

# 2023 Clean School Bus Rebates Program Guide

**2023 Clean School Bus Rebates  
Program Guide**  
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# Summary of 2023 Clean School Bus (CSB) Rebate Program

## What is a CSB Rebate?

A CSB Rebate is a payment from EPA to an eligible entity to subsidize the purchase of a zero-emission (ZE) or clean school bus, eligible infrastructure, and other costs, including workforce training, that meet the requirements described in this Program Guide. Rebates allow selectees to receive awarded funds before purchasing the buses and associated infrastructure listed in their application.

## How much total funding is available and when are applications due?

EPA plans to award at least \$500 million through this rebate competition, with the potential to modify this figure based on the application pool and other factors. Applications are due via the online application form before 4 PM ET on January 31, 2024.

## Who is eligible?

1. Public School Districts (local or state governmental entities, and public charter schools)
2. Tribal Applicants (an Indian Tribe, Tribal organization, or Tribally-controlled school)
3. Third Parties (nonprofit school transportation associations and eligible contractors)

## Which school districts receive priority consideration as authorized the Bipartisan Infrastructure Law?

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 2021](#) as having 20% or more students living in poverty.
  - b. Title I-funded school districts and charter school districts not listed in the SAIPE dataset.
  - c. Title I-funded large public-school districts with more than 35,000 students and/or 45 public schools that do not meet the 20% poverty threshold that self-certify their low-income status.
  - d. 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 [NCES locale code](#) "43-Rural: Remote".
3. Bureau of Indian Affairs-funded school districts.
4. School districts that receive basic support payments for children who reside on Indian land.

## What types of buses are eligible and how many can each applicant request?

Applicants can request battery-electric, compressed natural gas (CNG), and propane buses. Applicants requesting battery-electric buses are also able to purchase eligible EV charging equipment and infrastructure. Each applicant can request up to 25 buses through this rebate competition.

## How do I apply?

After reading this entire document, including the Terms and Conditions in Appendix A, please submit your application on [epa.gov/cleanschoolbus](https://epa.gov/cleanschoolbus). Any questions not answered in the [Q&A document](#) should be submitted to [cleanschoolbus@epa.gov](mailto:cleanschoolbus@epa.gov) with "2023 CSB Rebate Question" in the subject line.

## Section 1: Overview

School buses collectively travel over three billion miles each year, providing 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 fuel, with many lacking the most advanced emission control technologies because they pre-date recent EPA 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. EPA's [Clean School Bus \(CSB\) Program](#) subsidizes 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. This document details the eligibility criteria and requirements for EPA's 2023 CSB Rebate Program.

As background, the Infrastructure Investment and Jobs Act (or the Bipartisan Infrastructure Law), codified at 42 U.S.C. 16091 (as amended by Consolidated Appropriations Act, 2023, H.R. Res. 2617, 117th Cong. § 405 (2022) (enacted)) provides \$5 billion to the EPA CSB Program 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 ZE and clean school buses, and \$500 million is available to fund only ZE school buses. Since the program began, EPA has provided funding from the Clean School Bus Program through both grants and rebates. Given the high level of interest in the 2022 Clean School Bus Rebates, EPA is offering another round of rebate funding in 2023 and anticipates offering a combination of grants and rebates going forward.



A CSB rebate is a payment from EPA to an eligible entity to subsidize the purchase of one or more ZE or clean school buses, and eligible infrastructure, that meet the requirements described in this Program Guide. Importantly, rebates allow selectees to receive awarded funds before purchasing the eligible buses, infrastructure, and other expenses listed in their rebate application; however, buses and associated infrastructure **must** be purchased after notification of a rebate award. Fleets are also required to replace existing buses by the end of the project period, although there can be overlap between receiving replacement buses and replacing existing buses.

Both CSB rebates and grants provide selectees with award funds **prior** to purchasing eligible buses and infrastructure; however, there are a few key differences between grants and rebates, as outlined Table 1 below. EPA encourages applicants to consider which competition and award structure (grants or rebates) best suits their needs. Under both grants and rebates, eligible applicants can apply for all future funding opportunities under the CSB Program, regardless of whether they applied for and/or received funding under a past funding opportunity; however, they need to submit a new application for each funding opportunity.

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<sup>1</sup> School Bus Fleet. (2020). 2020 Fact Book. 65(11), p. 38.  
<http://digital.schoolbusfleet.com/publication/?m=65919&i=696463&p=40&ver=html5>.

Table 1: Differences Between Rebates and Grants

	<b>Rebates</b> 	<b>Grants</b> 
<b>Application Process</b>	Quick and simple; applications submitted through EPA portal	Longer, more detailed; applications submitted through grants.gov
<b>Selection Process</b>	Random number generated lottery process	Evaluation of application materials and scoring criteria
<b>Selectee support and flexibility</b>	EPA provides less support and flexibility in funding to selectees	EPA may offer more support for selectees during the project, as well as flexibility in funding – e.g. covering project implementation costs - and timing of the project, such as extending project periods to complete the project.
<b>Number of Replacement Buses</b>	Funds the transition of smaller fleets (lower bus replacement minimum and maximum)	Funds the transition of larger fleets (higher bus replacement minimum and maximum)

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 A. Any questions not answered in the [Q&A document](#) should be submitted to [cleanschoolbus@epa.gov](mailto:cleanschoolbus@epa.gov) with “2023 CSB Rebate Question” in the subject line. The 2023 CSB Rebate Timeline is outlined in Table 2 below.

Table 2: 2023 CSB Rebate Timeline

Date	Activity
September 28, 2023	<a href="#">2023 CSB Rebates Open</a> . Applications must be submitted via <a href="#">CSB Rebate Online Application Form</a> .
September 2023 – January 2024	Various <a href="#">Webinars</a> on CSB Program.
4 PM ET on January 10, 2024	Final Date to Submit Questions to <a href="mailto:cleanschoolbus@epa.gov">cleanschoolbus@epa.gov</a> for inclusion in the <a href="#">Q&amp;A Document</a> prior to the application deadline.
4 PM ET on January 31, 2024	<a href="#">2023 CSB Rebates</a> Application Deadline.
February 2024	EPA reviews applications and begins the selection process.
April 2024	EPA notifies applicants of selection status. Selectees can proceed with purchasing replacement buses and eligible charging infrastructure upon receipt of official selection notification.
April 2024 – October 2024 <sup>2</sup>	Selectees submit Payment Request Forms with purchase orders demonstrating that replacement buses and eligible charging infrastructure have been ordered.
April 2026	Project period deadline for selectees to receive replacement buses, install eligible charging infrastructure, scrap, sell, or donate existing buses, and submit Close Out Forms.

