



# SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT

## ZERO-EMISSION AG UTV VOUCHER PROGRAM

### Program Guidelines

The San Joaquin Valley Air Pollution Control District (District) Zero-Emission Ag UTV Voucher Program provides monetary incentives for the replacement of existing diesel or gasoline-powered all-terrain vehicles (ATV), utility terrain vehicles (UTV), and tractors less than 25 horsepower with new, zero-emission UTVs to qualified individuals, businesses, educational institutions, and non-profit organizations involved in California agricultural operation as defined by The California Air Resources Board (CARB).

There are three general types of vehicles eligible for grant funding under the Program: ATVs and UTVs as they are defined by off-highway regulations<sup>1</sup>, excluding the reference to an internal combustion engine, as well as tractors less than 25 horsepower. For the purposes of this program, the term UTV will be used to collectively include both ATVs, UTVs, and small tractors.

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You may also contact us by phone, email, or visit our website:

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[Grants@valleyair.org](mailto:Grants@valleyair.org)  
[www.valleyair.org](http://www.valleyair.org)

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<sup>1</sup> California's off-highway regulations as amended in July 2006 (Title 13 CCR § 2449) define an ATV as any off-highway motor vehicle 50 inches or less in overall width that is designed to travel on four or more low pressure tires, having a single seat designed to be straddled by the operator or a single seat designed to be straddled by the operator and a seat for no more than one passenger, having handlebars for steering control. An off-road utility vehicle is defined as designed to travel on four or more wheels, having bench or bucket seating for two or more persons, having a steering wheel for steering control, designed for operation over rough terrain, having an internal combustion engine with a displacement less than or equal to one liter, having a maximum brake power less than or equal to 30 kilowatts, and having either 1) a rear payload of 350 pounds or more, or 2) seating for six or more passengers.

**Agricultural operation as defined by CARB:**

For baseline diesel equipment, “agricultural operations” are defined consistent with title 13, CCR, section 2449(c)(1), as follows: “Agricultural operations” means (1) the growing or harvesting of crops from soil (including forest operations) and the raising of plants at wholesale nurseries, but not retail nurseries), or the raising of fowl or animals for the primary purpose of making a profit, providing a livelihood, or conducting agricultural research or instruction by an educational institution, or (2) agricultural crop preparation services such as packinghouses, cotton gins, nut hullers and processors, dehydrators, and feed and grain mills. Agricultural crop preparation services include only the first processing after harvest, not subsequent processing, canning, or other similar activities. For forest operations, agricultural crop preparation services include milling, peeling, producing particleboard and medium density fiberboard, and producing woody landscape materials.

For baseline spark-ignition equipment, “agricultural operations” and “agricultural crop preparation services” are defined consistent with title 13, CCR, section 2775(d)(3) and section 2775(d)(2), as follows: “Agricultural Operations” means (1) the growing or harvesting of crops from soil (including forest operations) and the raising of plants at wholesale nurseries, but not retail nurseries, or the raising of fowl or animals for the primary purpose of making a profit, providing a livelihood, or conducting agricultural research or instruction by an educational institution, or (2) agricultural crop preparation services. “Agricultural Crop Preparation Services” means packinghouses, cotton gins, nut hullers and processors, dehydrators, feed and grain mills, and other related activities that fall within the United States Census Bureau NAICS (North American Industry Classification System) definition for Industry 115114 – “Postharvest Crop Activities,” as published in the North American Industry Classification System – United States, 2002. For forest operations, “Agricultural Crop Preparation Services” means milling, peeling, producing particleboard and medium density fiberboard, and producing woody landscape materials and other related activities that fall within the United States Census Bureau NAICS definition for Industries 321113 (Sawmills) and 321219 (Reconstituted Wood Product Manufacturing),” as published in the North American Industry Classification System – United States, 2007.

