

Agricultural Equipment Fact Sheet

Last updated: November 7, 2023



The Bay Area Air Quality Management District (Air District) is accepting applications to help upgrade or replace mobile, stationary, and portable agricultural equipment with equipment meeting current emission standards or cleaner. Funding is also available for associated infrastructure projects.

Who can apply?

- Owners of mobile agricultural equipment
- Owners of stationary or portable agricultural engines:
 - Greater than or equal to 25 horsepower (hp) but less than or equal to 50 hp with Tier 0 to Tier 3 engines.
 - Greater than 50 hp with Tier 3 engines.
 - Greater than 50 hp remotely located and agricultural emergency standby generator set engines with Tier 0 to Tier 3 engines.
- Equipment must have an engine horsepower of 25 hp or greater.
- Priority will be given to projects that reduce pollution in the follow priority Bay Area communities:
 - [Disadvantaged Communities \(DAC\) and Low-income Communities \(LIC\)](#)
 - [Air District Community Air Risk Evaluation \(CARE\) Communities](#)
 - [Assembly Bill \(AB\) 617 Communities](#)

Eligible Project Types

- **Equipment replacement:** replace old existing equipment with the cleanest available equipment, including alternative fuel and zero-emissions equipment.
- **Equipment repower:** replace an old, existing engine with a newer emission-certified engine, including alternative and zero-emissions engines.
- **Retrofit purchase:** install an emission control device on an existing engine.
- **Infrastructure projects:** install or expand electric or alternative fuel infrastructure to power agricultural equipment in conjunction with an equipment replacement or engine repower project.

Key Requirements

- Eligible equipment types include but are not limited to agricultural, tractors, loaders, dozers, excavators, forklifts, woodchippers, portable generators, stationary engines, and water pumps.
- Equipment must operate at least 75% of the time within the Air District jurisdiction as shown in the [boundary map](#).

- Existing equipment must be operational, owned by the applicant for at least two years, and have a functional hour meter.
- Funding cannot be used for upgrades or equipment purchases already required by an existing regulation, local ordinance, or contract.
- Applicants must submit an application, be awarded, and enter into a funding agreement with the Air District prior to starting their projects. Projects that have started (e.g., placing an order or deposit) prior to the funding agreement being signed will be disqualified.
- Regulated stationary and portable agriculture engines must document that the fleet is registered with the California Air Resources Board (CARB) and/or Air District and is in current compliance with all applicable regulations.
- Stationary or portable agricultural diesel engines 50 hp and greater must be registered with the [Air District's Agricultural Diesel Engine Registration Program](#).
- All portable engines 50 hp or greater must be registered [with California's Portable Equipment Registration Program \(PERP\)](#).
- Eligible projects can use additional funds from other incentive programs ("co-funding"). Private fleets may be able to co-fund up to 95% of the project costs, while public agencies may be eligible to co-fund up to 100% of project costs. Projects must be able to meet the individual requirements of each funding source.

Funding Amounts for Agricultural Projects

Project type	Maximum Funding per piece of equipment
Diesel repower (<i>New engine: electric, certified spark-ignition (SI) engine or Tier 4 Final diesel engine</i>)	Up to 85%
Large Spark Ignition (LSI) repower	Up to 85%
Repower to zero-emission	Up to 85%
Mobile equipment replacement	Up to 80%
Portable equipment replacement (excludes stationary)	Up to 80%
Retrofit	Up to 100%
Infrastructure	Up to 50% for all projects Up to 60% for publicly accessible projects Up to 65% if powered with solar/wind Up to 75% for publicly accessible projects with wind/solar systems) ²

Notes

1. Not all equipment is eligible for maximum funding. Funding amounts will vary depending on the baseline equipment, reduced equipment, usage, cost, and other factors.
2. Additional funding may be available for infrastructure that is publicly accessible, powered by solar/wind, serving a port/railyard/freight facility, or located at a sensitive receptor.

How to Apply

To apply go to <https://www.baaqmd.gov/funding-and-incentives/apply-for-funding>.

- Applicants must submit one application for all equipment for which they seek funding.
- The application requires that applicant submit information about your existing engine and equipment (e.g., equipment/engine information, hp, serial number, engine tier, and usage documentation) and information about the replacement engine or equipment (quotes from your engine dealer for prices, engine tier, and engine executive order).
- If equipment falls under a regulation, applicants must submit documentation to the Air District demonstrating that the fleet is registered with CARB and is in compliance.
- The Air District has contracted with Bay Area equipment dealers to assist applicants to apply for equipment replacement projects. A complete list of Air District-contracted Bay Area equipment dealers can be found at: <https://www.baaqmd.gov/~media/files/strategic-incentives/carl-moyer/baaqmd-approved-erp-dealerships-offroad-pdf.pdf?la=en>

Regulatory Requirements

- Applicants applying for funding must document current compliance with all applicable regulations.
- Stationary and portable agricultural engines may be regulated. For regulated engines, the project must be complete (engine installed and operational) at least 1 year before the associated Air Toxic Control Measure (ATCM) compliance date or within three years of the CARB PERP Regulation and Portable Engine ATCM. For more information, visit: <https://ww2.arb.ca.gov/resources/documents/perp-regulation-and-portable-engine-atcm>. The Agricultural In-Use Stationary Diesel ATCM requires the replacement or retrofit of older in-use diesel engines with cleaner burning models or electric motors. The applicable compliance date depends on the Tier of the engine. For more information, visit: <https://ww2.arb.ca.gov/our-work/programs/stationary-diesel-atcm>
 - All new engines 50 hp and greater must certify to meet U.S. EPA Tier 4 or zero-emission standards.
 - Less than or equal to 50 hp agricultural engines are subject to new engine emission limits but are not subject to in-use engine emission limits or registration requirements.

Contact Information

To find out more, visit <https://www.baaqmd.gov/funding-and-incentives/businesses-and-fleets/agricultural-equipment> or contact Air District staff at grants@baaqmd.gov or (415) 749-4994.