



# **2022 Clean School Bus (CSB) Rebates**

Program Guide

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## Section 1: Overview

This document details the eligibility criteria and requirements for EPA's 2022 Clean School Bus (CSB) Rebates.

As background, the Infrastructure Investment and Jobs Act, Public Law 117-58 (the "Bipartisan Infrastructure Law" or "BIL") amends the Clean School Bus Program under Section 741 of the Energy Policy Act of 2005 (42 U.S.C. 16091) and provides \$5 billion for the replacement of existing school buses with clean and zero-emission (ZE) school buses. For each fiscal year between 2022 and 2026, \$500 million is available to fund zero-emission and clean school buses, and \$500 million is available to fund only zero-emission school buses. The statute outlines several funding mechanisms for the new Clean School Bus Program, including grants, rebates, and contracts. A rebate is a payment from EPA to an eligible entity to subsidize the purchase of a ZE or clean school bus, and eligible infrastructure, that meets the requirements described in this Program Guide.

School buses collectively travel over three billion miles each year, providing the safest transportation to and from school for more than 25 million American children every day. <sup>1</sup> Nearly all the school buses currently on the road run on diesel, with many lacking modern emission control technologies because they pre-date EPA's most recent emission standards. Exhaust from these buses has a negative impact on human health, especially for children who have faster breathing rates than adults and whose lungs are not yet fully developed. The CSB Rebates will fund the replacement of existing school buses with cleaner buses that result in better air quality on the bus, in bus loading areas, and throughout the communities in which they operate. Please continue reading for detailed instructions on who can apply, what buses are eligible for replacement, how much funding is available per bus, how the selection process works, and how to apply and participate in this funding opportunity. All participants must also review the Terms and Conditions in Appendix C.

### Table 1: 2022 CSB Rebate Timeline

<b>May 20, 2022 – August 19, 2022</b>	● 2022 CSB Rebates open. EPA accepts applications submitted via CSB Rebate Forms.
<b>September 2022</b>	● EPA reviews applications and begins the selection process
<b>October 2022</b>	● EPA notifies applicants of selection status. Selectees can proceed with purchasing new buses and eligible charging infrastructure.
<b>October 2022 – April 2023</b>	● Selectees submit Payment Request Forms with purchase orders demonstrating that new buses and eligible charging infrastructure have been ordered
<b>October 2024</b>	● Project period deadline for selectees to receive new buses, install eligible charging infrastructure, replace old buses, and submit Close Out Forms

## Section 2: Eligible Applicants

### Eligible Applicants Include:

1. State and local governmental entities that provide bus service, including public school districts.
  - a. Public charter schools with an [NCES District ID](#) are eligible to apply directly for funding.
  - b. Most State governmental entities would not be eligible to apply because few provide school bus service, but some own bus fleets and would be eligible.
2. Eligible contractors - Eligible contractors are for-profit, not-for-profit, or nonprofit entities that have the capacity to (1) sell clean or ZE school buses or related charging or fueling infrastructure to school bus owners or (2) arrange financing for such a sale.
  - a. For the purpose of defining an eligible contractor, financing is defined as loans or lease-to-own agreements. For example, school bus dealers and original equipment manufacturers (OEMs) that meet these criteria are eligible contractors.
3. Nonprofit school transportation associations
4. Indian tribes, tribal organizations, or tribally controlled schools responsible for the purchase of school buses or providing school bus service for a Bureau of Indian Affairs (BIA) funded school.

In the rebate application webform, all applicants must identify the elementary and/or secondary school district<sup>2</sup> that will be served by the new replacement bus for not less than five years from the date of delivery. Prior to submitting an application, eligible contractors and nonprofit school transportation associations applying for rebates must also notify and receive approval from the school district that would be served by buses purchased using rebates. These eligible contractors and nonprofits must certify this approval from the school district on the application form.

### Prioritized Applicants:

The Bipartisan Infrastructure Law allows EPA to prioritize certain applicants in the CSB Rebates. Applicants requesting funds for new school buses that will serve a school district that meets one or more of the prioritization criteria below will be offered more funding per bus and receive preference in the selection process. EPA offers equal prioritization for school districts that meet one or multiple prioritization criteria.

1. High-need school districts and low-income areas limited to:
  - a. School districts listed in the [Small Area Income and Poverty Estimates \(SAIPE\) School District Estimates for 2020](#) as having 20% or more students living in poverty; and
  - b. School districts not listed in the SAIPE data, including most charter schools, that self-certify as having 20% or more students living in poverty pursuant to the federal poverty

threshold.<sup>3</sup> EPA or its authorized representatives may request documentation demonstrating the poverty self-certification.

- c. School districts located in the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.
2. Rural – School districts identified with locale codes “43-Rural: Remote” and “42-Rural: Distant” by the National Center for Education Statistics (NCES).<sup>4</sup>
3. Tribal – Bureau of Indian Affairs funded school districts and school districts that receive basic support payments under section 7703(b)(1) of title 20 for children who reside on Indian land.<sup>5</sup>

School districts that qualify under one or more prioritizations above, with the exception of 1.b., are identified in EPA’s prioritized funding list located here.

### Private Fleet Participation:

Private school bus fleets cannot apply directly to EPA for funding under the 2022 CSB Rebates. However, any of the eligible applicants listed above can enter into a contractual arrangement with a private fleet that owns and operates buses to replace buses that serve a public school district.

For example, a bus dealer, Big Yellow Bus Sales, could apply to replace buses owned and operated by a private fleet, Safety-First Bus Company. These buses serve Washington County School District under a contract. When applying for funds, Big Yellow Bus Sales will need to list the private fleet that owns the buses and the school district served by the buses in the application. If selected for funding, Big Yellow Bus Sales must pass rebate funds on to the private fleet via a point-of-sale discount on the new buses or other financial arrangement. The new buses must continue serving Washington County School District for at least five years from the date of delivery.

