

Dealership Manual

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Quick Reference Guide – *the Dealership Checklist*

Before you sell a vehicle, review this checklist to ensure the sale meets the program requirements. If you comply with all the requirements below, then you can proceed with the sale.

- Check **Award Letter** to ensure grantee is eligible. **Do not sell a vehicle to grantee if you are unable to confirm name and award amount.**
- The Replacement Vehicle must be one of the following:
 - Plug-in Hybrid Electric Vehicle or Battery Electric Vehicle; or
 - Fuel Cell Electric Vehicle
- Must be a **new or used** plug-in hybrid electric vehicle, or battery electric vehicle (leased vehicles must be new) or a **new or used** Fuel Cell Electric vehicle
 - New, purchased, and leased vehicles must be eligible for the California State rebate ([Clean Vehicle Rebate Program](#))
- Used Vehicles:
 - must be model year 2014 or newer
 - have less than **75,000 miles** on the odometer
 - cannot have modifications to vehicles emissions control systems, hardware, software calibrations, or hybrid system
 - must have a clean Title (Cannot be salvaged)
 - must have a CARFAX, or similar, report (submitted to Air District)
 - must come with a 3-day return policy
- Vehicle cannot have a sale price above **\$60,000** (e.g. Line A (1) in most sales contracts)
- Vehicle must not have any open recalls (open recalls require proof of repair)
- Must register vehicle in California
- If the participant needs financing, the interest rate must be **less than 16%**
- Negotiated prices must be honored
- Dealership may not increase the price of vehicle due to Clean Cars 4 All grant
- Sales Contract must separate out the grant amount from other cash payments or rebates
- Dealership must submit a **request for payment** on the day a vehicle is sold

While some incentive programs are stackable with CC4A (listed on CC4A website under Resources tab and on page 10 of this document) funding from Clean Cars 4 All cannot be combined with the [Clean Vehicle Assistance Program](#), [Driving Clean Assistance Program](#), [Replace your Ride](#), Tune-in-Tune-up/[Drive Clean San Joaquin](#), or the [Bay Area Clean Cars for All Program](#).

For any additional questions, Gary Bailey (gbailey@airquality.org, 916 874-4893) is the Air District's primary contact or Katie Cox (kcox@airquality.org.)

Program Overview

The Sac Metro Air District (District) [Clean Cars 4 All Program \(CC4A\)](#) offers income-qualified Sacramento County residents grants to recycle their old car and upgrade to a new or used or leased plug-in hybrid, battery, or hydrogen fuel cell electric car. CC4A also provides the option to recycle an old car in exchange for public transit funds. Some grantees can also get up to \$2,000 for a home electric vehicle charger. The Air District partners with dealers, dismantlers, and case managers to administer the CC4A program. Figure 1 defines the primary roles for the CC4A program.

