.

To qualify, a small business must meet the program's definition which is:

A small business means an independently owned and operated business that is not dominant in its field of operation, the principal office of which is located in California, the officers of which are domiciled in California, and which, together with affiliates, has 100 or fewer employees, and average annual gross receipts of ten million dollars ($10,000,000) or less over the previous three years, or is a manufacturer, as defined in subdivision (c), with 100 or fewer employees. Commencing January 1, 2019, the average annual gross receipts threshold shall be fifteen million dollars ($15,000,000) (Gov. Code § 14837(d)(1)(A)).

Equipment

The Program supports the replacements of the following types of lawn and garden equipment:

- Chainsaws/Trimmers/Edgers/Brush cutters
- Leaf blowers/Vacuums
- Walk Behind Lawn Mowers
- Riding Lawn Mowers

Existing gasoline or diesel fueled lawn and garden equipment must be in operational condition at the time of application submission. This means the equipment must be able to start, move and has all operational parts intact. Applicant will certify this information on the application form and operational condition will be verified prior to destruction and recycling.

Destruction of existing equipment is required. Equipment must be delivered to a District approved facility within 30 days of purchase of the replacement lawn and garden equipment. The equipment must be in operational condition when delivered and

destroyed by the facility within 60 days of receipt. A list of District-approved recycling and hazardous waste facilities will be maintained and available during program implementation for participants on the District's website.

Replacement equipment must serve the same function and perform the same work as the existing equipment. New, cordless zero-emission electric equipment must be purchased from a participating Merchant.

Equipment manufacturers or Merchants interested in participating in this program must agree to the terms and conditions of this program by signing the Merchant agreement (Attachment C) with the District. Only manufacturers or Merchants who have signed an agreement with the District will be eligible to participate in the program.

Vouchers

The L&GE Program will provide each applicant with a maximum amount of $20,000 in vouchers to be used towards the purchase of eligible equipment. Total funding will be limited to $20,000 per entity for each program year. Eligible purchases include cordless, zero-emission electric lawn and garden equipment, batteries and/or charging cables to support the selected equipment. Purchases of batteries and/or charging cables without equipment are not eligible for funding. Voucher amounts must be less than or equal to 100% of the total eligible purchase costs. Co-Funding is allowed under the 2024 Moyer Program Guidelines, however, the sum of all funds cannot exceed amounts set by the Guidelines, shown in part below:

Equipment	Maximum Grant Amount
Chainsaws/Trimmers/Edgers/Brush cutters	$700
Leaf blowers/Vacuums	$1,400
Walk Behind Lawn Mowers	$1,500
Ride-on or Stand/Sit Mowers	$15,000

<u>Program Workflow</u>

1. Prior to implementation, District will train participating retailers and manufacturers and execute a Merchant Agreement.

2. The District will coordinate with local dismantler and recycling facilities and prepare a list of District authorized locations to perform the destruction required by this program.

3. The District will conduct outreach to the public to announce the program opening and application solicitation.

4. Applicants will complete Voucher Application Form and submit along with supporting materials to the District during the open application period.

5. Applications received by the District will be date stamped.

6. District staff will review each application for completeness. If the Applicant supplies personal financial information, District Staff will review the documents to verify eligibility (if necessary) and return those documents to the Applicant. The District does not retain sensitive financial information regarding Applicants.

7. If the application is not deemed complete, District Staff will contact the applicant within 30 days, identifying the information or documentation still needed to finalize the review of their application. District staff will document this notification in the application packet or file. Any application not completed after 30 days of District Staff's notification will be deemed incomplete and removed from the pending application list.

8. Vouchers will be issued in the order the applications were originally received, with an expiration date of sixty (60) days from issuance.

9. Applicants will take their voucher and existing equipment to a Participating Merchant for redemption. Equipment must be verified as operational by the Participating Merchant. If equipment is deemed inoperable, the Participating Merchant will reject it.

10. Vouchers will be accepted by Participating Merchants at the time of sale and applied as a discount. Participating Merchants will notify the District of the sale once the customer has completed the purchase and received their new equipment.