<sup>2</sup> In instances when a selectee has a clear justification (e.g., vendor delays due to supply chain constraints), EPA may on a case-by-case basis grant an extension to the Payment Request Form and Close Out Form submission deadlines.

## Section 2: Eligible and Prioritized Applicants

### Eligible Applicants:

#### 1. Public School Districts

- a. Local or State governmental entities<sup>3</sup> responsible for:
  - i. Providing school bus service to one or more public school systems; or
  - ii. The purchase, lease, license, or contract for service of school buses.
- b. A public charter school district responsible for the purchase, lease, license, or contract for service of school buses for that charter school.

#### 2. Tribal Applicants

- a. An Indian Tribe (as defined by section 4 of the Indian Self-Determination and Education Assistance Act, 25 U.S.C. 5304), Tribal organization (as defined by the same section), or Tribally-controlled school (as defined by section 5212 of the Tribally Controlled Schools Act of 1988, 25 U.S.C. 2511) that is responsible for:
  - i. Providing school bus service to one or more Bureau-funded schools (as defined by section 1141 of the Education Amendments of 1978, 25 U.S.C. 2021); or
  - ii. The purchase, lease, license, or contract for service of school buses.

#### 3. Third Parties

- a. A nonprofit school transportation association<sup>4</sup>; or
- b. An eligible contractor<sup>5,6</sup>. This group generally includes school bus dealers, Original Equipment Manufacturers (OEMs)<sup>7</sup>, school bus service providers, and private school bus fleets that provide student transportation services.

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<sup>3</sup> Includes public school districts. In this program, “school district” refers to local education agencies (LEAs). A directory of school districts and their corresponding NCES District ID can be found here: <https://nces.ed.gov/ccd/districtsearch/>.

<sup>4</sup> Consistent with the definition of nonprofit organization at 2 CFR § 200.1, the term nonprofit organization means any corporation, trust, association, cooperative, or other organization that is operated mainly for scientific, educational, service, charitable or similar purpose in the public interest; is not organized primarily for profit; and uses net proceeds to maintain, improve, or expand the operation of the organization. Note that 2 CFR § 200.1 specifically excludes Institutions of Higher Education from the definition of nonprofit organization because they are separately defined in the regulation. Nonprofit organizations that are not exempt from taxation under section 501 of the Internal Revenue Code must submit other forms of documentation of nonprofit status, such as certificates of incorporation as nonprofit under state or Tribal law. Nonprofit organizations exempt from taxation under section 501(c)(4) of the Internal Revenue Code that lobby are not eligible for EPA funding as provided in the Lobbying Disclosure Act, 2 U.S.C. 1611.

<sup>5</sup> Eligible contractor, as defined by the Infrastructure Investment and Jobs Act, Public Law 117-58 (42 U.S.C. 16091), means any for-profit, not-for-profit, or nonprofit entity that has the capacity (1) to sell, lease, license, or contract for service clean school buses, ZE school buses, charging or fueling infrastructure, or other equipment needed to charge, fuel, or maintain clean school buses or zero-emission school buses, to individuals or entities that own, lease, license, or contract for service a school bus or a fleet of school buses; or (2) to arrange financing for such a sale, lease, license, or contract for service.

<sup>6</sup> Any eligible contractor that is selected for funding under this program may not purchase buses or associated infrastructure from a parent company, subsidiary or other affiliate as that term is defined in 2 CFR 180.905 as this establishes an actual or apparent organizational conflict of interest. The eligible contractor must purchase the buses and associated infrastructure from another third-party (either from the OEM directly or from another dealer) through an arms-length transaction.

<sup>7</sup> Any OEM that applies for a CSB rebate must certify that it is eligible to sell buses in the state that the school districts listed on the application resides in.

**School districts are eligible to apply directly, even if they contract out bus service to a private fleet; if selected, the school district could pass funds to the private fleet(s) to replace the buses.** If a third party applies on behalf of a school district and is selected for funding, then that third party is the applicant and will receive the funding on behalf of the school district. The school district that is listed on the third-party application cannot switch the third-party applicant and EPA will not send funding to an entity that is not the selected applicant.

In the rebate application webform, all applicants must identify the school district<sup>8</sup> that will be served by the new replacement bus(es). It is a requirement that the identified school district be served by the new replacement bus(es) for a minimum of five years from the date of delivery. If the award is to an eligible contractor and the contract with the local educational agency (including public charter schools operating as local educational agencies under State law) ends before the end of the five-year period, then those school buses may be operated by another local educational agency eligible for prioritization within the same state as the original local educational agency, if the school district listed on the application was eligible for priority consideration.

When submitting an application, all applicants will be required to submit one or more of the following [supplemental forms](#): School District Approval Certification, School Board Awareness Certification, and/or Utility Partner Template. All forms must be signed by an authorized representative (i.e., an individual who can sign on behalf of the applicable organization). Please refer to Section 5 for more details.

Applicants on the 2022 Clean School Bus Rebates waitlist must reapply for this program; the application from the 2022 program will not carry over to the 2023 program due to changes in the program requirements, updates to the rebate application webform, and the need to confirm continued interest from past applicants.

### Prioritized Applicants:

The Bipartisan Infrastructure Law authorizes EPA to prioritize awarding funds to certain communities that will benefit from the CSB Program.<sup>9</sup> Applicants requesting funds for replacement school buses that will serve a school district that meets one or more of the prioritization criteria below will receive preference in the selection process, as outlined in Section 6. Additionally, these districts, if selected, will receive a higher rebate value per bus. EPA offers equal prioritization for school districts that meet one or multiple prioritization criteria.

**For the purposes of this funding opportunity, prioritized school districts must meet one or more of the following prioritization criteria:**

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<sup>8</sup> In this program, “school district” refers to local education agencies (LEAs). A directory of school districts and their corresponding NCES District ID can be found here: <https://nces.ed.gov/ccd/districtsearch/>.

