

## **ARB Loan Assistance for Portable Diesel Equipment Owners**

### **Frequently Asked Questions**

#### **What is the loan assistance program for Portable Diesel Equipment Owners?**

Officially named Providing Loan Assistance for California Equipment, or PLACE, the loan assistance program helps participating lenders say “yes” to a Portable Diesel Equipment loan when they would otherwise have to say “no” based on a borrower’s loan application. For the borrower, the loan process is nearly identical to the traditional loan process.

When a loan is made through this program, ARB puts a percentage of the loan amount into a special savings account. As more loans are enrolled in the program, that savings account grows. The lender can use that money to cover losses from loan defaults, if necessary. This way, the lender’s risk is reduced, so they can make loans to borrowers they would otherwise have to turn away.

#### **Am I eligible?**

To be eligible, an owner must meet all the following criteria:

- The company has portable diesel equipment that is used in construction, agriculture, mining, or industrial operations. Examples of eligible diesel equipment include: air compressors, generators, concrete pumps, tub grinders, wood chippers, water pumps, drill rigs, rock drills, abrasive blasters, aggregate screening and crushing plants, concrete batch plants, and welders.
- The portable diesel equipment must have a horsepower rating of 50 or greater.
- The company must be a small business, meaning it has 500 or fewer employees.
- The company must have its primary economic effect in California. (which means most employees live in California and most of the business operation is in California)
- The company must have either a registration number for the equipment from the [Portable Equipment Registration Program](#), or a permit by local [Air District](#) where it is required, or a letter of exemption from a local [Air District](#) where a permit is not required.
- For an equipment purchase or engine replacement, the old equipment or engine must be scrapped; the borrower or dealer must provide verification of disposal to CalCAP within 90 days of the date of the loan.

#### **What can I get with this loan?**

Loan funds can be used to replace, repower, or retrofit portable diesel equipment for early compliance with the Portable Diesel-Fueled Engines Air Toxic Control Measure. Eligible purchases with loan proceeds include:

- Engine repowers to a cleaner Tier 2, Tier 3, or Tier 4 engine that is either a certified engine or a remanufactured engine that was built consistent with practices outlined in [title 13, CCR, section 2423\(l\)](#). (see note below)
- A replacement of a portable diesel equipment of the same type and similar horsepower that is equipped with a cleaner Tier 2, Tier 3, or Tier 4 engine. (Note: Not all replacement or repower engines will be eligible for registration in PERP. If you want to register your replacement or repower engine in PERP, please check with PERP staff before purchase to confirm eligibility.)

- ARB-verified diesel emission control devices (exhaust retrofits).
- Examples of eligible diesel equipment include: air compressors, generators, concrete pumps, tub grinders, wood chippers, water pumps, drill rigs, rock drills, abrasive blasters, aggregate screening and crushing plants, concrete batch plants, and welders.

### **How do I apply?**

After you determine what equipment you may want to purchase, you should apply with a participating lender. The list of participating lenders is available here:

[http://www.treasurer.ca.gov/cpcfca/calcap/contributor/offroad\\_lenders.pdf](http://www.treasurer.ca.gov/cpcfca/calcap/contributor/offroad_lenders.pdf).

Many lenders will work with borrowers even if they are not in the same city or county. You may want to contact several participating lenders to find the best loan terms for your company.

### **Am I guaranteed to get a loan?**

No, each lender has their own lending standards. You may wish to contact several participating lenders ([CalCAP Off-Road Lenders](#)) to find the best loan terms for your company.

### **What's the minimum credit score to get a loan?**

There is no set-in-stone minimum credit score to participate. Each lender reviews borrower applications as a whole, not just the credit score. Each lender has their own lending standards. The State does not set the lending standards or loan terms for this program.

### **I work with a local lender, can they participate in this program?**

Yes, provide your local lender contact information and we will contact the lender to invite them to participate in the loan assistance program.

### **Can I use this loan to expand my fleet?**

The objective of the loan assistance program is to encourage early compliance with the Portable Diesel-Fueled Engines Air Toxic Control Measure; therefore this program cannot be used for adding additional equipment to fleets.

**If you have any additional questions, please call Kelly Hughes at (916) 322-2383.**