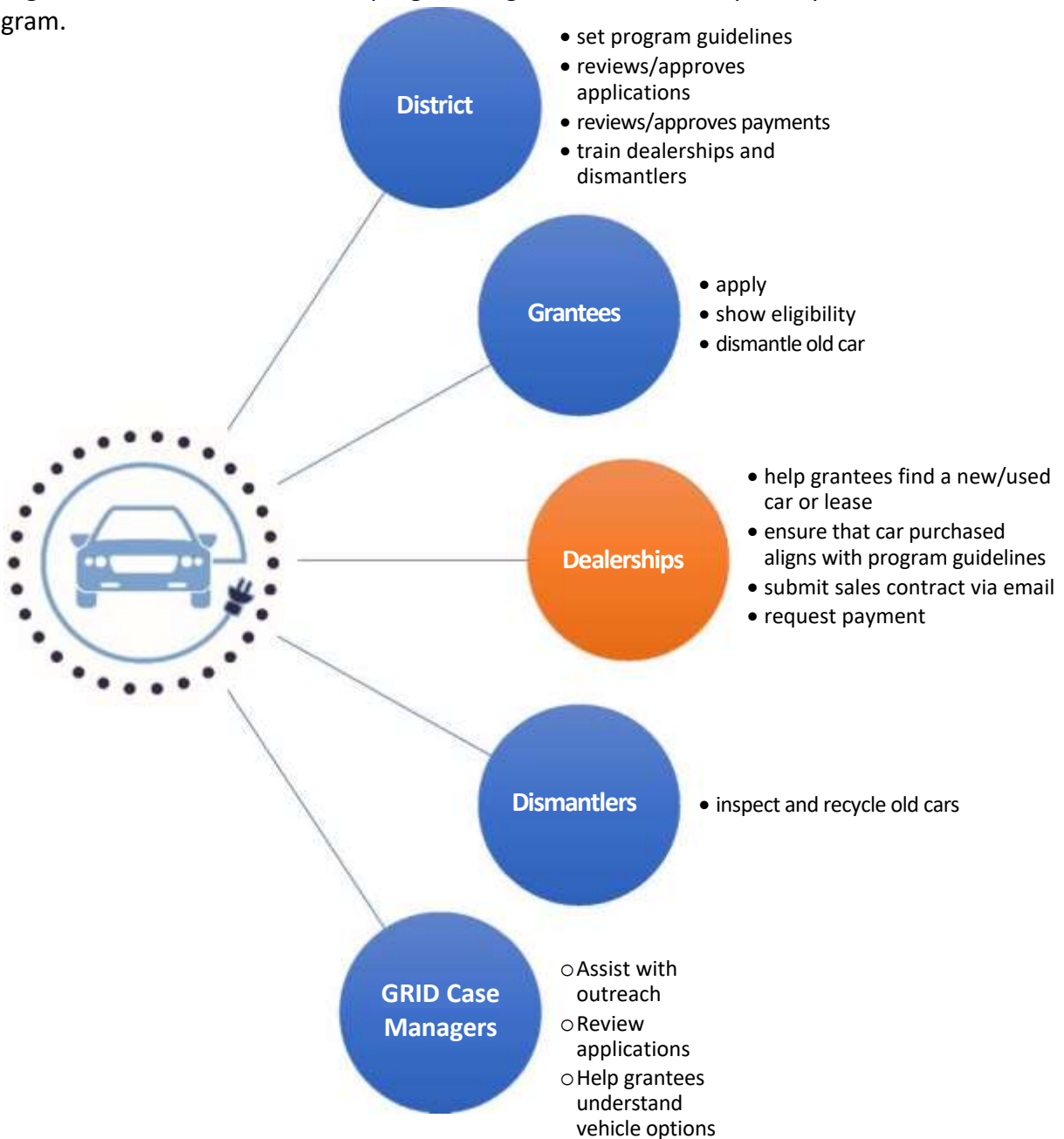
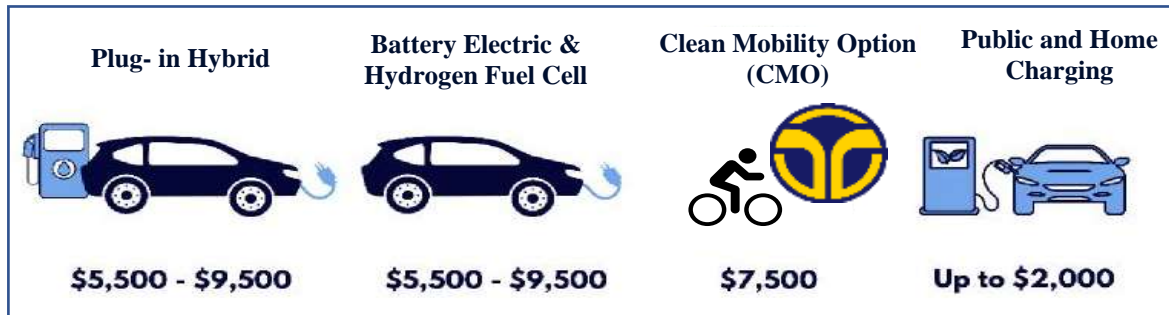


Figure 1. Clean Cars 4 All Program Roles

Figure 2 shows the potential grant amounts for the various program options.