<sup>9</sup> 42 U.S.C. § 16091(b)(4) (2023) (as amended by Consolidated Appropriations Act, 2023, H.R. Res. 2617, 117th Cong. § 405 (2022) (enacted)).



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 2021](#) as having 20% or more students living in poverty.
  - b. Title I-funded school districts and charter school districts not listed in the SAIPE dataset. See the Prioritization Self-Certification Instructions, which can be found on the [CSB Rebates webpage](#), for more information on this option.<sup>10</sup>
  - c. Title I-funded large public-school districts, defined as districts with more than 35,000 students and/or 45 public schools, that are in SAIPE but do not meet the 20% poverty threshold, may be eligible to self-certify the low-income prioritization status for part or all of their district. See the Prioritization Self-Certification Instructions, which can be found on the [CSB Rebates webpage](#), for more information on this option.
  - d. School districts located in the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.<sup>11</sup>
2. Rural school districts, limited to school districts identified with locale code “43-Rural: Remote” by the [National Center for Education Statistics \(NCES\)](#).
3. Bureau of Indian Affairs-funded school districts.
4. School districts that receive basic support payments under section [7703\(b\)\(1\) of title 20](#) for children who reside on Indian land.

School districts that qualify under one or more prioritization criteria above, except for 1.b and 1.c, are identified in EPA’s Prioritized School District List, found on the [CSB Rebates webpage](#). Applicants that are self-certifying as prioritized under 1b. or 1c. will be able to attest to their self-certification in the online rebate application form; for additional details, please refer to the “Self-Certifiable Districts” tab in the Detailed Prioritized School District List found on the [CSB Rebates webpage](#).

## Section 3: Eligible School Buses, Infrastructure, and Other Expenses

This section outlines the school buses, associated charging infrastructure, and other expenses, such as workforce training, that are eligible under the 2023 Clean School Bus Rebates if an applicant is selected for funding. All eligible expenses must be clearly identified with line-item expenses in the order document submitted to EPA as outlined in Section 8; EPA will only pay for eligible expenses incurred after official selection notification and will not disburse additional funds once a Payment Request Form has been approved and rebate funding has been disbursed.

### Eligible School Buses

For the 2023 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

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<sup>10</sup> Title I, Part A (Title I) of the Elementary and Secondary Education Act, as amended by Every Student Succeeds Act (ESEA) provides financial assistance to local educational agencies (LEAs) and schools with high numbers or high percentages of children from low-income families to help ensure that all children meet challenging academic standards.

<sup>11</sup> Puerto Rico Dept of Education is prioritized as high-need through poverty data from SAIPE.

significantly to transport preprimary, primary, and secondary school students to or from school or an event related to school.<sup>12</sup>

Existing school 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 diesel or non-diesel 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 (i.e., is able to start, move in all directions, and has all operational parts).
4. Have provided bus service to a public school district for at least three days/week on average during the 2022/2023 school year at the time of applying, excluding emergency-related school closures.
  - a. EPA strongly encourages third-party applicants to replace existing buses that provided service to the public school district listed on the application, or another school district eligible for priority consideration, as listed in the Prioritized School Districts list found on the 2023 CSB Rebates webpage, if the school district listed on the application was eligible for priority consideration.

New replacement school buses must:

1. Have a battery-electric, CNG, or propane drivetrain.
  - a. Biofuels will not be included as an eligible replacement technology for this funding opportunity.<sup>13</sup>
2. Be a new vehicle.
  - a. Buses which have been converted to a battery-electric, propane, or CNG drivetrain after the first retail sale are not eligible for funding.
  - b. The conversion of a bus to a battery-electric, propane, or CNG drivetrain is not eligible for funding.
3. Be model year 2022 or newer.
4. Have a Gross Vehicle Weight Rating (GVWR) of 10,001 lbs. or more.

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<sup>12</sup> 49 U.S.C. § 30125, *available at*

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

<sup>13</sup> All diesel school 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 are no differences in emissions standards 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. Hydrogen and LNG school buses will not be included as eligible replacement technologies for this funding opportunity, but EPA will continue to evaluate product offerings for future funding opportunities.

5. Be certified to conform with all applicable Federal Motor Vehicle Safety Standards (FMVSS).<sup>14</sup>
6. Be maintained, operated, insured, registered, and charged/fueled according to manufacturer recommendations and state requirements.
7. Be equipped with an EPA certified engine if they are Propane or CNG fueled buses.<sup>15</sup>
8. Not be ordered prior to receiving official notification of selection for EPA funding.
9. Be purchased, not leased or leased-to-own.
10. Serve the school district listed on the application for at least five years from the date of delivery, unless the award is to an eligible contractor and the contract with the school district ends before the end of the 5-year period, in which case those school buses may be operated by another local educational agency eligible for prioritization within the same state as the original local educational agency, if the school district listed on the application was eligible for priority consideration.
11. Not be manufactured, 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.
  - a. Externally vented, fuel-operated passenger heaters are allowed; however, data<sup>16</sup> show that the emissions from auxiliary heaters are still harmful. EPA strongly encourages applicants to consider alternative cold weather mitigation strategies (e.g., insulation of cabin and/or batteries, electric heat pumps, cabin and battery preconditioning)<sup>17</sup> until other viable alternatives become available.
12. Not be purchased or otherwise subsidized with other federal funds.<sup>18</sup>
  - a. The total CSB rebate award funds and other eligible external funds allocated for the bus replacement(s) cannot exceed the cost of the replacement bus(es).
13. Upon request, be made available for inspection by EPA or its authorized representatives for five years from the date of delivery to verify the buses are serving their intended purpose.

Applicants are also able to request additional funds for ADA-compliant replacement buses equipped with wheelchair lifts. Please see Section 4 for more information on this funding.

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<sup>14</sup> Per the Clean Air Act, before entering commerce, all vehicles must receive an EPA certificate of conformity and/or a CARB Executive Order to applicable emissions standards. Buses funded under the CSB Program must be certified to conform with all applicable FMVSS for the funded fuel type of the new bus after the final stage of manufacturing. All requirements for new replacement buses may be verified upon audit throughout the project period.

