

## FACTS ABOUT

## Loan Assistance for Diesel Marine Vessels and Engines

*Loans through the California Capital Access Program (CalCAP)*

\*\*\* This is a one-time loan assistance opportunity that expires on July 31, 2012. \*\*\*

The California Air Resources Board (ARB) received \$5 million in American Recovery and Reinvestment Act funds to assist small business owners with replacement of marine vessels or marine vessel diesel engines with cleaner, less-polluting engines.

The ARB has partnered with CalCAP to provide loan assistance to business owners of marine vessels/diesel-fueled marine engines. This will allow small businesses that do not meet today's stringent lending standards, to qualify for financing related to engine repowering, replacement, retrofit; or replacement of marine vessels.

The objective of the loan assistance program is to encourage small business owners to upgrade their marine vessels for early compliance with ARB's Commercial Harbor Craft (CHC) Regulation.

### What are the eligibility requirements for this program?

Applicants must meet all the requirements listed below.

- The marine vessel must be a diesel powered commercial harbor craft, including, but not limited to, charter fishing boats, commercial fishing boats, crew and supply vessels, ferry/excursion vessels, pilot vessels, tow boats, tugboats, and work boats;
- The engine must have a horsepower rating of 50 or greater;
- The company must be a small business, meaning it is an entity, and has 500 or fewer employees;
- The majority of the company's income must be derived in California and most of the business operation/marine vessel activity is located in California or in regulated California waters;
- The company must comply with the CHC Regulation; and;
- The company must meet a participating lender's financial underwriting standards.

### What are the steps for getting a loan through the program?

- The borrower must apply for a loan through a participating lender and must complete the Borrower Eligibility Criteria and Certification Form. A list of these lenders with contact information is available at: [www.treasurer.ca.gov/cpcfca/calcap/contributor/lenders.pdf](http://www.treasurer.ca.gov/cpcfca/calcap/contributor/lenders.pdf).
- If the borrower qualifies, loan documents are prepared and signed by the borrower and lender.
- For a vessel purchase or engine replacement, the old vessel or engine must be scrapped. The ARB staff or its designee must conduct a post-inspection to verify that the existing (old) vessel or engine is destroyed and rendered permanently unusable and irreparable. The inspector must provide verification and documentation through photographic or video evidence that the destroyed vessel or engine serial number matches that on the Borrower's Eligibility Criteria and Certification Form.

Note: Please contact the ARB's Commercial Harbor Craft Hotline at (888)-442-7238 or email [harborcraft@arb.ca.gov](mailto:harborcraft@arb.ca.gov) to arrange for post-inspection.

- If the borrower or dealer is a Carl Moyer Program grantee, the project post-inspection is already part of the program guidelines. The borrower or dealer must provide samples of verification and documentation through photographic or video evidence that the old vessel or engine is destroyed.

## What can I use my loan for?

You can use your loan to cover any or all of the following:

- Engine repower: Engine is upgraded to a marine or off-road Tier 2 (T2), Tier 3 (T3), or Interim Tier 4 (T4i) engine that meets or is cleaner than the current U.S. EPA model year marine or off-road engine emission standards. The U.S. EPA marine engine standards can be found in the CHC regulation, pages 14 through 19: [www.arb.ca.gov/regact/2010/chc10/frochc931185.pdf](http://www.arb.ca.gov/regact/2010/chc10/frochc931185.pdf). Note: The T4i is for off-road only.
- Vessel replacement (only for same type and similar horsepower): Engine is a marine or off-road Tier 2 (T2), Tier 3 (T3), or Interim Tier 4 (T4i) engine that meets or is cleaner than the current U.S. EPA model year marine or off-road engine emission standards. Note: The T4i is for off-road only.
- Retrofit: Installation of an ARB-verified diesel emission control device. For a list of verified devices, see ARB's Marine Verified Technology page: [www.arb.ca.gov/diesel/verdev/vt/marine.htm](http://www.arb.ca.gov/diesel/verdev/vt/marine.htm).

## For more information

Fact sheets, compliance tools, and regulatory documents are available at [www.arb.ca.gov/ports/marinevess/marinevess.htm](http://www.arb.ca.gov/ports/marinevess/marinevess.htm). For additional information call the ARB's Commercial Harbor Craft Hotline at (888)-442-7238 or email [harborcraft@arb.ca.gov](mailto:harborcraft@arb.ca.gov).

To obtain this document in an alternative format or language please contact the ARB's Helpline at (800) 242-4450 or at [helpline@arb.ca.gov](mailto:helpline@arb.ca.gov). TTY/TDD/ Speech to Speech users may dial 711 for the California Relay Service.