**The existing (old) equipment must:**

- Be a self-propelled all-terrain vehicle (ATV), utility terrain vehicle (UTV), or tractor less than 25 horsepower (**Tractors classified as lawn and garden tractors do not qualify, even if the mower deck has been removed**)
  - For baseline equipment in which the actual engine horsepower cannot be determined based upon the engine label, manual, and engine records, the District may determine baseline engine horsepower by the following formula: Engine horsepower = Power Take Off (PTO) horsepower x 120%
- Be powered by a compression-ignition engine (diesel) or spark-ignition engine (gasoline)
- Have an engine model at least five years old at the time of application submission
- Be **operational and in-use** at the time application is submitted
- Have been owned and operated by the applicant in California for the previous 24 months
- Be used to support an agricultural operation within the SJVAPCD boundaries

**The replacement (new) equipment (UTV) must:**

- Be new with no previous ownership
  - New: The equipment must be a new vehicle, as defined in the California Vehicle Code Section 430, meaning a vehicle constructed entirely from new parts that has never been the subject of a retail sale, or registered with the department, or registered with the appropriate agency or authority of any other state, District of Columbia, territory, or possession of the United States, or foreign State, province, or country
- Include a minimum one year manufacturer’s warranty:

- The vehicle drivetrain, including applicable energy storage tanks or battery packs, must be covered for a minimum of one year
- Supplemental or extended warranty costs are eligible for funding
- Warranty documentation must be provided to the District
- Be Zero-Emission. The vehicle must emit zero tailpipe emissions from its onboard source of power (such as all electric or hydrogen fuel cell vehicles), and may not undergo any modification that would allow propulsion by any other means
- Be equipped with an hour meter at the time of purchase. If the unit does not come with a factory hour meter, it is required to have one installed by the dealer and itemized on the invoice. If the hour meter fails for any reason during the project life, the hour meter must be repaired or replaced as soon as possible at the owner's expense
- Not have any modifications to the vehicle and/or equipment systems, including motor and other hardware, the addition of auxiliary power sources, or changes to the software calibrations
- Meet the following specifications (as per manufacturer specifications):

Towing Capacity (lbs.)*	Total Vehicle Weight (lbs.)**
500 or greater	700 or greater

\*Towing capacity is defined as the maximum weight a vehicle can safely and legally pull. This requirement cannot be substituted the following weight ratings, including but not limited to: load capacity, carry capacity, or payload capacity

\*\*Total vehicle weight refers to curb weight and does not include gross vehicle weight rating, gross combined vehicle weight rating or gross axle weight rating

**Funding amount:**

- This program provides incentive funding up to 75% of the eligible cost of new equipment, with a maximum eligible funding amount of \$13,500. **Eligible costs do not include additional batteries nor service contracts. The District reserves the right to determine the eligibility of costs associated with the project. The final amount reimbursed to the applicant will be reduced if the final invoiced costs of eligible items are less than was indicated on the quote at the time of application.**
- Co-funding is allowed, however:
  - Applicant must disclose if they have applied for, are planning to apply for, or have received funding from any other sources for this project
  - Applying for or receiving funding from other sources for this project does not necessarily preclude the Applicant from apply for or receiving funds under this program, however, the total combined funding may not exceed 85% of the total eligible project costs
    - If the applicant is a public entity, the total combined funding may not exceed 100% of the total eligible project costs
  - The applicant cost share cannot be covered through in-kind contributions

**The Applicant must:**

- **Not purchase, make any non-refundable payments, dismantle the existing equipment, or take possession of the new UTV until a District Voucher is issued**
- Purchase and take possession of the new UTV within one (1) year of the date the voucher is issued
- Make sure the new UTV meets all warranty requirements listed above