<sup>15</sup> EPA Heavy-Duty Vehicle and Engine Certification Data is posted here: <https://www.epa.gov/compliance-and-fuel-economy-data/annual-certification-data-vehicles-engines-and-equipment>. EPA's engine emission standards may be found at: [www.epa.gov/emission-standards-reference-guide/all-epa-emission-standards](https://www.epa.gov/emission-standards-reference-guide/all-epa-emission-standards).

<sup>16</sup> For example, see Karjalainen et al. Atmosphere.2021,12, 1105. <https://doi.org/10.3390/atmos12091105>.

<sup>17</sup> For more information on cold weather mitigation strategies, please visit: <https://www.epa.gov/system/files/documents/2023-04/elec-schl-bus-cold-weather-consider-2023-04-19.pdf>

<sup>18</sup> See the Terms & Conditions for more information on the usage of federal funds including tax credits.

Table 3: Eligible Bus Replacements by Fuel Type

Existing Bus Fuel Type	Replacement Bus Fuel Type		
	Propane	Compressed Natural Gas	Battery-Electric
2010 or Older Diesel Bus	✓	✓	✓
2011 or Newer Diesel Bus*	✗	✗	✓
Gasoline Powered Bus*	✗	✗	✓
Propane Bus*	✗	✗	✓
Compressed Natural Gas Bus*	✗	✗	✓

*\*Can only be substituted if existing fleet does not have 2010 or older diesel buses available for scrappage; existing, non-diesel internal combustion engine buses that are 2010 or older must be scrapped; existing, diesel or non-diesel internal combustion engine buses that are 2011 or newer may be scrapped, sold, or donated.*

## Eligible Infrastructure

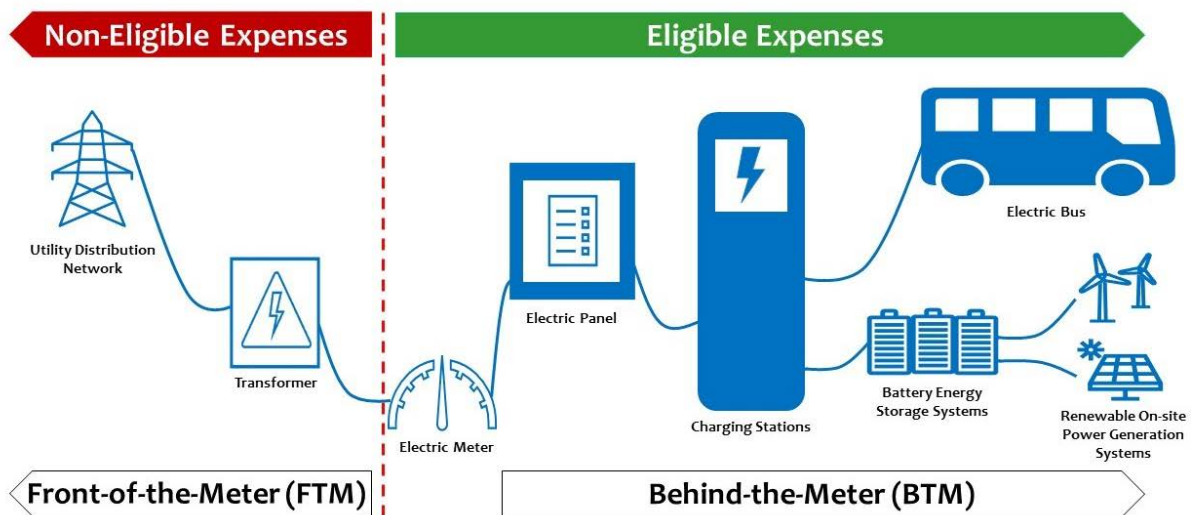
Applicants applying for ZE, battery-electric buses are also able to purchase eligible infrastructure. Specifically, EPA will provide funding for EV-related infrastructure installation and equipment from the electrical meter to the charging port of the bus. EPA funds must not be used for any infrastructure costs associated with work in front of the electric meter (see Figure 1 below).

### Eligible infrastructure expenses can include, but are not limited to:

- charging equipment (such as alternating current (AC) Level 2 charging equipment, direct-current (DC) fast charging equipment, or vehicle-to-grid (V2G) enabled equipment);
- design and engineering costs;
- installation costs such as trenching, wiring and electrical upgrades, labor, and permitting;
- related intelligent equipment and software designed to monitor bus and infrastructure performance (such as telematics or charge management software); and
- battery energy storage systems (BESS) associated with replacement electric school buses funded in the program, as well as renewable on-site power generation systems that power the buses and equipment. To be eligible, these systems must be behind the electric meter.

Please refer to Figure 1 below for an overview of what is eligible and ineligible, as well as Appendix B for a more detailed list of common eligible and ineligible infrastructure expenses.

Figure 1: Eligible and Non-Eligible Infrastructure Expenses



### Charger Safety Certification Requirements

All chargers purchased and installed under this program must be certified by an Occupational Safety and Health Administration Nationally Recognized Testing Laboratory. EPA strongly encourages applicants to select DC Fast Chargers and AC Level 2 chargers that are certified to the appropriate [Underwriters Laboratories \(UL\) standards](#) for EV charging system equipment, and all AC Level 2 charging infrastructure purchased and installed under this program must be [EPA ENERGY STAR certified chargers](#).

### Utility Planning

EPA strongly encourages applicants to consider long-term fleet electrical needs when installing charging equipment. EPA funding may be used to install additional electrical capacity behind the meter to support future charging needs (e.g., purchasing and running additional electrical conduit during trenching and wiring upgrades).<sup>19</sup>

**Any applicant applying for ZE school buses should contact their utility early to initiate the necessary discussions about planning for the required infrastructure.** Resources on this process can be found on the [Clean School Bus Program website](#) and technical assistance is available from the Joint Office of Energy and Transportation by emailing: [cleanschoolbusTA@nrel.gov](mailto:cleanschoolbusTA@nrel.gov).