## Section 3: Eligible School Buses

For the 2022 CSB Rebates, “school bus” is defined as a passenger motor vehicle designed to carry a driver and more than 10 passengers, that the Secretary of Transportation decides is likely to be used significantly to transport preprimary, primary, and secondary school students to or from school or an event related to school.<sup>6</sup>

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<sup>3</sup> Note: Free and Reduced-Priced Lunch (FRPL) numbers use different income thresholds than the federal poverty thresholds used for CSB prioritization. More information on the difference between FRPL and SAIPE numbers can be found here: [https://www.census.gov/programs-surveys/saipe/about/faq.html#par\\_textimage\\_7](https://www.census.gov/programs-surveys/saipe/about/faq.html#par_textimage_7).

<sup>4</sup> Data was pulled from <https://nces.ed.gov/ccd/elsi/expressTables.aspx> for School Year 2020–21. Data was pulled on March 10, 2022.

<sup>5</sup> The list of Bureau-funded schools was pulled from <https://www.bie.edu/schools/directory> on March 10, 2022. EPA used a list of school districts that received basic support payments under section 7703(b)(1) of title 20 for children who reside on Indian land in 2021 created by the Department of Education’s Impact Aid Office.

<sup>6</sup> 49 U.S.C. § 30125, *available at*

[https://uscode.house.gov/view.xhtml?req=\(title:49%20section:30125%20edition:prelim\)%20OR%20\(granuleid:US-C-prelim-title49-section30125\)&f=treesort&num=0&edition=prelim](https://uscode.house.gov/view.xhtml?req=(title:49%20section:30125%20edition:prelim)%20OR%20(granuleid:US-C-prelim-title49-section30125)&f=treesort&num=0&edition=prelim).

### Old buses to be replaced must:

1. Be vehicle model year 2010 or older diesel-powered school buses that will be scrapped if selected for funding
  - a. If a fleet has no eligible 2010 or older diesel school buses and is requesting zero-emission school bus replacements, the fleet can either:
    - i. Scrap 2010 or older non-diesel internal combustion engine buses; or
    - ii. Scrap, sell, or donate 2011 or newer internal combustion engine buses
2. Have a Gross Vehicle Weight Rating (GVWR) of 10,001 lbs or more
3. Be operational at the time of application submission – Able to start, move in all directions, and have all operational parts
4. Have provided bus service to a public school district for at least 3 days/week on average during the 2021/2022 school year at the time of applying, excluding COVID-related school closures

### New replacement buses must:

1. Have a battery-electric, CNG, or propane drivetrain<sup>7</sup>
2. Be EPA certified vehicle model year 2021 or newer<sup>8</sup>
3. Have a Gross Vehicle Weight Rating (GVWR) of 10,001 lbs or more
4. Not be ordered prior to receiving official notification of selection for EPA funding
5. Be purchased, not leased or leased-to-own
6. Serve the school district listed on the application for at least five years from the date of delivery
7. Meet federal safety standards and be maintained, operated, insured, registered, and charged/fueled according to manufacturer recommendations and state requirements
8. Not be manufactured or retrofitted with, or otherwise have installed, a power unit or other technology that creates air pollution within the school bus, such as an unvented diesel passenger heater
9. Not be purchased or otherwise subsidized with other federal funds. The total of CSB rebate bus funds and other eligible external funds allocated for the bus replacements cannot exceed the cost of the new buses.
10. Upon request, be made available for inspection by EPA or its authorized representatives for 5 years from the date of delivery

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<sup>7</sup> Biofuels will not be included as an eligible replacement technology for this rebate program. There are no unique biofuels engines or buses at this time. All diesel buses can run on a mix of regular diesel and biodiesel, making it very difficult to ensure that biofuel blends of a certain percentage are used exclusively in the vehicle from the start, much less over the vehicle's lifetime. A vehicle which operates on a biofuels mix may have some small emissions benefits depending on numerous factors, but there is no emissions standards difference between a regular diesel bus and one that may use biofuels as an in-use fuel. Thus, a bus that runs on a biofuel mix will not provide significant environmental benefits beyond the current diesel bus market options. Similarly, there are currently no hydrogen or LNG product offerings so hydrogen and LNG will not be included as eligible replacement technologies for this rebate program.

<sup>8</sup> EPA is not funding the conversion of old school buses to operate on battery-electric, CNG, or propane drivetrains in the 2022 CSB Rebates. EPA Heavy-Duty Vehicle Certification Data is posted here: <https://www.epa.gov/compliance-and-fuel-economy-data/annual-certification-data-vehicles-engines-and-equipment>.

## Section 4: Funding Amounts and Number of Applications

For the 2022 CSB Rebates, EPA anticipates offering \$500 million, split in two equal pools of \$250 million for clean school buses and ZE school buses. Funds are subject to availability and total awards may be higher or lower than the anticipated funds offered. Funding will not be provided for administrative expenses. EPA reserves the right to partially fund applications, reject all applications and make no selections under the program, or to make fewer selections than anticipated.

Each application may include up to 25 buses for replacement. School districts applying directly for funds may only submit one application to replace up to 25 buses. Other eligible applicants identified in Section 2 may submit multiple applications, but each application must be for buses serving a different school district. EPA will not fund multiple applications for bus replacements that will serve the same school district.

The maximum rebate amount per bus is dependent on (1) the bus fuel type, (2) the bus size,<sup>9</sup> and (3) whether the school district to be served by the buses meets one or more prioritization criteria. See Table 2 below for the amounts that EPA will allocate for selected applicants per bus. Note: Table 2 displays maximum funding levels. EPA will not disburse rebate funds in excess of the actual cost of the replacement bus, but the actual bus cost is allowed to exceed the maximum funding level in Table 2.