11. Merchants will ensure old equipment is destroyed using one of the following methods:

    a. Merchant destroys the surrendered combustion equipment and submits a photo to the District depicting the destruction
    b. OR Merchant delivers surrendered combustion equipment to a scrap or recycling facility for destruction
    c. OR Merchant coordinates with customer to surrender combustion equipment to a scrap or recycling facility for destruction and obtains from the customer the certification that the equipment has been destroyed.

    If delivered to a scrap or recycling facility by the merchant or customer, the old combustion equipment must be destroyed and rendered permanently unusable, and destruction certified by the facility within 60 days of receipt and before the DISTRICT can provide payment.

12. Participating Merchants will be reimbursed within 30 days by the District once the purchase is completed, new equipment is received by applicant, existing

equipment is scrapped, and all required documentation is received. Required documents include a completed Voucher, Final Invoice, and Proof of Destruction.

13. The District will maintain records and report to CARB as required by the Moyer Program Guidelines.

Participating Manufacturer and Merchant Requirements

Participating Manufacturer

For equipment manufacturers to participate in the Program, they must qualify, be trained on and sign the Merchant Agreement in which they shall agree to follow the Program policies and guidelines. At a minimum, the following requirements must be met:

1. Have a valid Employer Identification Number and a valid business license issued in California for a minimum of the last two years.

2. Ensure CARB, the Department of General Services, Department of Finance, the California State Auditor or their designees the right to review and copy any and all records pertaining to participation and receipt of funding in relation to participation in the Program.

3. Manufacturer agrees to allow the District or CARB to inspect cordless, zero-emission electric L&GE or audit program records covered under this agreement during normal business hours.

4. Manufacturer shall provide aftermarket service to customers for defects in materials or workmanship as defined in the Terms and Conditions listed in the product warranty.

5. Manufacturer agrees to notify the District and any and all purchasers through the Program of any recall of the L&GE equipment or any of its constituent parts ordered by manufacturer or by a government agency.

6. Acknowledgement that the agreement is not an endorsement of the manufacturers L&GE for any purpose, including materials, workmanship, merchant ability or fitness for use. Nothing in the agreement shall be construed as a warranty or endorsement.

7. Agreement to abide by CCR, title 13, section 2408.1(a).

8. Manufacturer must agree that if it fails to show they are implementing the Program consistent with the Program requirements, the manufacturer shall return to the District funds in proportion to any loss of emission reductions compared with the projected reductions of the agreement.

Merchant Agreements

For equipment dealerships or retailers to participate in the Program, they must qualify, be trained on and sign the Merchant Agreement in which they shall agree to follow the Program policies and guidelines. At a minimum, the following requirements must be met:

1. Merchant must have had a valid business license issued in California for a minimum of the last two years.

2. Merchant must agree to allow the District or CARB to inspect cordless, zero-emission electric L&GE or audit program records covered under this Agreement during normal business hours.

3. Merchant must agree to show the voucher amount on the final invoice or purchase receipt. The voucher amount will not lower the base price of the replacement equipment, nor will it reduce the tax basis of the equipment.

4. Merchant must agree that if it fails to show they are implementing the Program consistent with the Program requirements, the merchant shall return to the District funds in proportion to any loss of emission reductions compared with the projected reductions of the agreement.

Salvage, Disposal or Recycling Facility Agreements

The District may enter into agreements with salvage, disposal and/or recycling facilities to participate in the L&GE Program. Any agreement must comply with Moyer Program requirements for salvage and recycling facilities in addition to the following:

1. Statement agreeing to destroy the L&GE and engine within 60 days of receipt in a way that ensures the L&GE engine is no longer operable or repairable.

2. Agreement to notify the District that the combustion L&GE is destroyed by sending documentation indicating the number of L&GE destroyed.

Refer to the 2024 Carl Moyer Program Guidelines and Chapter 9 for a complete list of requirements and terms for the above contracts.

Recordkeeping and Reporting

The District is responsible for maintaining project records and reporting to CARB on the status of the Carl Moyer Program annually. All Program materials will be maintained in accordance with the 2024 Carl Moyer Program Guidelines and will utilize the CARL online database to provide information to CARB on the implementation of the L&GE Program.

Attachments:

A - Voucher Application Form
B - Program Voucher

C - Merchant Agreement
D - Voucher Tracking Form
E - Equipment Destruction Form