### Required Electrician Certification

EPA funding can be used to fund the required certification of electricians under the programs outlined below if they are clearly identified with line-item expenses in the order document submitted to EPA outlined in Section 8. It is important for EPA to ensure that workers installing EV-related infrastructure

<sup>19</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>.

have the necessary training to properly and safely install the equipment. Accordingly, all electricians installing, operating, or maintaining EV charging equipment purchased through the 2023 Rebates Program are required to be certified under the [Electric Vehicle Infrastructure Training Program](#) (EVITP) or another program approved by EPA in consultation with the Department of Labor and Department of Transportation. If additional trainings are approved, they will be posted on EPA's website [here](#). For projects requiring more than one electrician, at least one electrician must meet the requirements above.

## Build America, Buy America Requirements

Applicants should be aware that Build America, Buy America (BABA) requirements apply to eligible vehicle charging infrastructure equipment; all applicants should plan to purchase American-made charging infrastructure products. Please refer to the section on BABA located in Appendix A for additional information.

## Other Eligible Expenses

In addition to school buses and associated charging infrastructure, some additional expenses are eligible including infrastructure labor costs, workforce training costs, consulting costs, delivery costs, and warranty costs.

## Infrastructure Labor Costs

EPA funding can also be used for infrastructure labor costs if these services are clearly identified with line-item expenses in the order document submitted to EPA. While most charging equipment costs can be reported in an order document, EPA will accept an approved quote in lieu of a sales or purchase order for eligible infrastructure installation costs, such as design and engineering or labor. Please refer to Section 8 for more information.

## Workforce Training Costs

In the 2023 CSB Rebates Program, EPA funding can be used for costs associated with workforce training for drivers, mechanics, electricians, and other essential personnel. EPA encourages applicants to partner with their manufacturers, private fleets, local community colleges, labor unions, technical schools, and other education and training providers to provide necessary training and support. These services must be clearly identified with line-item expenses in the order document submitted to EPA outlined in Section 8. In addition, all applicants must attest in the application to the importance of workforce planning.

Successfully deploying new clean school buses requires thoughtful workforce planning that considers the training needs of workers, emphasizes student and worker safety, and incorporates worker voice into transition planning. EPA strongly encourages school districts applying for a rebate to conduct a comprehensive workforce impact assessment to understand how workers and their job duties might be impacted by the new buses, should they be selected for a rebate. This includes the workers responsible

for driving, maintaining, and repairing the buses, in addition to supporting personnel like bus monitors or local first responders.

After assessing the likely impacts to their workforce, EPA strongly encourages all school districts to develop a workforce development plan to support successful deployment and maintenance of the buses and infrastructure. School districts should consider what training and support workers need to safely and confidently operate and maintain the new buses, what new or added safety measures are needed (especially for working with electric and high-voltage equipment), and clarify how school districts will prevent the replacement or displacement of current workers. EPA strongly recommends that workforce development planning is done in consultation with workers and their representatives to incorporate worker voice and feedback throughout the process. EPA also strongly encourages that workers are compensated their normal wages for any time spent in training associated with the transition to new buses.

As a reminder, rebate funding can also fund certification of electricians under the [Electric Vehicle Infrastructure Training Program](#) (EVITP), a requirement for electricians installing EPA-funded infrastructure.

EPA expects to add resources to support school districts with their workforce development activities. Please continue to check the [Clean School Bus website](#) for more materials.

### Consulting Costs

EPA funding can also be used for consulting on bus deployments if these services are clearly identified with line-item expenses in the order document submitted to EPA outlined in Section 8. EPA may request additional information, such as a description of the consulting activities, the organization(s) providing the consulting, and how it relates to the deployment of buses and/or charging equipment and infrastructure.<sup>20</sup>

### Delivery Costs

EPA funding can also be used for delivery costs so long as they appear on the order document and invoice and do not exceed the maximum funding available as noted in Section 8. As noted in Section 4 below, school districts in Alaska, Hawaii, Puerto Rico, U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, or third-party entities applying on their behalf, will be awarded up to an additional \$20,000 per bus for increased shipping costs if selected for funding; shipping costs must be clearly listed as a line item on order documents to be eligible for the additional funding (see Section 8 for details on order documents).

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<sup>20</sup> Project management costs may be eligible as consulting expenses in cases where selectees can provide documentation on how the project management directly relates to the deployment of CSB-funded buses and/or infrastructure.



## Warranty Costs

EPA bus/infrastructure funding can also be used for 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 sales order document submitted to EPA.

## Section 4: Funding Amounts and Number of Applications

For the 2023 CSB Rebates, EPA intends to fund at least \$500 million for clean school buses and ZE school buses. EPA may modify this amount based on the applicant pool and other pertinent factors. Funds are subject to availability and total awards may be higher or lower than the anticipated funds offered.<sup>21</sup> 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. EPA expects to award approximately 60% of funds to prioritized applicants (see Section 2 for more on prioritization criteria under this program).

Each rebate 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; districts that contract with multiple private fleets may list more than one private fleet in their application. 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. If multiple applications are submitted for the same school district, EPA will ask the school district contacts listed in the applications to choose one application prior to the lottery selection process. As mentioned in Section 2, eligible contractors and nonprofits must certify the school district's approval of the third party's rebate application by submitting a signed School District Approval Certification.

The maximum rebate amount is dependent on (1) the bus fuel type, (2) the bus size,<sup>22</sup> and (3) whether the school district to be served by the buses meets one or more prioritization criteria. Applicants are able to request up to \$20,000 per bus in additional funds for ADA-compliant replacement buses equipped with wheelchair lifts.<sup>23</sup> Additionally, school districts in Alaska, Hawaii, Puerto Rico, U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, or third-party entities applying on their behalf, can be awarded up to an additional \$20,000 per bus for increased shipping costs if selected for funding; shipping costs must be clearly listed as a line item on order documents to be eligible for the additional funding (see Section 8 for details on order documents). Note that the additional funds for ADA-compliant wheelchair lifts and increased shipping costs are available to all eligible applicants regardless of prioritization status or replacement bus fuel type.

See Table 4 below for the amounts that EPA will allocate for selected applicants. Funding levels include combined bus and EV charging infrastructure. Recipients have flexibility to determine the split between funding for the bus itself and the supporting infrastructure.<sup>24</sup> Note: Table 4 displays maximum funding

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<sup>21</sup> EPA reserves the right to adjust total funds available and funding amounts in order to meet statutory requirements for each state to receive no more than 10% of funds.

