

Federal Grant Programs of Interest to Diesel Underground Storage Tank Owners and Operators

EPA Office of Underground Storage Tanks Information Sheet

April 2023

Environmental Protection Agency Clean School Bus Grant Program

Background

The [Bipartisan Infrastructure Law](#) and the [Inflation Reduction Act](#) provided significant funding for federal grant programs. Several of these grant programs have goals related to OUST program concerns.

Underground Storage Tank system owners and operators may be interested in installing electric vehicle charging, hydrogen, or natural gas fueling capabilities either as an addition to, or in lieu of, their petroleum fueling operations.

This information sheet summarizes a few federal programs related primarily to electric buses and zero-emission infrastructure that may be of particular interest to owners or operators with diesel USTs.

This is not a complete list of all available grant programs. Please consult with listed programs for the most accurate and up to date information.

Program website: www.epa.gov/cleanschoolbus

Description: EPA's Clean School Bus Program provides funding from the Bipartisan Infrastructure Law to replace existing school buses with zero-emission and low-emission buses (i.e., zero-emission or clean school buses).

- Underground Storage Tank Owners and Operators interested in this program who are interested in applying for zero-emission buses may want to contact their utility provider as charging infrastructure deployment can be a lengthy process.
- Refer to the CSB Program Technical Assistance website for more information www.epa.gov/cleanschoolbus/clean-school-bus-technical-assistance.

Eligible Applicants Include: (check [program website](#) for details)

- State and local governmental entities that provide bus service, including public school districts, that own or operate UST systems to operate diesel school buses.
- Nonprofit school transportation associations that own or operate UST systems to operate diesel school buses.
- 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 funded school that own or operate UST systems to operate diesel school buses.

Funding amount:

- The Bipartisan Infrastructure Law provided \$5 billion to be awarded over five years (FY 2022-2026).
- EPA solicited rebate applications for \$500 million through the [2022 Clean School Bus Rebates](#) for zero-emission and low-emission school bus rebates as the first funding opportunity, and [nearly doubled](#) that amount in 2022 awards.
- EPA intends to provide additional funding opportunities for clean school buses in 2023.

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Community and Fueling Infrastructure Grant Program

Program website: www.fhwa.dot.gov/environment/cfi/

Description: This Department of Transportation program provides \$2.5 billion in grant funds to strategically deploy publicly accessible electric vehicle charging and alternative fueling infrastructure in the places people live and work – urban and rural areas alike – in addition to along designated Alternative Fuel Corridors. CFI Program investments will make modern and sustainable infrastructure accessible to all drivers of electric, hydrogen, propane, and natural gas vehicles.

Types of grants: This program provides two funding categories of grants:

- Community Charging and Fueling Grants (Community Program).
- Alternative Fuel Corridor Grants (Corridor Program).

Eligible Applicants Include:

- States or political subdivision of States.
- Metropolitan planning organizations.
- Unit of local governments.
- Special purpose districts or public authorities with a transportation function, including port authorities.
- Indian tribes.
- U.S. Territories.
- Authorities, agencies, or instrumentalities or entities owned by one or more entities listed above.
- Group of entities listed above.
- State or local authorities with ownership of publicly accessible transportation facilities (applies to Community Program only).

Funding amount:

- The Bipartisan Infrastructure Law provides \$2.5 billion over five years for this program.
- The [Notice of Funding Availability announced in March 2023](#) offers up to \$700 million from Fiscal Years 2022 and 2023 to strategically deploy electric vehicle charging infrastructure and other alternative fueling infrastructure projects in urban and rural communities in publicly accessible locations, including downtown areas and local neighborhoods, particularly in underserved and disadvantaged communities.

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Low or No Emission Vehicle Program for Transit

Program website: www.transit.dot.gov/lowno

Description: This Department of Transportation program provides \$5.6 billion in support of low- and no-emission transit bus deployments. The purpose of the Low-No Program is to support the transition of the nation's transit fleet to the lowest polluting and most energy efficient transit vehicles. The Low-No Program provides funding to state and local governmental authorities for the purchase or lease of zero-emission and low-emission transit buses, including acquisition, construction, and leasing of required supporting facilities.

Eligible Applicants Include:

- Direct or designated recipients of Federal Transit Administration grants.
- States.
- Local governmental authorities.
- Indian Tribes.

Eligible Projects Include:

- Purchasing or leasing low- or no-emission buses.
- Acquiring low- or no-emission buses with a leased power source.
- Constructing or leasing facilities and related equipment (including intelligent technology and software) for low- or no-emission buses.
- Constructing new public transportation facilities to accommodate low- or no-emission buses.
- Rehabilitating or improving existing public transportation facilities to accommodate low- or no-emission buses.
- Additionally, 0.5% of a request may be for workforce development training and an additional 0.5% may be for training at the National Transit Institute. Applicants proposing any project related to zero-emission vehicles must also spend 5% of their award on workforce development and training as outlined in their Zero-Emission Transition Plan, unless the applicant certifies that their financial need is less.

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Buses and Bus Facilities Competitive Program

Program website: www.transit.dot.gov/bus-program

Description: The purpose of the Buses and Bus Facilities Competitive Program is to assist in the financing of buses and bus facilities capital projects, including replacing, rehabilitating, purchasing or leasing buses or related equipment, and rehabilitating, purchasing, constructing or leasing bus-related facilities.

Eligible Applicants Include:

- Eligible applicants include designated recipients that allocate funds to fixed-route bus operators, States (including territories and Washington D.C.) or local governmental entities that operate fixed route bus service, and Indian Tribes.
- Eligible subrecipients include all otherwise eligible applicants and also private nonprofit organizations engaged in public transportation.

Eligible Projects Include:

- Capital projects to replace, rehabilitate and purchase buses, vans, and related equipment, and to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities.
- Additionally, 0.5% of a request may be for workforce development training, and an additional 0.5% may be for training at the [National Transit Institute](http://www.nationaltransit.org).
- Applicants proposing any project related to zero-emission vehicles must also spend 5% of their award on workforce development and training as outlined in their [Zero-Emission Transition Plan](http://www.transit.dot.gov/zero-emission-transition-plan), unless the applicant certifies that their financial need is less.

Additional Resources

Other federal state or grant programs may be available that have similar goals. Owners and Operators should check a variety of sources, including [Grants.gov](http://www.grants.gov), the Joint Office of Energy and Transportation (driveelectric.gov/), other federal agencies, and their state to identify other opportunities.

The following EPA webpages related to aging UST systems provide information to Owners and Operators as the UST universe ages and the transportation sector continues to evolve.

- **Aging UST Systems:**
www.epa.gov/ust/resources-ust-owners-and-operators#aging.
- **Considering Transitions for Aging UST Systems:**
www.epa.gov/ust/resources-ust-owners-and-operators#transitions.