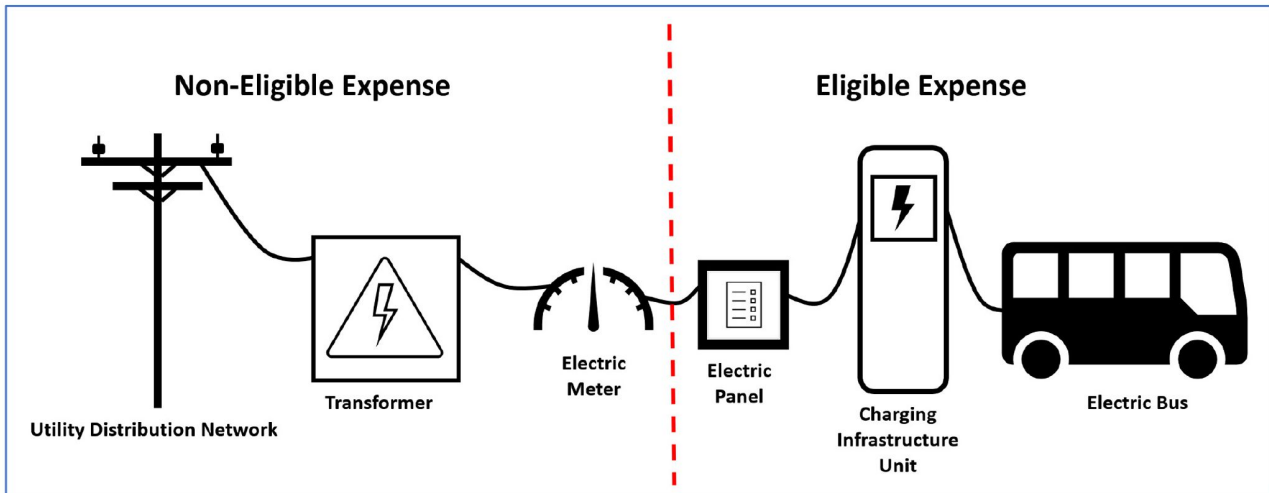
Table 2: Maximum Bus Funding Amount per Replacement School Bus

School District Prioritization Status	Replacement Bus Fuel Type and Size					
	ZE – Class 7+	ZE – Class 3-6	CNG – Class 7+	CNG – Class 3-6	Propane – Class 7+	Propane – Class 3-6
Buses serving school districts that meet one or more prioritization criteria	\$375,000	\$285,000	\$45,000	\$30,000	\$30,000	\$25,000
Buses serving school districts that are not prioritized	\$250,000	\$190,000	\$30,000	\$20,000	\$20,000	\$15,000

### Infrastructure Funding

Applicants applying for replacement ZE school buses will, if selected, be allocated funding to be used for charging infrastructure installations. This infrastructure funding will be reflected in the award notification but will not be displayed on the application form which only displays bus funding. EPA funding for infrastructure is limited to installations between the electrical meter and the charging port. This can include, but is not limited to, charging equipment (such as AC Level 2 charging equipment or direct-current fast charging equipment), design and engineering, and installation costs such as trenching, wiring and electrical upgrades, labor, and permitting. EPA funds must not be used for any infrastructure costs associated with work on the utility's side of the electrical meter.

<sup>9</sup> Bus class size is based on Gross Vehicle Weight Rating (GVWR). Class 3-6 have a GVWR of 10,001-26,000 lbs. Class 7+ have a GVWR of 26,001 lbs or more.



All AC Level 2 charging infrastructure purchased under this program must be EPA ENERGY STAR certified chargers. EPA strongly recommends that all other charging infrastructure funded under this program be listed by a Nationally Recognized Testing Laboratory (NRTL). EPA also strongly encourages recipients to consider long-term fleet electrical needs when installing charging equipment. Installing additional electrical capacity on the customer side of the meter to support future charging needs (e.g., purchasing and running additional electrical conduit during trenching and wiring upgrades) is an allowable use.<sup>10</sup> See Table 3 below for the amounts that EPA will allocate for selected applicants for infrastructure costs per ZE school bus. Note: Table 3 displays maximum funding levels. EPA will not disburse rebate funds in excess of the actual infrastructure costs. See Section 8 for more details.

**Table 3: Maximum Charging Infrastructure Amount per Replacement ZE School Bus**

School District Prioritization Status	ZE – Class 3+ Infrastructure Funding
Buses serving school districts that meet one or more prioritization criteria	\$20,000
Buses serving school districts that are not prioritized	\$13,000

## Section 5: Application Process

The deadline for submitting applications is August 19, 2022. Late applications will not be considered for funding. **Applications must be submitted using EPA’s Clean School Bus Rebate form found [here](#).**

<sup>10</sup> Fleet depots can potentially reduce future costs by installing the necessary electrical conduit to support further electric fleet expansion. Source: Oregon Department of Energy. (2022). Guide to School Bus Electrification. <https://www.oregon.gov/energy/energy-oregon/Documents/2022-Jan-14-School-Bus-Electrification-Guidebook.pdf>.



EPA will post a Questions and Answers document [here](#). EPA anticipates updating the Q&A document every two weeks during the application period. Novel questions submitted to [CleanSchoolBus@epa.gov](mailto:CleanSchoolBus@epa.gov) through August 5, 2022 including those from program webinars, will be added to this document.