<sup>22</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.

<sup>23</sup> Existing buses are not required to be ADA-compliant buses equipped with wheelchair lifts for eligible applicants to request funds for ADA-compliant clean school bus replacements equipped with wheelchair lifts.

<sup>24</sup> Standalone infrastructure projects are not eligible for funding under the 2023 CSB Rebate Program.



levels. EPA will not disburse rebate funds in excess of the actual cost of the replacement bus and infrastructure, although the actual costs of the bus and infrastructure may exceed the maximum funding level in Table 4. Costs above EPA's maximum funding level are the responsibility of the applicant. Additional funding will not be provided for administrative expenses associated with the rebate application or program implementation.

Table 4: Maximum 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	Up to \$345,000 (Bus + Charging Infrastructure)	Up to \$265,000 (Bus + Charging Infrastructure)	Up to \$45,000	Up to \$30,000	Up to \$35,000	Up to \$30,000
Buses serving school districts that are not prioritized	Up to \$200,000 (Bus + Charging Infrastructure)	Up to \$145,000 (Bus + Charging Infrastructure)	Up to \$30,000	Up to \$20,000	Up to \$25,000	Up to \$20,000

*\*Funding levels above do not reflect EPA funding available for ADA-compliant wheelchair lifts, EPA funding for shipping costs to non-contiguous U.S. states and territories, nor IRA funding available through IRS-disbursed tax credits for EV bus and infrastructure purchases. Please refer to Section 4 for more information on EPA funding and below for more information on tax credits.*

Selectees may be eligible for Inflation Reduction Act (IRA) tax credits applicable to their bus and infrastructure purchases; namely, the Commercial Clean Vehicle Credit provides up to \$40,000 for qualified commercial clean vehicles and the Alternative Fuel Vehicle Refueling Property Credit provides up to \$100,000 for qualified charging and refueling infrastructure. Please see the Internal Revenue Service (IRS) website for more information on these credits: <https://www.irs.gov/credits-and-deductions-under-the-inflation-reduction-act-of-2022>. Selectees may also be eligible to claim all or a portion of the value of IRA credits using either the new elective pay, and transferability mechanisms introduced by the IRS. For more information, please see the IRS website on elective pay and transferability: <https://www.irs.gov/credits-deductions/elective-pay-and-transferability>.

## Section 5: Application Process

**The deadline for submitting applications is January 31, 2024, at 4:00 PM ET.** Late applications will not be considered for funding. **Applications must be submitted using EPA’s Clean School Bus Rebate online application form found [here](#).**

EPA will post a Questions and Answers document on the program website [here](#). EPA anticipates updating the Q&A document approximately every two weeks during the application period. Novel questions submitted to [CleanSchoolBus@epa.gov](mailto:CleanSchoolBus@epa.gov) with the subject of “2023 CSB Rebate Question” before 4 PM ET on January 10, 2024, including those from program webinars, will be added to this document. Common questions will receive a stock response from the helpline referencing the Program Guide or Q&A document. If the stock response does not answer your question, please reply with additional details.

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. If an entity other than the school district is applying on behalf of that school district, the SAM.gov-registered entity that is listed on the application as the primary applicant will be the same entity that will receive the funds if selected. EPA can only provide funds to the SAM.gov-registered entity that is listed as the primary applicant on the application.<sup>25</sup>
  - b. Entity registrations are different than having an individual user account on SAM.gov. More information on entity registrations can be found [here](#).
  - c. The [Federal Service Desk](#) (FSD) is the only official and free government resource for assistance with SAM.gov. Please be aware that other websites may offer assistance with SAM.gov registrations for a fee. Before contacting FSD, please first review the [SAM.gov help resources](#).
  - d. 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 that is associated with the bank account you wish to use in this program.
    - ii. The expiration date of the SAM.gov registration. Be sure to renew the registration well ahead of that date since the renewal process can take several weeks or more.
    - iii. Check whether the entity’s 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) information, per Item 2 immediately below.

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<sup>25</sup> As stated, if selected for funding, EPA can only disburse funds to the SAM.gov entity included in the rebate application; selectees are responsible for ensuring their SAM.gov account remains up-to-date and all information in the SAM.gov account, including points of contact and bank account details, is accurate.

- e. If your organization has no record of a 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, 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.
    - 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 accounts. The 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.
    - 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.

Applications submitted under this competition may be released in part or in whole in response to a Freedom of Information Act (FOIA) request. EPA recommends that applications not include trade secrets or commercial or financial information that is confidential or privileged, or sensitive information that, if disclosed, would invade another individual’s personal privacy (e.g., an individual’s salary, personal email addresses, etc.). However, if such information is included, it will be treated in accordance with [40 CFR § 2.203](#). (Review EPA clause IV.a, Confidential Business Information, under [EPA Solicitation Clauses](#).)

### Supplemental Forms:

Prior to submitting an application, all applicants will be required to submit one or more of the following [supplemental forms](#). These forms are designed to support the successful deployment of clean school buses, should the applicant be selected for a rebate:

- **All applicants** must submit a **School Board Awareness Certification** to verify the school board’s awareness of the school district’s rebate application. It is imperative that the school board is aware of the application and involved in the process of transitioning to a cleaner fleet. In some districts, the school board is required to authorize the purchase of the buses and associated infrastructure projects.
- **Third Party applicants** (eligible contractors and nonprofit school transportation associations) applying for rebates must submit a signed **School District Approval Certification** to verify the

school district's approval of the third party's rebate application for new buses that would serve their school district.

- School districts that contract out bus service to multiple private fleets may only submit one application but may list multiple private fleets on the application. If a third party applies on behalf of a school district and is selected for funding, then that third party is the applicant and will receive the funding on behalf of the school district. The school district that is listed on the third-party application cannot switch the third-party applicant and EPA will not send funding to an entity that is not the selected applicant. **However, as noted above, school districts are eligible to apply directly, even if they contract out bus service to a private fleet; if selected, the school district could pass funds to the private fleet(s) to replace the buses.** Please note that school districts may need to renegotiate their contracts with third party applicants if selected for EPA funding.<sup>26</sup>
- **Applicants applying for ZE school buses** must also submit a **Utility Partnership Agreement** to verify that the school district's electric utility provider is aware of the school district's rebate application. Proactive and ongoing communication between the school district and its local electricity provider(s) is critical to successful infrastructure deployment.<sup>27</sup>

All of the above applicable forms must be signed by an authorized representative (please refer to Section 2 for more details on authorized representative). These forms are intended to ensure applicants are communicating with the necessary parties for a successful deployment of new ZE and/or clean buses. Additional resources to support planning for new bus deployment are available on the [CSB Technical Assistance webpage](#).