- Remain the owner of the new UTV and meet all applicable project requirements for the duration of the contract term, which includes the Project Implementation phase (project life) which is five (5) years from the purchase date
  - Applicant must replace the new UTV if lost, stolen, or if it becomes inoperable during this period, or repay a prorated portion of the incentive
- Not make or allow any modifications to the vehicle systems, including motor and other hardware, the addition of auxiliary power sources, or changes to the software calibrations
- Install and maintain an operational hour meter on the new UTV and submit annual reports to the District that includes the hours of operation on the new UTV and any other pertinent information requested by the District for the duration of the project life. If during the project life, the hour meter fails for any reason, the hour meter must be repaired or replaced as soon as possible at the Applicant's expense
- Submit annual reports to the District throughout the project life (five (5) years from the date of purchase)
- Operate one-hundred percent (100%) of the new UTV's annual hours within District boundaries for the entire project life (see attached map)
- Ensure the old equipment is destroyed or rendered permanently in-operable within 30 days from taking possession of the new UTV
  - Documentation of the destruction must be provided to the District within 30 calendar days of destruction
  - Destruction must be performed by a participating dismantler contracted with the District
- Agree to be available for follow-up inspection(s), if requested by the District, CARB, or CARB's designee for the purposes of project oversight and accountability
- Commit that any emission reductions generated by the new UTV will not be used as marketable emission reduction credits, to offset any emission reduction obligation of any person or entity, or to generate a compliance extension or extra credit for determining regulatory compliance
- Failure to maintain ownership, maintain 100% operation within District boundaries, or remain operational during the project life may result in Project Nonperformance
- Repercussions for Project Nonperformance:
  - Applicant must operate the new UTV according to the terms of the voucher and to cooperate with the District and CARB in implementation, monitoring, enforcement, and other efforts to ensure the emission benefits are real, quantifiable, surplus, and enforceable
  - Repercussions to the applicant for noncompliance with voucher requirements, include, but not limited to, cancelling the voucher and recapturing project funds in proportion to any loss of emission reductions or underutilization as agreed to in the voucher
  - District and CARB have the authority to seek any remedies available under the law for noncompliance with FARMER Program requirements and nonperformance with the voucher
  - CARB, as an intended third-party beneficiary, reserves the right to enforce the terms of the contract at any time during the contract term to ensure emission reductions are obtained

## APPLICATION PROCESS

1. Applicant submits complete application packet to District staff (via mail, email, or fax):
  - a. Completed Application (physically signed and no blanks)
  - b. IRS Form W-9
  - c. Dated and itemized dealer quote for the new UTV
    - i. Accessories must be itemized
  - d. Photos of existing equipment (clear and legible)
    - i. Full side view of entire vehicle
    - ii. Equipment Identification Number, Product Identification Number (PIN) or Vehicle Identification Number (VIN)
    - iii. Engine Serial Number (ESN)
  - e. Maintenance records and/or service history for the existing equipment (i.e. repair invoice, parts receipt, regular maintenance log, etc.)
  - f. Documentation of owning and operating the existing equipment in California for the previous 24 months. Ownership documentation includes, but is not limited to, bill of sale, title, maintenance receipts, DMV registration, and insurance records
  - g. Completed Agricultural Operations Certification
  - h. Completed Disclosure of Co-Funding Form
2. District will notify applicant once the application packet is deemed complete
  - a. If the application packet is incomplete, the applicant will be notified and provided with a list of what is needed to complete the application
  - b. If the application is determined to be ineligible for funding, the applicant will be notified of the reason for the determination
3. If the application is complete and eligibility requirements are met, the District will issue a Voucher, Reimbursement Packet, and "Clean Air Vehicle Sticker" to applicant via postal mail
4. If applicant needs to purchase different equipment from what was originally quoted, they must ensure it meets the new equipment requirements as listed above
  - a. Incentive amount will not increase, but may decrease so as not to exceed 75% of the total eligible costs or \$13,500, whichever is less
  - b. Applicants are not required to purchase the new equipment from the dealer who provided the quote

## VOUCHER CONTRACT TERM

The voucher contract term shall include two phases, "project initiation" and "project implementation" to ensure that the District can fully enforce the contract during the life of the project

**Project Initiation Phase:** This phase begins on the date the voucher is issued and concludes on the date the new UTV is purchased. The project initiation phase is up to one year from the date the voucher is issued, unless otherwise extended with prior written approval from the District.

**Project Implementation:** This phase is the second part of the voucher contract term. This phase begins when the new UTV is purchased and continues for five (5) years. The applicant is required to operate and maintain the new UTV according to the terms of the voucher for the duration of this phase

## REIMBURSEMENT PROCESS

After the District voucher is issued, the applicant:

1. Purchases the new UTV and pays for the new UTV in full
  - *Name on invoice, proof of payment, and insurance must match name on District issued voucher*
2. Delivers existing equipment to a District approved dismantling facility within 30 days of taking possession of the new UTV
  - Applicant must have the dismantling facility sign and complete *Section 2* of the Certificate of Destruction Form, certifying destruction of the existing equipment
  - The Certificate of Destruction Form must be submitted to the District within 30 calendar days of the destruction of the existing UTV. This form may be submitted prior to, or with, the claim for payment
3. Applicant submits a complete **Claim for Payment** including the following:
  - Signed Voucher
  - Completed Claim for Payment form
  - Certificate of Destruction Form signed by applicant and certified dismantler, unless previously submitted
  - Itemized invoice from dealership showing the new UTV was paid in full
  - Proof of payment, including deposit if applicable (either copy of check, receipt, or finance documents)
  - Proof of Warranty (manufacturer warranty documents, or a completed Warranty Registration Form)
  - Photos of new UTV (side view of entire vehicle showing the affixed Clean Air Vehicle sticker, and a clear photo of Equipment Identification Number, serial number, PIN or VIN)
  - Copy of proof of insurance specifically listing the new UTV as covered under policy
  - Completed Disclosure of Co-Funding Form
4. Upon receipt of a complete Claim for Payment, District staff will issue reimbursement payment, generally within sixty (60) business days
  - Incomplete claim submissions will delay the review and reimbursement process
5. Complete and submit Annual Reports during the Project Implementation phase of the voucher contract term. Each year, on the anniversary of the purchase date of the new equipment, the District will mail applicants an annual report requesting basic information on the new UTV



*Side view example for old and new equipment*

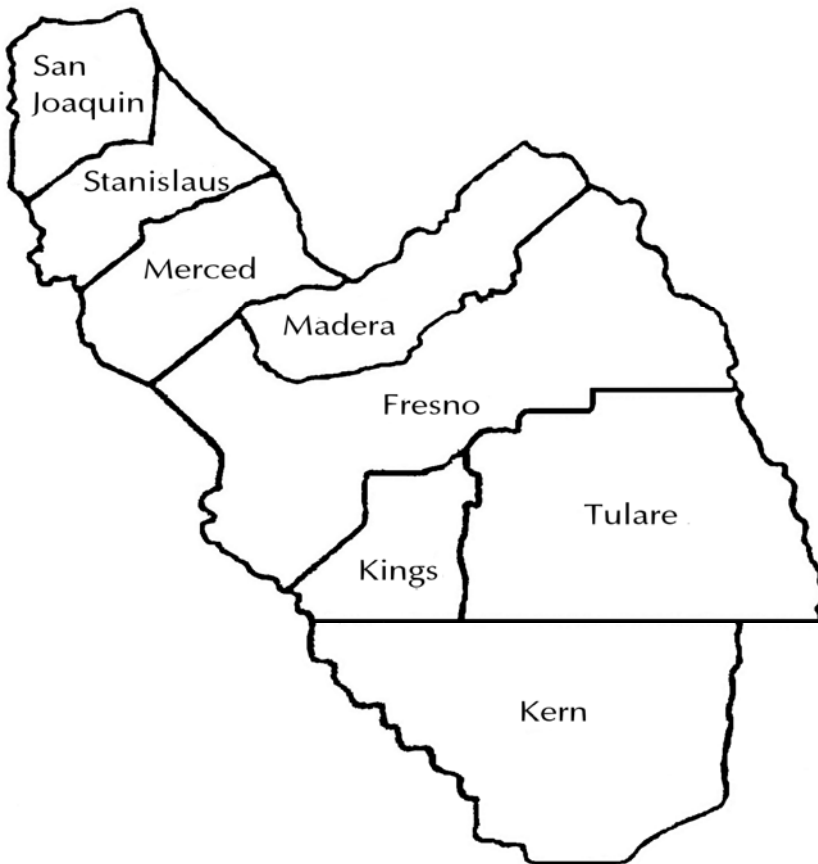
## APPLICANT RESOURCES

### Web Resources

When preparing an application, applicants are encouraged to utilize the resources provided on the District webpage at <https://ww2.valleyair.org/grants/zero-emission-ag-utility-terrain-vehicle-utv/>

Incomplete application and claim submissions will delay the review process. District staff is available to answer questions and assist with the application and claim process.

### MAP OF DISTRICT BOUNDARIES



The Zero-Emission Ag UTV Voucher Program is part of [California Climate Investments](#), a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment — particularly in disadvantaged communities.