### To access the online application, organizations applying for funds must have:

1. An active System for Award Management ([sam.gov](https://sam.gov)) registration for the entity that is applying.

**Please note:**

- a. Entity registrations are different than having an individual user account on [sam.gov](https://sam.gov). More information on entity registrations can be found [here](#).
  - b. The Federal Service Desk (FSD) is the only official and free government resource for assistance with [sam.gov](https://sam.gov). Please be aware that other websites may claim to assist with [sam.gov](https://sam.gov) registrations for a fee. Before contacting FSD, please first review the [sam.gov help resources](#).
  - c. Even if your organization is actively registered as an entity, be sure to review all registration information, including:
    - i. Address, EIN, and bank account information. If multiple bank accounts are associated with the entity registration, note the 4-character Electronic Funds Transfer (EFT) indicator in [sam.gov](https://sam.gov) that is associated with the bank account you wish to use in this program.
    - ii. The expiration date of the [sam.gov](https://sam.gov) registration. Be sure to renew the registration by that date.
    - iii. Check whether the entity's [Sam.gov](https://sam.gov) registration has any exclusions (also known as suspensions and debarments) preventing the entity from receiving federal financial assistance.
    - iv. Point of Contact (POC) info per item 2 below.
  - d. [Sam.gov](https://sam.gov) is transitioning from using a DUNS number to having a new Unique Entity ID (UEI). Organizations applying for rebates must know their UEI. More information on this transition can be found here: <https://sam.gov/content/duns-uei>
  - e. If your organization has no record of a [sam.gov](https://sam.gov) registration, expired or active, and needs to create a new registration, the simplest entity registration type that can participate in the Clean School Bus Program is the "Federal Assistance Awards Only" registration.
2. Points of Contact (POC) listed under your organization's entity registration in [sam.gov](https://sam.gov), including:
    - a. An Electronic Business POC with a valid email address
    - b. A Government Business POC with a valid email address
      - i. EPA highly recommends adding an alternate Electronic Business POC and alternate Government Business POC to your organization's entity registration on [sam.gov](https://sam.gov).
      - ii. Note: Only Electronic Business POC (and alternate), and Government Business POC (and alternate) will be able to create, edit, save, or submit an application.
    - c. POCs with [login.gov](https://login.gov) accounts. The [sam.gov](https://sam.gov) POCs noted above can prepare for submitting an application for the Clean School Bus Rebates by registering for a [login.gov](https://login.gov) account with the same email address listed in their POC info on [sam.gov](https://sam.gov).

- i. Upon entering the online rebate application via login.gov, most users will be prompted to complete identity proofing unless they have already completed this process with their login.gov account.

By submitting the rebate application, applicants are certifying that the information provided is true to the best of their knowledge. EPA reserves the right to request copies of documentation, such as bus activity logs, to verify submitted information. EPA or its authorized representatives may contact an applicant to clarify any information provided by the applicant.

## Section 6: Selection

All applications submitted to EPA by the deadline will be placed in a single ordered list using a random number generator lottery process. EPA will select applicants for funding in the following order, working from the top (highest rank) to the bottom (lowest rank) of the list, until all funds are allocated from both the Clean School Bus and Zero Emission halves of funding:

1. **Zero Emission Funding Pool:** The single highest ranked application in the lottery from each state and territory<sup>11</sup> that meet one or more prioritizations and is exclusively requesting ZE buses. If a state or territory does not have a ZE application that meets one or more prioritizations, then the next highest ZE application per state or territory that does not meet one or more of the prioritizations will be selected. Location is based on the school district the buses will serve, which may differ from the location of the eligible applicant.
2. **Clean School Bus Funding Pool:** If no application was selected from a state or territory in step one, then the single highest ranked application in the lottery from each state and territory that meet one or more of the prioritizations and is requesting clean school buses will be selected. If a state or territory does not have any applications requesting clean school buses meeting one or more of the prioritizations, then the next highest ranked application per state or territory that does not meet one or more of the prioritizations will be selected. Location is based on the school district the buses will serve, which may differ from the location of the eligible applicant.
3. **Clean School Bus Funding Pool:** Remaining applications requesting ZE, CNG, propane, or any combination thereof and that meet one or more prioritizations
4. **Clean School Bus Funding Pool:** Remaining applications until Clean School Bus funding pool is allocated
5. **Zero Emission Funding Pool:** Remaining applications exclusively requesting ZE buses and that meet one or more prioritizations
6. **Zero Emission Funding Pool:** Remaining applications exclusively requesting ZE buses until funding pool is allocated

Pursuant to the CSB statute, EPA will ensure that the amount of funds awarded to bus fleets in a state does not exceed 10 percent of the amount made available in this funding opportunity.

Applicants not selected by lottery will remain in random number order on a wait list. If, early in the program, a selectee does not complete the remaining required steps in the rebate process, drops out, or is otherwise deemed ineligible, that selectee will be removed from the program. The funds from that

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<sup>11</sup> States and territories include all 50 states, D.C., Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

selectee may be offered to other 2022 applicants on the wait list. EPA will follow the selection process above when reallocating these funds. EPA may opt to use returned funds for future CSB funding opportunities rather than award applicants off the wait list.

Both the selectees and applicant wait list will be posted on the [Clean School Bus Program website](#).

## Section 7: Notification

EPA anticipates notifying applicants of their selection status within approximately 60 days of the application deadline. Applicants that are selected for funding will receive an electronic status update that includes (1) that they have been selected for funding, (2) the maximum amount of funds that have been reserved for them, and (3) instructions on proceeding with the purchase of new buses and eligible charging infrastructure.

## Section 8: Payment Request Form, Purchase Order, and Payment

Selectees must submit an online Payment Request Form that includes an attached scan of the purchase order(s) for the new school buses and eligible charging infrastructure within six months of the date of the selection notification. EPA will provide the specific deadline in that notification.<sup>12</sup>

The date of the purchase order cannot pre-date the date of the selection notification. The purchase order document must clearly show a transaction agreed upon between the organization that will own the new bus and a school bus equipment dealer. The purchase order document must be on dealer letterhead and include the following information for each bus:

- 1) Purchaser name, address, and business phone number;
- 2) Dealer name, address, and business phone number;
- 3) Vehicle make, model, model year, fuel type, GVWR, and purchase price;
- 4) Eligible infrastructure make, model, and purchase price<sup>13</sup>;
- 5) Purchase order date; and
- 6) Delivery date estimate.

While leases and lease-purchases are not allowed, vehicle loans are permitted.