Figure 2. Grant Amounts



Participants apply for CC4A through an online portal (SMAQMD.fluxx.io), after completing the full application, Air District staff review their information and determine if they are eligible. Once deemed eligible, participants will go to one of our authorized dismantlers for a pre-inspection (i.e. a functionality test). Authorized pre-inspection entities include Pick and Pull, District Contractor, and Sac Metro Air District. Participants are sent an Award Letter (Figure 3) once they have passed the pre-inspection. Participants should only come to a dealership once they have received an Award Letter from CC4A. If a participant comes in before they are awarded, dealerships should encourage them to wait until they are awarded a grant before selecting a car. Many participants change their mind about the type of car they choose to buy as they move through the application process. Waiting for an award letter will save dealerships time and ensure that your staff are helping eligible participants. Once the participant selects a vehicle, the grant amount is taken off the price of the vehicle (see Filling out a Sales Contract on page 7). After a participant purchases a new or used vehicle, they must turn in their old car to one of the authorized dismantlers for recycling (Pick-N-Pull is the only authorized dismantler participating in CC4A).

The next section outlines each Dealership's responsibilities under this program. Dealerships must ensure that their staff abide by the terms and conditions outlined in the executed contract between the Air District and each dealership. While several aspects of the contract are explained in greater detail in this manual, it is the dealerships responsibility to adhere to all contractual requirements.



Figure 3. Sample Award Letter

Funding Source Acknowledgement

The CC4A Program is part of California Climate Investments, a statewide program that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment – particularly in disadvantaged communities. The Cap-and-Trade program also creates a financial incentive for industries to invest in clean technologies and develop innovative ways to reduce pollution. California Climate Investments projects include affordable housing, renewable energy, public transportation, zero-emission vehicles, environmental restoration, more sustainable agriculture, recycling, and much more. At least 35 percent of these investments are located within and benefiting residents of disadvantaged communities, low-income communities, and low-income households across California. For more information, visit the [California Climate Investments](http://www.caclimateinvestments.ca.gov/) website: <http://www.caclimateinvestments.ca.gov/>.



Dealerships Responsibilities

Qualified CC4A Dealerships are responsible for the following duties:

1. Abide by the Performance Requirements outlined in the contract, Section 2.1.
2. Confirm that grantees have been awarded a grant
1. Help grantees find a car that matches the transportation option in their Award Letter and aligns with the program requirements
2. Help with securing financing, if needed
3. Fill out Sales Contracts accurately
4. Submit a Sales Contract and other required documentation to Gary Bailey at the Air District via email
5. Request payment once a sale is complete
6. Adhere to all CC4A Program requirements and procedures outlined in this document
7. Ensure all dealership staff working with CC4A participants have been provided a copy of this manual to understand how to properly administer the CC4A program

Details regarding some of these duties are described in the sections below. Please refer to your contract for additional information.

Confirming Grant Award

The CC4A team will instruct our grantees to contact dealership representatives that are listed on our [website](#). Ideally, grantees will call you before they come in, but some may not want to wait for an appointment. Air District staff will go through this process with your sales professionals; however, the details below are meant to supplement this training.

When a grantee comes to your dealership, check to make sure they have an Award Letter (Figure 3) before you begin your sales process. Ensure they are eligible and have not already purchased a vehicle. Confirm their name and award amount.

Dealerships are encouraged to provide participants with information about the different types of EVs, public charging and fueling locations, efficient use of their vehicle, etc. Some resources are available on the CC4A website here: <http://www.airquality.org/SacCleanCars4All/Pages/Resources.aspx>

Financing Assistance

If a CC4A grantee requires financing to pay for their selected vehicle, dealerships can direct them to their internal financing department. However, the interest rate must be 15 percent or less. If a participant cannot qualify for a loan with 15 percent or lower interest, dealerships should direct them to Beneficial State Bank (<https://beneficialstatebank.com/personal/auto-loans>), which offers low-rate auto loans to income-qualified households.

BSB loan process for approved applicant:

1. Participant applies online at BSB website: <https://beneficialstatebank.com/personal/auto-loans>.
2. Receives approval email
3. Receives an approval letter in the mail – about a week from applying
4. BSB uploads approval letter into Smart Approval portal – accessible to dealerships in the CUDL network.
5. Dealers can look up the participant's credit app using SSN.

Filling out a Sales Contract

Once a dealership and grantee have agreed on a vehicle and price, dealerships follow their normal contracting procedures. When filling out the bottom section of the sales contract, dealerships must show the grant amount separate from other cash payments and incentives, see Figures 7 and 8 for examples. The CC4A grant may be included on lines (D) (F) or (G), as shown below.