Similarly, applicants that are self-certifying as prioritized school districts will need to attest to their self-certification in the online rebate application form. Please refer to Section 2 for more details.

## Section 6: Application Selection Process

All applications submitted to EPA by the deadline will undergo a threshold eligibility check prior to the lottery selection process. Applications that do not meet threshold criteria will be marked as ineligible and will not be placed into the lottery selection process. As highlighted in Section 4, EPA will not fund multiple applications for bus replacements that will serve the same school district. If multiple applications are submitted for the same school district, EPA will ask the school district contacts listed in the applications to choose one application prior to the lottery selection process.

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<sup>26</sup> EPA is not involved in any contractual arrangements and can only provide funds to the direct applicant.

<sup>27</sup> To facilitate coordination between applicants and utilities, EPA has partnered with Edison Electric Institute (EEI) and the Beneficial Electrification League (BEL) on an "Electric Utility Pledge." This pledge includes a set of commitments electric utility companies can take to proactively help school districts with the deployment of electric school buses, including providing technical support and guidance on existing rate structures, interconnection requirements, costs and timelines, and identifying the right type of charging infrastructure to meet their needs.

All eligible applications 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)<sup>28</sup>:

1. **Clean School Bus Funding Pool:** The single highest ranked application in the lottery from each state and territory that submitted an application is selected regardless of vehicle type and prioritization.
2. **Clean School Bus Funding Pool:** Remaining applications requesting ZE, CNG, propane, or any combination thereof AND that meet one or more prioritization until funding pool is allocated.<sup>29</sup>
3. **Clean School Bus Funding Pool** Remaining applications requesting ZE, CNG, propane, or any combination thereof AND do not meet one or more prioritization until funding pool is allocated.
4. **Zero Emissions Funding Pool:** Remaining applications exclusively requesting ZE buses AND that meet one or more prioritizations until funding pool is allocated.
5. **Zero Emissions Funding Pool:** Remaining applications exclusively requesting ZE buses AND do not meet one or more prioritization until funding pool is allocated.

Pursuant to the CSB statute, EPA will ensure that the total amount of funds awarded to entities in a state does not exceed 10 percent of the amount made available for the program during a fiscal year. Because of this, it is possible for an applicant to be skipped over in the selection process in favor of an applicant from a state that has yet to hit the 10% limit. Please refer to Figure 2 below for a visual representation of the selection process.

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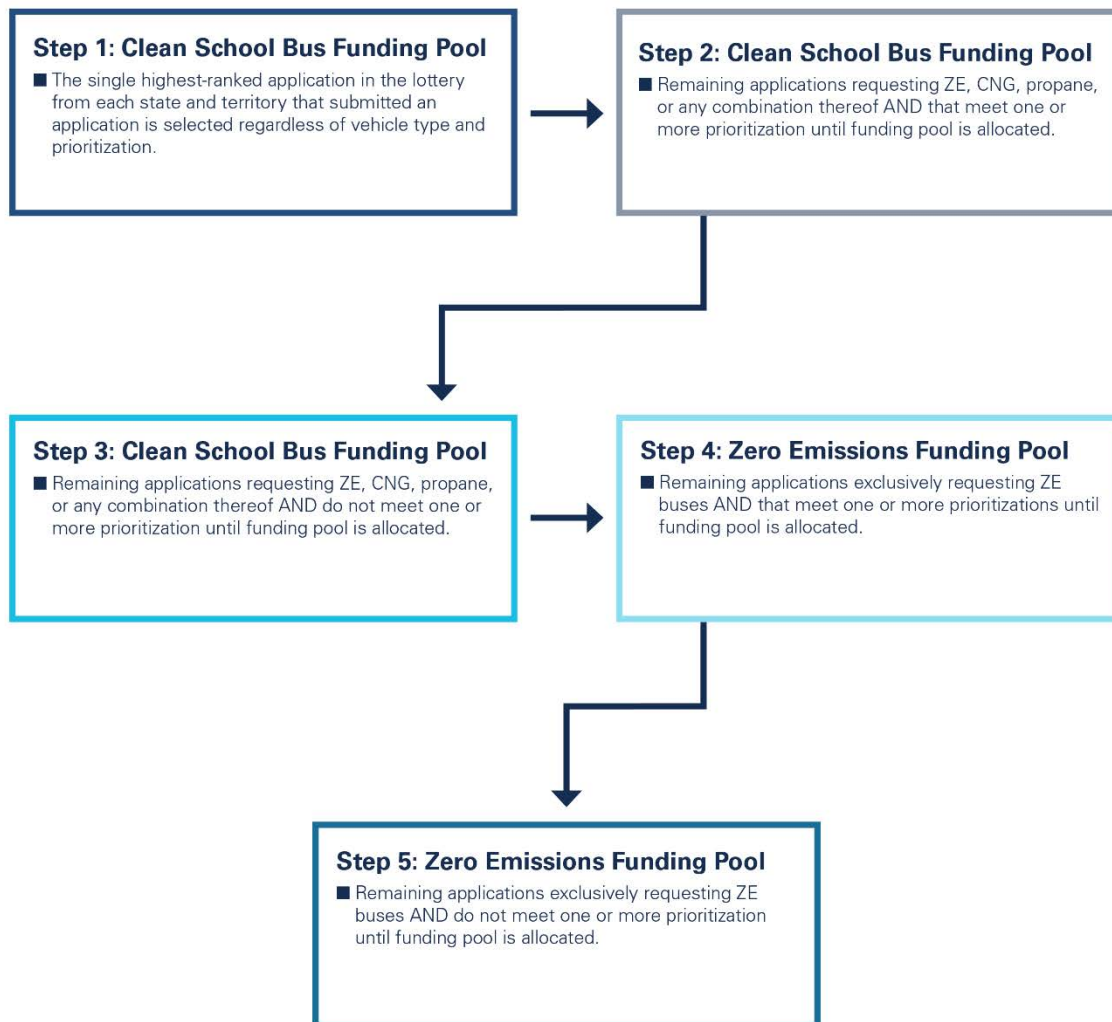
<sup>28</sup> As noted in Section 1, for each fiscal year between 2022 and 2026, \$500 million is available to fund ZE and clean school buses, and \$500 million is available to fund only ZE school buses.