EPA or its authorized representatives may contact a selectee to clarify any information provided in the Payment Request Form. If, upon review, the Payment Request Form is accurate and includes all required information, EPA will issue the rebate payment to the bank account associated with the sam.gov Unique Entity Identifier (UEI) and Electronic Funds Transfer (EFT) indicator associated with the application. EPA anticipates disbursing funds within approximately 60 days of the submission of a complete Payment Request Form.

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<sup>12</sup> Selectees can request extensions to the Payment Request Form deadline. EPA will review these requests on a case-by-case basis and may grant extensions if sufficient justification is provided.

<sup>13</sup> Eligible charging infrastructure may be on a separate purchase order than the replacement buses.

**Note:** If the bus and eligible charging infrastructure costs are lower than the amount of funds EPA has reserved for the selectee, EPA will reduce the rebate funding amount to the actual costs. EPA will also lower the funding amount if the replacement bus size falls into a lower funding tier per [Table 2](#).

### Infrastructure Labor Costs

Selectees pursuing ZE bus replacements are allocated funding for eligible infrastructure costs per [Section 4](#). While most charging equipment costs can be reported in a purchase order following the guidance above, EPA will accept an approved quote in lieu of a purchase order for eligible infrastructure installation costs, such as design and engineering or labor.

### Training, Consulting, and Warranty Costs

EPA funding for bus costs can also be used for driver/mechanic training, consulting on bus deployments, and bus warranties, if these services are provided through the bus dealer selling the bus and are clearly identified with line-item expenses in the bus purchase order document submitted to EPA.

## Section 9: Scrappage, sale, or donation of old buses

[Section 3](#) outlines the eligibility requirements for old buses, including buses that must be scrapped and buses that may be scrapped, donated, or sold. Fleets must replace old buses by the end of the project period, but there can be overlap between receiving new buses and replacing old buses. For example, a fleet that takes delivery of new ZE school buses six months before the project period deadline might retain the old buses as back-ups for up to six months before replacing them as they are training drivers on operation and charging procedures for the new buses.

### Scrappage requirements:

Scrappage must be completed by (1) crushing the engine or creating a 3" diameter or larger hole in the engine block and (2) cutting or crushing one chassis rail between the axles.

Fleets that scrap buses must document the scrappage, including:

1. Photographs of the destroyed engine and chassis rail for each scrapped bus
  - i. Each photo must be clearly labeled with the last 4 digits of the bus VIN
  - ii. Please see [Appendix A](#) for example scrappage photos
2. A letter signed by a representative of the scrap yard or other entity that performed the scrappage that:
  - i. Lists the VINs of the buses that were scrapped
  - ii. Affirms the date(s) that the buses were scrapped
  - iii. Details the method of scrappage that aligns with the requirements outlined above
  - iv. Lists contact information for the entity that performed the scrappage

See [Appendix B](#) for a template of a scrappage letter that fleets can use.

Equipment and vehicle components that are not part of the engine or chassis may be salvaged from the bus being replaced (e.g., seats, tires, etc.). The destroyed engine and chassis may be sold for scrap metal, provided that the bus is disposed of in accordance with federal and state requirements for vehicle disposal. Selectees are not required to report income from scrappage to EPA.

### Sale and donation requirements:

Fleets that do not have eligible vehicle model year 2010 or older diesel buses to scrap and that choose to instead replace 2011 or newer buses by donating or selling those buses must retain documentation of that transaction that includes:

1. The name of the fleet donating or selling the buses
2. The name and contact information for the entity taking ownership of the buses
3. The VINs of the buses that are donated or sold
4. If sold, the amount the buses were sold for
5. The date of the transaction

## Section 10: Close Out Form

Selectees must submit an online Close Out Form demonstrating that they have received their new buses and eligible charging infrastructure and have replaced their old buses. The Close Out Form must be submitted within two years of the date of the selection notification. EPA will provide the specific deadline in that notification.<sup>14</sup> The Close Out Form will require selectees to attach:

1. For old buses being scrapped, scrappage photos and letter for buses being replaced (see [Section 9](#));
2. For old buses eligible to be sold or donated, documentation of the vehicle sale or donation (see [Section 9](#));
3. A scan of the invoices for the new buses and eligible infrastructure;
  - a. If training, consulting, or warranty expenses were included on the purchase order per [Section 8](#), these costs must also be included on the bus invoice.
4. A scan of proof of delivery for the new buses and eligible infrastructure (e.g., dated bill of lading);
5. One photo of the exterior of each new bus, labeled with the last 4 digits of the bus VIN; and
6. One photo of each charging pedestal if EPA funds were used for charging infrastructure.

EPA or its authorized representatives may contact a selectee to clarify any information submitted in the Close Out Form. After submitting the Close Out Form and responding to any questions from EPA on the information in that form, selectees must continue to follow the Terms and Conditions in [Appendix C](#).