Figure 7. Correct: grant amount can be listed on line 6.D, 6.F, or 6.G – as long as it is broken out from other payments.

6. Total Downpayment	
A. Total Agreed Value of Property Being Traded-In (see Trade-In Vehicle(s)):	\$ _____ N/A (A)
Vehicle 1 \$ _____ N/A Vehicle 2 \$ _____ N/A	
B. Total Less Prior Credit or Lease Balance (e)	\$ _____ N/A (B)
Vehicle 1 \$ _____ N/A Vehicle 2 \$ _____ N/A	
C. Total Net Trade-In (A-B) (indicate if negative number)	\$ _____ N/A (C)
Vehicle 1 \$ _____ N/A Vehicle 2 \$ _____ N/A	
D. Deferred Downpayment Payable to Seller	\$ _____ (D)
E. Manufacturer's Rebate	\$ _____ (E)
F. Other CC4A	\$ _____ (F)
G. Cash, Cash Equivalent, Check, Credit Card, or Debit Card	\$ _____ (G)
Total Downpayment (C through G)	\$ _____ (6)
(If negative, enter zero on line 6 and enter the amount less than zero as a positive number on line 1J above)	
7. Amount Financed (5 less 6)	\$ _____ (7)

6. Total Downpayment

A. Total Agreed Value of Property Being Traded-In (see Trade-In Vehicle(s)): \$ N/A (A)
 Vehicle 1 \$ N/A Vehicle 2 \$ N/A

B. Total Less Prior Credit or Lease Balance (e) \$ N/A (B)
 Vehicle 1 \$ N/A Vehicle 2 \$ N/A

C. Total Net Trade-In (A-B) (indicate if negative number) \$ N/A (C)
 Vehicle 1 \$ N/A Vehicle 2 \$ N/A

D. Deferred Downpayment Payable to Seller \$ N/A (D)

E. Manufacturer's Rebate \$ 2,000.00 (E)

F. Other N/A \$ N/A (F)

G. Cash, Cash Equivalent, Check, Credit Card, or Debit Card \$ 16,500.00 (G)

Total Downpayment (C through G) \$ 16,500.00 (6)

(If negative, enter zero on line 6 and enter the amount less than zero as a positive number on line 1J above)

7. Amount Financed (5 less 6) \$ 24,013.90 (7)

Figure 8. Incorrect: grant amount is combined with other cash payments and incentives.

If a dealership cannot breakout the grant amount from other forms of payment, please provide additional documentation (e.g. cash receipt, credit card receipt, copy of the check) that shows the grant amount was taken off the final payment made by the grantee. For example, if a grantee receives \$9,500 from CC4A and puts down an additional \$2,000 via a check, the total listed on 6.G. would be \$11,500. Dealers would need to submit the copy of the check to show the difference between the grant and any other forms of down payment.

The Sales Contract must show the type of vehicle purchased (PHEV, BEV, or FCEV), this is particularly important for vehicles models that have multiple engine options. See Figure 8 for an example.

on all pages of this contract. You agree to pay the Seller - Creditor (some to the payment schedule below. We will figure your finance charge on a d

New Used	Year	Make and Model	Odometer
New	2020	Hyundai Ioniq Plug-in Hybrid	42

Figure 9. Example Sales Contract showing Vehicle Type

If the Sales Contract, does not specify the type of vehicle purchased, the dealer must provide a CarFax, window sticker/Maroney, or invoice that shows both the VIN # and the type of vehicle purchased (PHEV, BEV, or HFC).

Submitting a Sales Contract

Immediately after a vehicle is sold, the dealership must submit a Payment Request form to the Air District and provide the Air District with a signed and dated Sales Contract.

Requesting Payment

A dealer must email a request for payment with the following three documents:

- Award Letter
- Sales Contract
- Carfax (for used vehicles only)

Once this email is received, staff will begin the internal processes of reviewing the sales contract, processing the payment, and processing electronic funds transfer to the auto dealer.

If you wish to receive funds via Automatic Clearing House (ACH), contact Air District staff. In the absence of electronic funds transfer, a check will be generated and mailed to the dealer. Assuming all documents are filled out correctly and include the necessary supporting information, it may take up to 30 days for the Air District to process your payment.

