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Bridging the Procedural Equity Divide in California's Electric Vehicle Incentive Programs

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Issue

California's goal of transitioning all vehicles sold in the state to zero-emission models by 2035 is pivotal to addressing climate change and advancing environmental justice. However, achieving this transition equitably requires targeted efforts to address the financial and social barriers that low-income and disadvantaged communities face.

As a leader in clean transportation initiatives, the California Air Resources Board (CARB) has long offered several benefit programs that support residents with the transition to electric vehicles, including the Clean Vehicle Assistance Program (CVAP) and Access Clean California (ACC). CVAP, which operated from 2018-2024, provided grants and loan financing to help low-income households purchase or lease electric vehicles. ACC, launched in 2018, uses an extensive statewide community outreach network of community-based organizations (CBOs) to connect eligible residents with a range of clean transportation and energy benefits.

While there is substantial knowledge about the distributive equity outcomes of many of the state's clean transportation programs, procedural equity—ensuring inclusivity in design, outreach, and other aspects of implementation—remains less explored. Here, we examined procedural equity in these two programs, selected for their innovative program designs

and priorities beyond those of more long-standing, pure vehicle purchase credit or rebate approaches. Our study draws on 22 interviews with CARB program administrators, community partners and advisors, and program participants.

Key Research Findings

CVAP lacked strong community partnerships and a strategic targeted outreach approach. Despite strong equity intentions, program implementers struggled to reach populations in need through targeted outreach, and did not build meaningful relationships with CBOs. While collaboration with CBOs increased in later years, these initiatives were limited in scope. As a result, less than 25% of distributed funds ultimately reached the state's disadvantaged communities (DACs; Senate Bill 535 designation).^{1,2}

Fair financing opportunities were underutilized in the CVAP program. Only 3% of the more than 5,000 participants accessed low-interest loans through the program's preferred lender.³ This limited the program's potential to create lasting economic benefits for participants. While late-stage program adjustments to the loan loss reserve approach improved acceptance rates, these changes were implemented too late to improve participation before the program ultimately closed.

Inconsistent funding undermines program implementation. Funding reliability issues that can stem from a combination of discontinuity in state budgeting, program oversubscription and program-level budgeting mismanagement severely hindered the implementation and impact of both CVAP and ACC, disrupting community partnerships and deterring potential participants. CVAP's frequent closures made it difficult to sustain long-term CBO relationships, limiting outreach capacity. As low-income individuals often enter the vehicle purchase market out of necessity, these closures left many participants unable to access benefits when they most needed them. Similarly, funding uncertainty for the network of ACC programs posed challenges to CBOs conducting outreach for often-closed programs, and participants were confused when listed benefits were unavailable.

ACC failed to create a seamless one-stop shop for clean transportation benefit program enrollment, but did succeed at building a statewide outreach partner network. ACC has an outreach network of nearly 30 community partners working to connect the most in-need households with clean transportation benefits, and many community partners reported strong relationships with the program administrator. However, CARB and the ACC program administrator have struggled to implement the original vision of a fully integrated one-stop shop, primarily due to coordination challenges with individual program administrators. Despite \$6 million invested solely in platform development as of FY 2023-2024,⁴ the system only functions as a benefits finder rather than an application platform, much less a seamless one, to actually obtain benefits. Participants frequently faced repeated income verification requirements for individual programs, raising concerns about the platform's utility. Additionally, after seven years of program implementation, data are not available on how many individuals have received incentives through ACC efforts.

Policy Recommendations

Increase funding stability and transparency at multiple scales, starting with state agencies. Frequent program closures disrupt outreach, weaken partnerships with community organizations, and limit access for those in need, while consistent funding builds trust, supports long-term partnerships, and sustains engagement. Transparency in reporting program outcomes helps identify gaps, guide improvements, and build accountability.

Conduct external program evaluations for qualitative and quantitative benchmarks of equity. Procedural equity analyses for CARB's programs should assess inclusivity in design, outreach, and case management, incorporating feedback from program partners and participants, while distributive evaluations – focused on inequities in actual benefit receipt – should track whether resources reach communities in need.

Advance equity through strategic improvements to needs-based financing opportunities. Advancing equity in clean transportation programs will require the intentional development of a program designed to support low-interest-rate clean vehicle financing for the most in-need populations. This will require public dialogue between program partners, advocates, and other stakeholders — including lenders — and involve taking lessons learned from other efforts successfully utilizing loan loss reserve programs to mitigate lender risks. These recommendations are particularly relevant for the state's newly launched Driving Clean Assistance Program (DCAP), which has a loan component. Such improvements will make financing more accessible, supporting a just transition to clean transportation while fostering economic resilience in underserved communities.

Optimize resource allocation. CARB should critically evaluate how ACC fits into its broader clean transportation

outreach strategy and whether program resources are being allocated effectively. If ACC cannot function as a fully integrated one-stop shop for benefit program applications, maintaining income verification processes that add administrative burdens without streamlining program access may not be the best use of program funds. CARB should determine if there are opportunities to invest in stronger aspects of the program. Given limited state resources, a clearer alignment of ACC’s role as an outreach lead within CARB’s broader transportation equity efforts will help maximize impact and ensure that clean transportation benefits effectively reach those most in need.

Conclusion

Given recent federal backtracking on clean energy and transportation investments, California is in a unique position to continue and expand its national leadership in the clean transportation space. Incentive programs remain a key factor in supporting a statewide equitable energy transition. Now is beyond the time to rigorously demonstrate the effectiveness of statewide equity-centered

financing programs and one-stop-shop approaches to address community needs and expand access to clean transportation—or to fund regional programs that do so. Increasing equity in this transition has, and will continue to, require innovative program designs that meaningfully incorporate insights from program partners and advocates.

More Information

This policy brief is drawn from the report “Advancing Procedural Equity in Environmental Benefit Programs: Insights from California’s Electric Vehicle Purchase Programs” prepared by Rachel Connolly, Gregory Pierce, and Viviana Morales with the University of California, Los Angeles found on the project webpage: <https://www.ucits.org/research-project/2024-47-3af/>. For more information about findings presented in this brief, please contact Rachel Connolly at rachelconnolly@g.ucla.edu.

¹Connolly, R., Coffee, D., and Pierce, G. An analysis of California electric vehicle incentive distribution and vehicle registration rates since 2015: Is California achieving an equitable clean vehicle transition? UCLA Luskin Center for Innovation, 2024. <https://escholarship.org/uc/item/7ht4t1km>

²Connolly, R., Coffee, D., and Pierce, G. Do electric vehicle purchase incentives drive equity? The relationship between incentive policies and vehicle registration rates across California. Transport Policy, 2025. <https://doi.org/10.1016/j.tranpol.2025.03.016>

³California Air Resources Board. Clean Vehicle Assistance Program Data through October 2023 (Public Records Act Request), January 2024 [Dataset].

⁴California Air Resources Board. (2025). Project Background for Access Clean California. <https://ww2.arb.ca.gov/our-work/programs/access-clean-california/project-background-access-clean-california>

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