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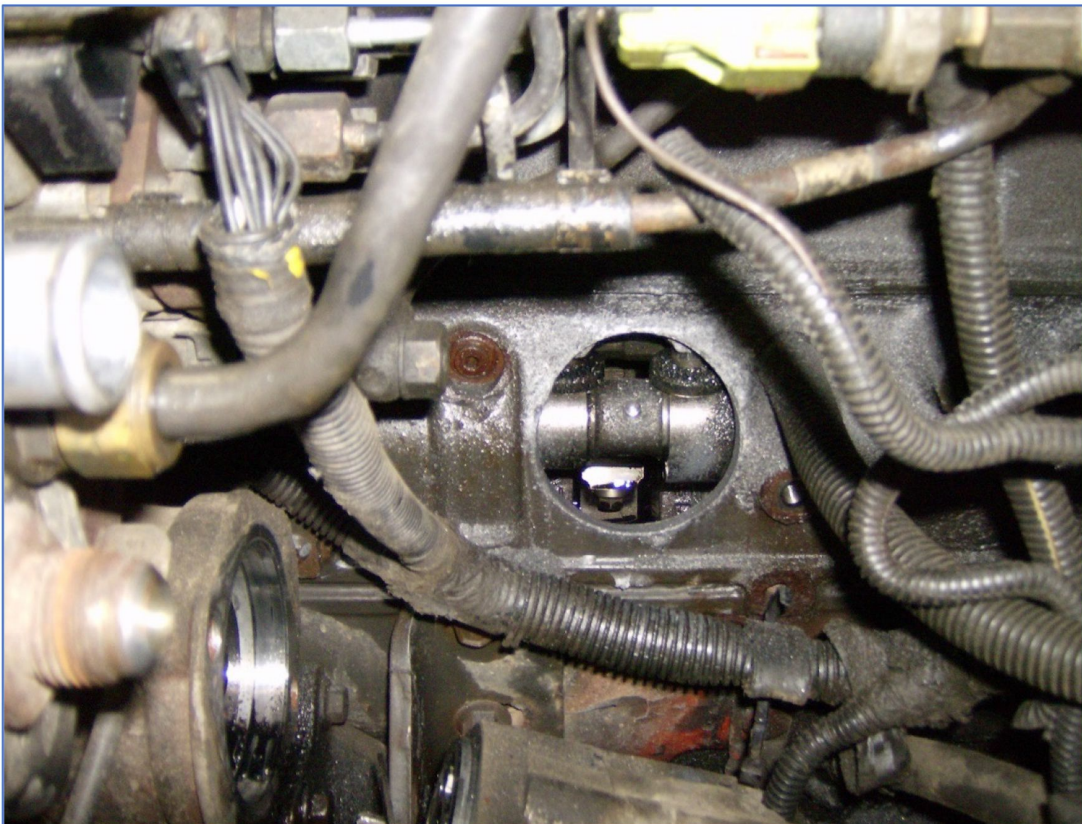
<sup>14</sup> Selectees can request extensions to the project period deadline. EPA will review these requests on a case-by-case basis and may grant extensions if sufficient justification is provided. For example, EPA may grant an extension if a bus is on order but is experiencing manufacturing or delivery delays.

## Appendix A: Sample Scrappage Photos

- 1) Chassis rail cut in half – DestroyedChassisRail[INSERT LAST 4 DIGITS OF VIN].jpg



- 2) Engine block with 3" drilled hole - DestroyedEngineBlock[INSERT LAST 4 DIGITS OF VIN].jpg



## Appendix B: Sample Scrappage Certification Letter

**[PRINTED ON LETTERHEAD OF SALVAGE YARD OR OTHER ORGANIZATION SCRAPPING BUSES]**

**[DATE]**

I confirm that the buses listed below were scrapped according to Section 9 of the 2022 Clean School Bus Rebates Program Guide. The program requires that scrapped buses must be permanently disabled by (1) crushing the engine or creating a 3" diameter or larger hole in the engine block and (2) cutting or crushing one chassis rail between the axles. Photos were taken of the destroyed engines and chassis rails to document the scrappage.

**[NAME OF ORGANIZATION THAT SCRAPPED THE BUS]** performed the bus scrappage on **[DATE]**.

**[BUS 1 VIN]**

**[BUS 2 VIN]**

**[BUS 3 VIN]**

**[SIGNATURE OF SALVAGE YARD REPRESENTATIVE]**

**[PRINTED NAME OF SALVAGE YARD REPRESENTATIVE]**

**[PHONE NUMBER OF SALVAGE YARD]**

**[ADDRESS OF SALVAGE YARD]**

## Appendix C: Terms and Conditions

By submitting an application, applicants certify that they have read and agree to comply with the requirements of this Program Guide, including the following 2022 CSB Rebates terms and conditions. This certification is a material representation that EPA will rely upon in providing funds for vehicle replacement rebates. False certifications may result in criminal prosecution under 18 U.S.C. § 1001, civil liability under the False Claims Act, 31 U.S.C. § 3729 *et seq.* and/or the Program Fraud Civil Remedies Act, 31 U.S.C. § 3801 *et seq.*, suspension and/or debarment pursuant to 2 C.F.R. Part 180, and/or other criminal, civil or administrative penalties, sanctions, and remedies available to the Federal government.

### **Cancellation of Rebates**

If a selectee fails to submit all the required forms and documents by the deadlines or voluntarily drops out of the program, the rebate award may be canceled. EPA will notify the selectee prior to canceling any awards. If funds have already been disbursed to a selectee for a cancelled award, the selectee will be required to return the cancelled award funding to EPA within a timeframe to be established by EPA.

### **Replacement buses must:**

- Serve the school district listed on the application for at least five years from the date of delivery
- Meet federal safety standards and be maintained, operated, insured, registered, and charged/fueled according to manufacturer recommendations and state requirements
- Not be manufactured or retrofitted with, or otherwise have installed, a power unit or other technology that creates air pollution within the school bus, such as an unvented diesel passenger heater
- Upon request, be made available for inspection by EPA or its representative for five years from the date of delivery
- Be purchased in compliance with state, tribal, or local laws governing conflicts of interest in procurement
- Comply with EPA signage requirements for the Clean School Bus Program. Additional information will be provided in the terms and conditions of the award.

If the replacement school bus fails to meet the requirements in this program guide, the selectee may be required to return up to the full amount of the rebate award to EPA. The amount required to be returned is at the discretion of EPA and will be determined on a case-by-case basis.

### **Replaced buses must:**

- Be scrapped, donated, or sold based on the requirements of [Section 3](#) and [Section 9](#) of this Program Guide
- Not serve the school district listed on the application after the project period deadline

If the replaced school bus fails to meet the requirements in this program guide, the selectee may be required to return up to the full amount of the rebate award to EPA. The amount required to be returned is at the discretion of EPA and will be determined on a case-by-case basis.



### **Restriction for Mandated Measures**

Pursuant to 42 U.S.C. 16132(d)(2), no funds awarded under the 2022 Clean School Bus Rebates shall be used to fund the costs of emission reductions that are mandated under federal law.