Returned Vehicles

If a grantee returns a vehicle, dealerships must notify the Air District to cancel the payment request. If the dealership has already been paid, please reach out to the Air District for assistance. Dealerships that need to return any grants to the Air District, can do so by mailing a check to:

Sac Metro Air District
Attn: CC4A/Gary Bailey
777 12th Street Suite 300
Sacramento, CA 95814

Frequently Asked Questions

Can I get a lead list or contact information for your grantees with award letters?

Unfortunately, due to privacy reasons, we are unable to share our grantee's personal information with any dealerships at this time.

Can the customer have a co-signer?

Yes, the grantee can have a co-signer. The grantee must be the primary buyer listed on the sales contract.

Does the grantee's address on the Award letter need to match the address on the contract?

Yes, the grantee's address should match the same address listed on the award letter. Case-by-case exceptions may be made. Please reach out to the Air District for questions.

Should sales tax be included on the full cost of the vehicle?

Yes, sales tax must be included on the full cost of the vehicle. The grant does not reduce the sales tax liability.

What if the customer wants to purchase an unauthorized vehicle type?

When a customer purchases or leases a new vehicle, it must be on the Clean Vehicle Rebate Project list. Used vehicles purchased must be a plug-in vehicle to qualify otherwise the District will not honor the voucher.

Can I sell a used car with a salvaged title?

No.

Can I charge for the minimum 3-day return policy?

No. You must provide the minimum 3-day return policy at no cost. Dealers may put restrictions on the return policy, such as mileage limits, but these restrictions must be provided in writing and acknowledged by the grantee.

Can I sell a used vehicle that has been in an accident, but has a Clean Title?

Yes, but you should provide the Carfax to the customer so that they are aware of the history of the vehicle. As a reminder, all used vehicles must have all recalls cleared. If the recall shows up on the Carfax, you may submit proof, such as an invoice, that the recall is cleared.

Do I need to worry about tax responsibilities for the grant amount?

No, the Air District will work with the grantee if any tax implication arises at the end of each calendar year.

When and how will we be paid back for the money we take off the sales price?

You will receive your reimbursement check within 30 days of the complete submission of the payment request. Typically, it has taken the Air District two weeks between when you submit your payment request.

The initial payment will be will be a paper check. Subsequent payments will be made electronically via ACH. The check will be made out to the business listed on the W9 you submitted with your application.

Can the grantee stack the grant with other rebates and incentives?

Maybe. Below is a list of programs that can/cannot stack with CC4A. More information can be found on the [Other Grants and Rebates](#) section of our website.

Grant Options				
Other Programs	New EV	Used EV	EV Charging	Stackable with Clean Cars 4 All?
CVRP	\$1,500-\$7,000	X	X	✓
CVAP	\$2,500-\$5,000	\$2,500-\$5,000	Up to \$2,000	X*
DCAP	\$2,500-\$5,000	\$2,500-\$5,000	Up to \$2,000	X**
Federal Tax Credit	Up to \$7,500	X	X	✓
MCEv	\$3,500	X	X	✓
Drive Forward Electric	X	\$2,000	X	✓
PGE Clean Fuel Rebate	\$800	\$800***	X	✓****
SMUD	X	X	\$599-\$665	✓*****

*Incentives are not stackable, but low interest loans may be available.

** Incentives are not stackable, but low interest loans may be available.

***Only eligible if any previous owner(s) did not receive a rebate.

****Only eligible with the purchase or lease of a new plug-in electric vehicle.

Do I need to keep the old vehicle the grantee is scrapping?

No. Dealerships should never take the old vehicle that is being retired. The grantee has 14 days after they purchase their replacement vehicle to scrap their older vehicle at an Authorized Dismantler.

How can I promote this program?

Please reach out to us if you're interested in promoting the program. We have [flyers and general program materials](#) that are available for download.

Who do we contact with additional questions?

For any additional questions, Gary Bailey (gbailey@airquality.org, 916 874-4893) is the Air District's primary contact or Katie Cox (kcox@airquality.org).

Appendix I: Dealership Checklist

Before you sell a vehicle, review this checklist to ensure the sale meets the program requirements. If you comply with all the requirements below, then you can proceed with the sale.

