



April 17, 2026

California Air Resources Board  
1001 I Street  
Sacramento, California 95814

Submitted via email to: [CleanTransportationIncentives@arb.ca.gov](mailto:CleanTransportationIncentives@arb.ca.gov)

**Re: CalETC and Auto Innovators' Comments on the Drive Forward Individual and Community Mobility Incentives Public Workshop**

Dear CARB Staff:

The California Electric Transportation Coalition (CalETC) and Alliance for Automotive Innovation (Auto Innovators) appreciate the opportunity to provide our comments on the Drive Forward Individual and Community Mobility Incentives Public Workshop (Workshop). We greatly appreciate CARB staff's work on these critical light-duty zero-emission transportation programs and your willingness to take feedback from stakeholders on these important issues.

CalETC supports and advocates for the transition to a zero-emission transportation future to spur economic growth, fuel diversity and energy independence, contribute to clean air, and combat climate change. CalETC is a non-profit association committed to the successful introduction and large-scale deployment of all forms of electric transportation. Our Board of Directors includes representatives from: Los Angeles Department of Water and Power, Pacific Gas and Electric, Sacramento Municipal Utility District, San Diego Gas and Electric, Southern California Edison, Southern California Public Power Authority, and the Northern California Power Agency. In addition to electric utilities, our membership includes major automakers, manufacturers of zero-emission trucks and buses, electric vehicle charging providers, and other industry leaders supporting transportation electrification.

Auto Innovators represents the full auto industry value chain, including the manufacturers producing most vehicles sold in the U.S., equipment suppliers, battery producers, semiconductor makers, technology companies, and autonomous vehicle developers. Our mission is to work with policymakers to realize a cleaner, safer, and smarter transportation future and to ensure a healthy and competitive auto industry that supports U.S. economic and national security. Representing over 5 percent of the country's GDP, responsible for supporting nearly 11 million jobs, and driving \$1.5 trillion in annual economic activity, the automotive industry is the nation's largest manufacturing sector<sup>1</sup>.

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<sup>1</sup> **Alliance for Automotive Innovation.** (n.d.). *Resources and insights*. <https://www.autosinnovate.org/resources/insights>

We support the proposed new zero-emission vehicle incentive program for light-duty vehicles, and we will continue to advocate for including the \$200 million in the budget this year. Consumer incentives are a proven and effective method to encourage drivers to consider purchasing an EV. With the loss of the federal tax credit, this new incentive program can help drive ZEV sales during this time of market uncertainty while supporting automotive industry jobs and the industrial base.

To maximize potential OEM participation, we encourage CARB to:

- Allow OEMs to set the incentive level rather than prescribe a one-size-fits-all approach. Such flexibility will enable automakers to better consider the MSRP of their ZEV model and subsequently choose an incentive level that motivates consumer purchasing decisions. Otherwise, if CARB prescribes an incentive level with no flexibility, the program may have a more limited effect. Furthermore, CARB could set an upper limit of \$7,500 to ensure funds are spent wisely.
- Allow OEMs to count administrative costs to administer the incentive program toward their match requirements. Executing grant agreements, managing disbursement of these incentives, and conducting grant reporting to ensure compliance and obtain reimbursement with CARB is time- and resource-intensive. This approach to providing vehicle incentives is new to OEMs and they will likely have to create new systems and pull staff away from other projects to implement this one-time program. CARB could also set a limit on how much match OEMs could claim via admin costs (e.g. 10% max).
- Continue to streamline the grant agreement template to minimize unnecessary administrative costs and replace the typical grant agreement terms and conditions with “boilerplate” language wherever possible. We appreciate CARB’s engagement on this issue; continuing to work on this can help reduce cost and complexity for OEMs.

Finally, we support an on-the-hood incentive and less restrictive eligibility requirements that include the middle-class; this will also ensure wider program participation and enable automakers to disperse incentives more quickly to consumers

Please do not hesitate to contact us if you have any questions at [kristian@caletc.com](mailto:kristian@caletc.com) or [cbullis@autosinnovate.org](mailto:cbullis@autosinnovate.org).

Sincerely,

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