### **Restriction on Other Funding Sources**

No other federal funds can be used on the same bus replacement project as 2022 Clean School Bus Rebate funds. Fleets can use external non-federal funding sources as part of their bus replacement project, but must confirm with the source of those funds that they are not pass-through federal funds. Volkswagen Environmental Mitigation Trust Funds may be used as external funds provided that the VW trust funds are associated with Eligible Mitigation Action (EMA) #2. VW trust funds under EMA #10, the DERA Option, are not eligible external funds.

The total of 2022 CSB Rebate bus funds and other eligible external funds cannot exceed the cost of the new buses. Similarly, the total of 2022 CSB Rebate infrastructure funds and other eligible external funds cannot exceed the cost of the eligible charging infrastructure.

### **EPA Responsibilities**

EPA anticipates notifying rebate applicants of their selection status within approximately 60 days of the application deadline. EPA anticipates disbursing funds within approximately 60 days of the submission of a complete Payment Request Form. EPA may request additional documentation from a selectee prior to issuing funds if EPA determines that any required information is missing or incomplete. In such a case, EPA will provide the selectee with a reasonable amount of time to submit additional information.

EPA will post lists of selected and unselected applicants on the [Clean School Bus website](#).

### **Use of Submitted Information**

EPA will use information submitted by applicants in its annual report to Congress that is due no later than January 31 of each year of the program. Pursuant to the CSB statute, the report will include:

- (A) the total number of applications received;
- (B) the quantity and amount of grants and rebates awarded and the location of the recipients of the grants and rebates;
- (C) the criteria used to select the recipients; and
- (D) any other information the Administrator considers appropriate.

EPA reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish or otherwise use, and to authorize others to use, for federal purposes, submitted bus photos, including use in program materials.

### **Program Audit**

EPA will conduct random reviews of selectees to protect against waste, fraud, and abuse. As part of this process, EPA, or its authorized representatives, may request copies of rebate documents from prior selectees who have received rebates, or may request documentation from current selectees to verify statements made on the application, payment request, and close out forms. EPA, or its authorized representatives, may also conduct site visits to confirm documentation is on hand and that replacement buses are still in service for the school districts listed on the application. Selectees are expected to comply with site visit requests and recordkeeping requirements and must supply EPA with any

requested documents for five years from the date of new bus delivery, or risk cancellation of an active rebate application or other enforcement action.

### **Record Retention Requirements**

Selectees must retain all financial records, supporting documents, accounting books and other evidence of Rebate Program activities for five years after delivery of the new buses. If any litigation, claim, or audit is started before the expiration of the five-year period, the recipient must maintain all appropriate records until these actions are completed and all issues resolved.

### **Civil Rights Obligations**

Recipients must comply with Federal statutes and regulations prohibiting discrimination in Federal financial assistance programs, as applicable. Among other requirements, recipients must comply with Title VI of the Civil Rights Act of 1964, which prohibits discrimination based on race, color, and national origin, including limited English proficiency, by entities receiving Federal financial assistance. Recipients must also comply with Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against persons with disabilities by entities receiving Federal financial assistance. Audits may be conducted to ensure compliance.

### **Union Neutrality**

Rebate funds may not be used to support or oppose union organizing, whether directly or as an offset for other funds.

### **Buy America Preference**

Electric vehicle charging equipment meets the definition of infrastructure under the Build America, Buy America Act that took effect May 14, 2022. The Clean School Bus program intends for funds from this program to support domestically produced electric vehicle chargers and supporting manufactured products and construction materials. EPA has issued an adjustment period waiver for public comment on the EPA Buy America website in recognition that manufacturers are in the process of scaling up domestic production and providing clear labeling to verify that charging equipment meets the requirements of this law. Consistent with that adjustment period waiver, applicants are encouraged but not required to source charging equipment where greater than 55 percent of the total cost of all components are manufactured in the United States. EPA will be working closely with the Department of Energy and Department of Transportation to strengthen the domestic content preference in future competitions.

## 2022 Clean School Bus Program (\$500M in Rebates)

*Last Updated: April 28, 2022*

**EPA's Clean School Bus Program:** The Infrastructure Investment & Jobs Act (IIJA), or Bipartisan Infrastructure Law (BIL), authorizes EPA to award grants, rebates and contracts to eligible recipients for the replacement of existing school buses with zero emission and clean school buses, **as well as related charging infrastructure.**

**Total Funding:** \$5B over 5 years (\$2.5B for zero-emission; \$2.5B for clean buses)

**Funding for 2022:** \$500M (\$250M for zero-emission buses, \$250M for clean school bus **&** ZEB). EPA may award more than \$500M at their discretion. Eligible applications from any one state can't exceed 10% of the \$500M program budget.

**Timeline:** Unclear when application window open; EPA is updating stakeholders as it develops guidelines. EPA expects a 3-month review process.

### Eligible Applicants

- State and local governmental entities responsible for (1) providing bus service to one or more public school systems; or (2) the purchase of school buses
  - local education agencies (LEAs), public school districts, state agencies that O&O bus fleets
  - Includes Washington, DC, US territories (Puerto Rico, Guam, American Samoa, Northern Mariana Islands, US Virgin Islands)
- Indian Tribes, Tribal Organizations, or tribally controlled schools that are responsible for providing same services as identified for state/local gov't
  - Indian Tribe or Tribal Organization or tribally controlled school
- Nonprofit school transportation associations
  - Trade/membership associations in student transportation industry
- Eligible contractors
  - For-profits or nonprofits that: sell buses, chargers, maint. equip. for buses to entities that own buses, or that finance such transactions.

**Funding Prioritization:** Rebates will be prioritized for high-need school districts, tribal schools, and rural & low-income areas. Definitions are TBD, but will impact maximum rebate level.

