AB 2766

Subvention Fund

South Coast AQMD

May 2008
AB 2766 Subvention Fund

- Adopted in 1990
- DMV annual registration surcharge of $4 per vehicle
- Provides revenue to reduce emissions from motor vehicles
- 40%, approximately $19.6 million, subvened to cities/counties annually
AB2766 Subvention Fund

$4 DMV Surcharge Distribution

- AQMD: $1.20 (30%)
- MSRC: $1.20 (30%)
- Local Government: $1.60 (40%)
AB 2766 Subvention Fund

- Distributed by AQMD on a quarterly basis to 158 participating local governments

- Based on cities/counties prorated share of population

- Projects must meet CARB’s criteria & guidelines
  - Emphasis on cost-effective projects ($10 per pound including NOx, VOC, CO/7, PM10)

- AQMD’s Resource Guide revised annually
AB 2766 Subvention Fund

- Annual Reports on the use & results of funds due each February
- Consolidated Annual Financial Report (CAFR) due each February
- Independent firm conducts random audits of AB 2766 expenditures every two years
- Summary report to CARB annually
CARB’s 2007 Statewide SIP Strategy

- Need for 74 additional tons/day of NOx reductions to meet PM2.5 standards

- CARB, AQMD, and SCAG reached joint decision which included reducing an additional 4 tons/day of NOx by local government from AB2766 projects not accounted for in SIP by 2014

- Approximately half of funds are spent on SIP quantifiable projects
Expenditures by Category
FY 05-06

Transportation Demand Management 35%
Alternative Fuels/Electric Vehicles 28%
Traffic Management 13%
Public Transportation 7%
Bicycles 6%
Miscellaneous Projects 4%
Land Use 3%
PM 10 Reduction Strategies 2%
Vehicle Emissions Abatement 1%
Public Education 1%
Market Based Strategies 0.1%
FY 2005-06 Annual Report

Major Project Categories

- Transportation Demand Management
  $6.8 Million – Total of 93 Projects

- Alternative Fuel Vehicles/Infrastructure
  $5.5 Million – Total of 95 Projects

- Traffic Management
  $2.6 Million – Total of 37 Projects

- Public Transportation
  $1.4 Million – Total of 39 Projects

*Total # of Projects Funded in all 12 Categories: 374*
Preferred Projects List

- Alternative Fuel/Electric Vehicles
  - High Priority – Turnover of Heavy Duty Diesel Fleets
  - Lower Priority – Turnover of light/medium duty fleets (gasoline/diesel)
  - Alternative Fuel Infrastructure

- Vehicle Emissions Abatement
  - Off-road vehicle replacement
  - Old vehicle scrappage
AB 2766 Program

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