ATTENTION: The sale of ineligible vehicle may result in non-payment.

- Dealership check **Award Letter** to ensure grantee is eligible. **Do not sell a vehicle to grantee if you are unable to confirm their name and award amount.**
- Vehicle sold must be a **Clean Transportation Option**. The Clean Transportation includes one of the following:
 - Plug-in Hybrid Electric Vehicle or Battery Electric Vehicle; or
 - Fuel Cell Electric Vehicle
- Must be a **new or used** plug-in hybrid electric vehicle or battery electric vehicle (leased vehicles must be new).
 - New purchased or leased vehicles must be on the [Clean Vehicle Rebate Project](#) list
- Used Vehicles:
 - In 2021 the replacement vehicle must be model year 2014 or newer and the eligibility year changes on a rolling basis every year, i.e. in 2022 a 2015 and newer vehicle will be eligible and so on.
 - must have less than **75,000 miles** on the odometer
 - may not have modifications to vehicles emissions control systems, hardware, software calibrations, or hybrid system
 - must have a clean Title (Cannot be salvaged)
 - must have a CARFAX, or similar, report (submitted to Air District)
 - must come with a 3-day return policy
- Vehicle cannot have a sale price above **\$60,000** (e.g. Line A (1) in most sales contracts)
- Vehicle must not have any open recalls (open recalls require proof of repair)
- Must register vehicle in California
- If the participant needs financing, the interest rate must be **less than 16%**
- Negotiated prices must be honored
- Dealership may not increase the price of vehicle due to Clean Cars 4 All grant
- All add-ons must be knowingly and willingly purchased by the participant
- Sales Contract must separate out the grant amount from other cash payments or rebates
- Dealership must submit a **request for payment** on the day a vehicle is sold

Funding from Clean Cars 4 All cannot be combined with the [Clean Vehicle Assistance Program](#), [Driving Clean Assistance Program](#), [Replace your Ride](#), Tune-in-Tune-up/[Drive Clean San Joaquin](#), Drive Clean Assistance Program <https://dcap.communityhdc.org/> or the [Bay Area Clean Cars for All Program](#).

For any additional questions, Gary Bailey (gbailey@airquality.org, 916 874-4893) is the Air District's primary contact or Katie Cox (kcox@airquality.org.gov.)

Appendix II: Acronyms and Definitions

CC4A – Clean Cars 4 All, a program that grants for income-qualified Sacramento residents to retire their older car and replace it with a plug-in hybrid, hydrogen fuel cell, or battery electric vehicle, or Sacramento Regional Transit Voucher. Find out more at <http://www.airquality.org/SacCleanCars4All>

Fluxx – the online, cloud-based grant management system used to process applications

Grantees/Participants – residents in Sacramento that have applied to CC4A and been awarded a grant.

Grant – a dollar amount awarded to participants from CC4A, which is paid to a dealership as a deferred down payment on the new, used, or leased car.

PHEV – Plug-in Hybrid Electric Vehicle, combine an electric motor with a gasoline engine. PHEV batteries are recharged by the gasoline-powered motor during braking and by plugging into an outlet or charging station.

BEV – Battery Electric Vehicles operate solely on their electric motor. BEV batteries are recharged by plugging into an outlet or charging station.

FCEV – Fuel Cell Electric Vehicles use hydrogen fuel and an electric motor instead of an internal combustion engine. While BEVs run on batteries that must be plugged in to recharge, FCEVs effectively have their own efficient power plant on board: the hydrogen fuel cell.

CARB – the California Air Resources Board is a California State government agency that provides the funding for CC4A and sets guidelines that the Air District must follow as we implement the program.

CCI – California Climate Investments is a statewide program that puts billions of cap-and-trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment. So far, CC4A has received over \$8.4 million from CCI.

VW – CC4A received a one-time allocation of \$4.25 million from a consent decree related to Volkswagen's (VW) violation of the Clean Air Act emission regulations.

Award Letter – the Air District sends each Grantee an Award Letter confirming that they have been approved for a CC4A grant, which includes the type of replacement car they have selected and the amount of the grant. Grantees can start shopping for a replacement car only once they receive the Award Letter.