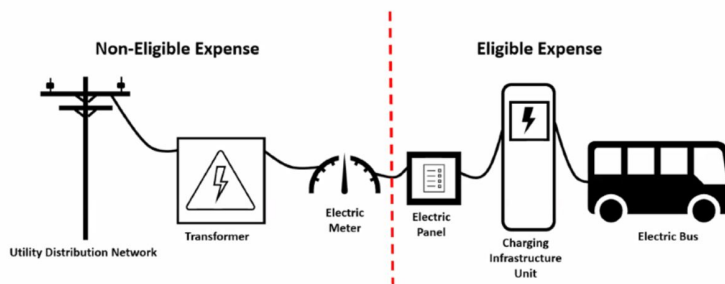
## 2022 Clean School Bus Program (\$500M in Rebates)

Last Updated: April 28, 2022

**Infrastructure rebates** are limited to everything on the customer's side of the meter, e.g. customer-side make ready, EVSE, and bus replacement. Additional requirements include:

### Infrastructure Funding Restrictions

- EPA funding for infrastructure is limited to the fleet's side of the meter (as shown on the right side of the diagram).
- All Level 2 charging infrastructure purchased under this program must be [EPA ENERGY STAR certified chargers](#).
  - EPA strongly recommends that all other charging infrastructure under this program be listed by a Nationally Recognized Testing Laboratory (NRTL).



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**Maximum rebates for infrastructure** are \$20,000-per-bus for buses serving districts that meet one or more of the priority categories; if not: \$13,000-per-bus. Additional requirements include:

**Bus Rebates** are as follows:

### School Bus Replacement Funding

The maximum rebate amount per bus is dependent on:

- Bus Fuel Type
- Bus Size
- Whether the school district served by the buses meets one or more prioritization criteria

The table displays maximum funding levels. EPA will not disburse rebate funds in excess of the actual cost of the replacement bus and any costs above the maximum funding level are the sole responsibility of the applicant/awardee.

Maximum Bus Funding Amount per Replacement School Bus

School District Prioritization Status	Replacement Bus Fuel Type and Size					
	ZE – Class 7+	ZE – Class 3-6	CNG – Class 7+	CNG – Class 3-6	Propane – Class 7+	Propane – Class 3-6
Buses serving school districts that meet one or more prioritization criteria	\$375,000	\$285,000	\$45,000	\$30,000	\$30,000	\$25,000
Buses serving other eligible school districts	\$250,000	\$190,000	\$30,000	\$20,000	\$20,000	\$15,000

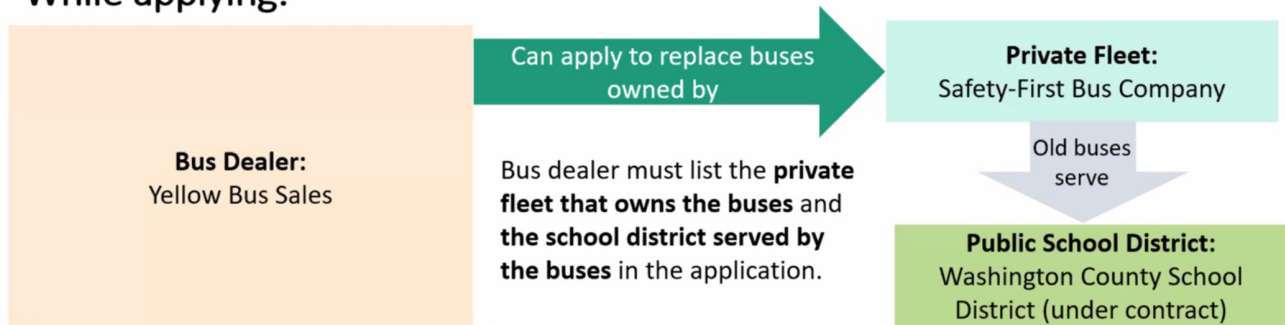
**Application Process:** Applications will be submitted via SAM.gov. Private entities like bus dealers may apply on behalf of other partners, provided that they pass through rebate directly to customer.

## 2022 Clean School Bus Program (\$500M in Rebates)

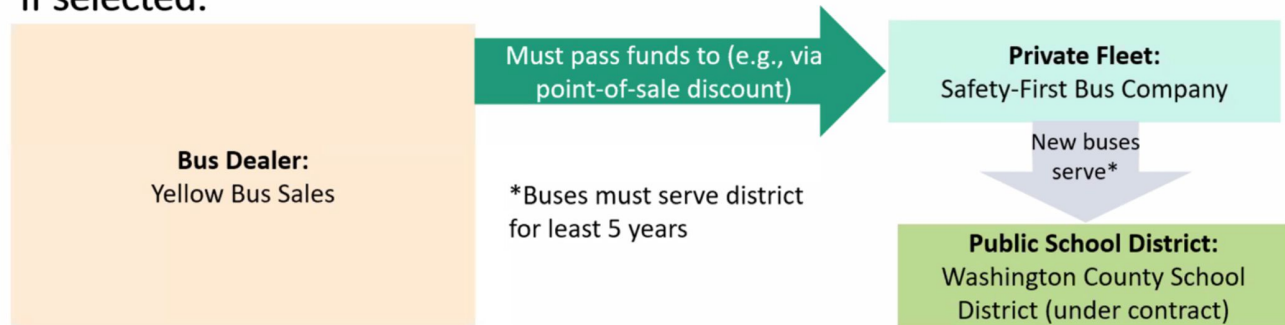
Last Updated: April 28, 2022

### Example 1: Bus Dealer Applying for Private Fleet Partner

#### While applying:



#### If selected:



#### Method for Awarding Rebates:

- EPA will review applications to ensure compliance with requirements.
- All qualifying submissions received before the deadline will be placed in a single ordered list using a random number generator.
- EPA will then work down the list until all funding is assigned.
- Any applications that remain will stay in their assigned order in the event that additional funding is released.