



FY26-27 HEAVY-DUTY UPDATE WEBINAR: IMPLEMENTATION MANUAL RELEASE OVERVIEW

JULY 29, 2026



MEETING **AGENDA**

- Meeting Objectives
- How to Participate
- Fiscal Year 2026/27 CORE Project Overview
- IM Updates
- Fiscal Year 2026/27 Implementation and Timeline
- Q&A Session
- Contacts

ORGANIZATIONAL STRUCTURE



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MEETING OBJECTIVES

The purpose of this webinar is to address FY 26/27 program updates regarding new requirements, policy changes, IM language adjustments, and timelines.



CORE PROJECT BACKGROUND

- CORE was established in 2020 to help offset the higher cost of commercially ready zero-emission off-road equipment in California through point-of-sale discounts.
- Scrappage of existing internal combustion equipment is not a requirement.
- Stacking, or combining CORE funding with other public funding programs, is allowed up to 100 percent of the equipment base price, not including additional fees and taxes.
- Additional voucher plus-ups are available for equipment infrastructure and small businesses.

PROJECT IMPACT

The CORE project currently funds equipment across the following categories:

- Agriculture
- Construction
- Mobile Power Units
- Large Forklifts
- Transportation Refrigeration Units and Generator Sets
- Cargo Handling Equipment
- Railcar Movers and Freight Locomotives
- Commercial Harbor Craft
- Airport Ground Support Equipment (airport cargo loaders, aircraft tugs, and aircraft GPUs)

58 eligible Original Equipment Manufacturers (OEMs)

