



Last Mile Freight Program Battery-Electric Vehicle Rebates



SCAG is offering a total of \$50 million in rebates for up to \$67,000 per vehicle to support the purchase or conversion of Class 4 and Class 5 battery-electric commercial vehicles with domicile vehicle operations in Los Angeles, Orange, Riverside, or San Bernardino counties. Funding is provided through the U.S. Environmental Protection Agency, administered as part of South Coast Air Quality Management District's INVEST CLEAN program. This initiative is designed to reduce emissions, improve regional air quality, and accelerate the adoption of zero-emission vehicles in goods movement operations. The program will ensure that a majority of purchases are replacements or conversions of existing diesel vehicles to achieve these goals.

The program is open to fleet owners and operators of commercial (non-passenger) vehicles engaged in freight operations, including last-mile delivery operators, freight forwarders, other logistics companies, and business-to-business distributors. Public fleets may also be eligible if they can demonstrate that their vehicles are used for last-mile freight activities. All eligible applicants will be considered, but SCAG will give funding preference to projects based on vehicle replacement levels, "shovel-ready" vehicle acquisition plans, projected emissions benefits, and geographic funding balance.

Participants will be eligible to receive rebate funds after new/converted battery-electric vehicle(s) have been delivered into commercial operations, and (if applicable) corresponding existing vehicle(s) have been delivered and accepted by an approved dealer, OEM, or dismantler and documentation of dismantling of existing vehicles/engines has been provided to SCAG from the dealer, OEM or dismantler. Each existing vehicle must be diesel powered and fall within Class 4, 5, or 6 vehicle classes with an engine model year from 2010 or newer.

In addition to new vehicle purchases, the program also offers rebates of up to \$67,000 for the conversion of existing Class 4 and 5 diesel-powered vehicles with an engine model year of 2010 or newer to battery-electric power. Only Class 4 and 5 diesel vehicles can receive a rebate for their conversion, and the original diesel engine must be removed and dismantled by the conversion provider or delivered to a certified dismantler approved by CARB or the local air district.

Funding Details

- **Total funding:** \$50 million
- **Maximum rebate:** \$67,000 per vehicle
- **Eligible applicants:** Must replace Class 4-6 diesel-powered vehicles by purchasing new battery-electric Class 4 or 5 vehicles or conversion of existing Class 4 or 5 diesel-powered vehicles to battery-electric power. All diesel-powered vehicles used for replacement/conversion must have an engine model year 2010 or newer.

Application Window

Opens: October 31, 2025

Closes: January 30, 2026

The program might reopen in July 2026 if funding remains.

How to Apply

Applications must be submitted through the program's online portal once it opens on SCAG's Last Mile Freight Program website (www.scag.ca.gov/LMFP). Applicants are encouraged to gather necessary documentation early, including vehicle registration, insurance, and operational use information.

Questions? Contact us.

For more information or assistance, please contact SCAG's LMFP team at lmfp@scag.ca.gov.

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