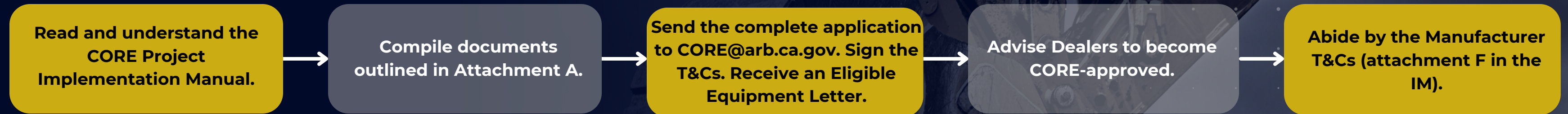
323 pieces of eligible equipment

109 approved dealerships

2,575 pieces of equipment deployed

HOW TO PARTICIPATE

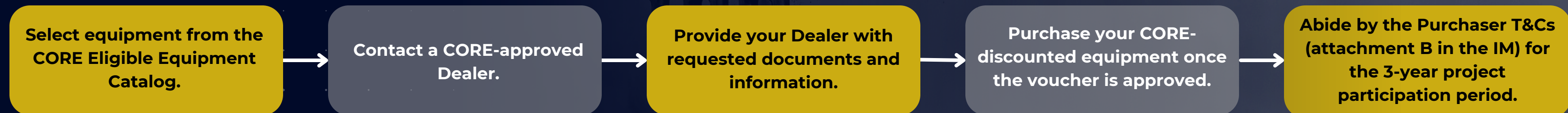
OEMs



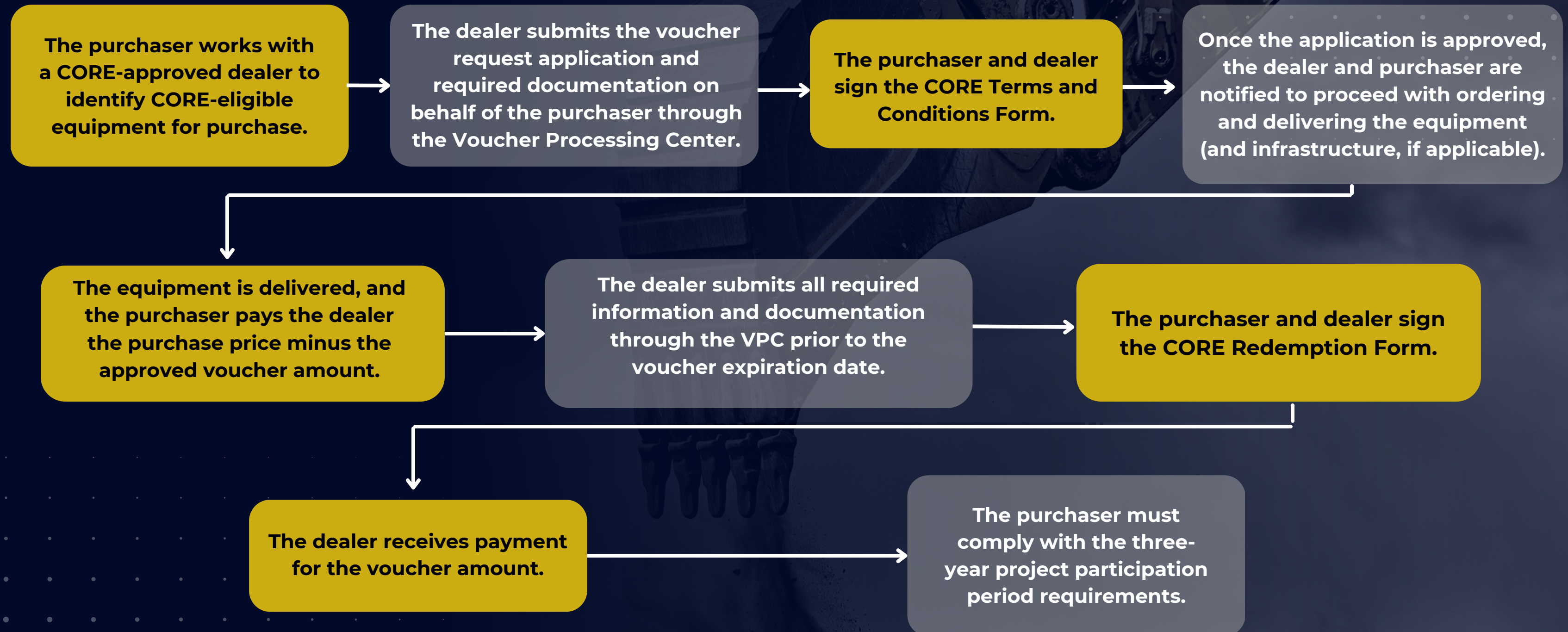
Dealers



Purchasers



CORE VOUCHER PROCESS



FY2026-27 CORE PROJECT OVERVIEW

- \$68 million allocated to the project through the Air Quality Improvement Program (AQIP) under the FY 2025-26 and FY 2026-27 budgets.
- The purchaser must show proof of business operations in the State of California for a minimum of one year prior to the voucher request submission date.
- All equipment purchased through CORE is required to perform specific commercial activities.
- 300+ eligible equipment across 10 categories

FUNDING CATEGORIES & ALLOCATIONS

For the Fiscal Year 2026-2027 funding cycle, distributed beginning Fall 2026, CORE will disburse vouchers as follows:

- 1.First, a baseline funding amount has been allocated for each equipment category.
- 2.After 30 days of receiving voucher applications, CARB staff will evaluate demand across different equipment categories. The baseline funding amounts for oversubscribed equipment categories shall receive additional funding allocation from Board-approved AQIP funds (\$28M), and the remaining funds from cancelled and expired vouchers, to meet real-time demand.

Interested applicants are encouraged to apply throughout the CORE open window, as categories with more demand will receive more funding after these determinations are made. This allows CORE to allocate funds where they are most needed to best serve its participants.

Equipment Funding Categories	Baseline Funding
Agriculture & Construction Equipment	\$14M
Mobile Power Units	\$9M
Large Forklifts, Transportation Refrigeration Units, Generator Sets	\$5M
Cargo Handling Equipment & Rail	\$3M
Commercial Harbor Craft	\$3M
Airport Ground Support Equipment	\$1M
Total	\$35M

IMPLEMENTATION MANUAL CHANGES

- Purchaser eligibility is no longer limited to small businesses and public agencies.
- In response to strong voucher deployment in DAC and LIC communities, to better stretch limited funding and to maximize overall equipment deployments, the DAC/LIC funding enhancement has been removed.
- A mandatory annual dealer training requirement has been established to ensure consistent program understanding and compliance.

IMPLEMENTATION MANUAL CHANGES

- Added language for declared state or national emergencies: CORE-funded equipment can temporarily be moved outside of California without prior approval from CARB.
- Added language under Redemption Conditions for additional requirements if the dealer delivers a newer or different model than the one listed on the CORE voucher.
- Added language allowing purchasers to request to switch manufacturers due to manufacturer production capacity limitations.
- Added a second formula (usage hour-based formula) for calculating the refund amount when the original purchaser forfeits voucher funds.

IMPLEMENTATION MANUAL CHANGES

- Compact sweepers added as an eligible equipment type within the constructions category.
- Commercial Harbor Craft propulsion systems are now an eligible equipment type.
- Eligibility has been expanded to include MPUs used to power or charge on-road vehicles, off-road equipment, event power applications, and emergency response activities.
- Removed curb weight requirement for Narrow-Body and Wide-Body Aircraft Tugs.
- New manufacturer Terms and Conditions during the equipment eligibility application or renewal.
- A manufacturer with a record of poor delivery performance may have their program participation limited and/or eligibility revoked at CARB's discretion.
- Manufacturer warranty hour requirements have been reduced from 6,500 to 5,000 hours to better align with industry standards.

IMPLEMENTATION MANUAL CHANGES

- New requirement for purchaser orders to include the sale price of the equipment.
- Documentation to verify “proof of order submission” from the equipment manufacturer is now required to be uploaded into the VPC within 60 days of voucher creation.
- Added language to clarify that sales tax must be calculated on the pre-voucher amount on the invoice. While CORE will not cover taxes, fees, and non-vehicle costs, those costs must be clearly itemized on the invoice.
- The requirement for dealers to provide proof of a valid lease agreement at redemption has been removed for leased CORE-funded equipment. Applications submitted in the previous cycle remain subject to the requirement.

IMPLEMENTATION MANUAL CHANGES

- Adjusted timeline to submit an Extended Downtime Report from 30 days to 14 days. A second EDR is required if the repair is not completed within 14 days.
- Eligibility language has been added for hydrogen MPUs as infrastructure to clarify that units must be hard piped or permanently fixed to a hydrogen source and considered on a case-by-case basis.
- Ensured consistency of the updated definition of the project participation period (the 3 year period of CORE program equipment usage and adherence to guidelines that starts from the date of redemption approval in the VPC).
- Added language for instances that are considered as non-performance or failure to comply:
 - Failure to supply telematics report
 - Lack of responsiveness for warranty support.
- Updated limited waiver of sovereign immunity language:
 - Tribal purchasers must sign terms and conditions to receive a voucher AND
 - Submit a limited waiver of sovereign immunity in order to redeem a voucher.
- Telematics data requirements have been expanded to include reporting on the percentage of time equipment operates within California.

FY26/27 TIMELINE





Q&A SESSION

QUESTIONS?

To ask a question, please use the "Raise Hand" feature and wait until a CORE Project Administrator unmutes you and calls on you.

Once unmuted, state your name and affiliation, followed by your question.

info@californiacore.org



THANK YOU

FOR MORE INFORMATION...

Sign up for our listserv:

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