<sup>29</sup> EPA currently expects to award approximately 60% of total funding for the 2023 Rebates Program to prioritized applicants.

Figure 2: Selection Process Flowchart

### *2023 Clean School Bus Rebates Selection Process*

All eligible 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:



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 during a fiscal year. Because of this, it is possible for an applicant to be skipped over in the selection process in favor of an applicant in a state that has yet to hit the 10 percent limit.

*EPA currently expects to award approximately 60 percent of total funding for the 2023 Rebates Program to prioritized applicants.*

Applications chosen in the lottery selection process will then undergo an additional eligibility review during which EPA will confirm that applicants have provided all the necessary documentation and meet all of the requirements described in this Program Guide.<sup>30</sup> EPA may contact the applicants who self-certified as a prioritized school district to verify eligibility. Please see [Prioritization Self-Certification Instruction](#) for recommended documentation. If EPA reaches out to an applicant during the eligibility review and does not hear back from the applicant in a reasonable timeframe, EPA may remove the applicant from the lottery pool.

Applications not selected by lottery will remain in random number order on a waitlist. If a selectee does not complete the remaining required steps early in the rebate process, drops out, or is otherwise deemed ineligible, that selectee will be removed from the program. Those funds may be offered to other 2023 applicants on the waitlist. EPA will follow the selection process above when reallocating these funds. Applicants may be pulled from the waitlist up to 90 days after the initial selection notification. However, EPA may opt to use returned funds for future CSB funding opportunities rather than award funds to applicants on the waitlist.

Both the selectees and the applicant waitlist for the 2023 Rebate Program 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 via email that includes (1) notification 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 replacement buses and eligible charging infrastructure. The electronic status update via email will serve as the official notification of selection for funding. In special circumstances, EPA can provide a supplemental letter of selection notification upon request.

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

Selectees must submit an online Payment Request Form (PRF) that includes documentation of ordering the replacement school buses, eligible charging infrastructure, and other eligible expenses (as outlined in Section 3) within six months of the date of the selection notification. EPA will provide the specific deadline for submitting the Payment Request Form in the selection notification.<sup>31</sup> As discussed in Section 5, applicants must receive all necessary approvals from their School Board, in addition to any other school district processes, to be able to place orders in this timeframe.

Documentation to attach to the PRF includes purchase orders on school district letterhead with purchaser/vendor signatures OR sales orders on vendor letterhead with purchaser/vendor signatures. The date of the order document cannot pre-date the selection notification date and must be dated

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<sup>30</sup> Note that during the eligibility review process EPA may contact applicants to request clarification of information or documentation to verify information in their application; applicants are requested to respond promptly to ensure the selection process can move forward as swiftly as possible.

<sup>31</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.



within 45 days of the initial PRF submission.<sup>32</sup> The order document must clearly show a transaction agreed upon between the organization that will own the replacement bus and a school bus equipment dealer.<sup>33</sup>

**Bus: The order document must include the following information for each bus:**

- 1) Purchaser name, address, and business phone number;
- 2) Dealer name, address, and business phone number;
- 3) Signatures from both the purchaser and vendor;
- 4) Vehicle make, model, model year, fuel type, GVWR, and purchase price;
- 5) Any additional training, consulting, or warranty costs clearly separated as a line item with purchase price;<sup>34</sup>
- 6) Purchase order date; and
- 7) Delivery date estimate.

**Infrastructure: The order document for selectees pursuing ZE bus replacements must include the following information for each unit of charging equipment:<sup>35</sup>**

- 1) Purchaser name, address, and business phone number;
- 2) Dealer name, address, and business phone number;
- 3) Signatures from both the purchaser and vendor;
- 4) Eligible charging equipment make, model, and purchase price;<sup>36</sup>
- 5) Purchase order date; and
- 6) Delivery date estimate.

**Infrastructure Labor Costs:** EPA will accept an approved quote in lieu of a sales or purchase order for eligible infrastructure installation costs, such as design and engineering or labor. Any quote for eligible infrastructure installation costs must include:

- 1) Purchaser name, address, and business phone number;
- 2) Vendor name, address, and business phone number;
- 3) Description of the scope of work and the costs for all eligible expenses;<sup>37</sup>
- 4) Quote date;<sup>38</sup> and
- 5) Purchaser signature or associated purchase order showing approval of the quote.

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<sup>32</sup> Selectees must adhere to state and local funding requirements regarding the solicitation and collection of bids necessary to submit a purchase order document. EPA will not be involved in this process.

<sup>33</sup> EPA is not responsible for the business or contractual agreements between school districts and bus providers; buses must serve the same district for 5 years (except as noted in Section 2 for a change in contract provider).

<sup>34</sup> EPA may request additional information, such as a description of the training services being provided.

<sup>35</sup> Eligible charging infrastructure may be included on either the same or a separate order document as the replacement buses.

<sup>36</sup> Order documents for infrastructure expenses must specify that the equipment and installation is between the electric meter and the charge port, and clearly list all equipment, labor, and associated installation costs. If the selectee is responsible for front-of-the-meter infrastructure expenses, please clearly separate the costs of these line items in submitted order documents and omit their price from requested funding.

<sup>37</sup> Order documents and quotes for infrastructure installation must specify that the work is being performed between the electric meter and the charge port, and clearly list installation cost items, such as trenching, wiring, labor, etc. If the selectee is responsible for front-of-the-meter infrastructure expenses, please clearly separate the costs of these line items in submitted order documents and omit their price from requested funding.

<sup>38</sup> EPA will only fund up to the total of eligible expenses reported in the quote (or the maximum funding reserved for the selectee, whichever is less). If the actual costs reported at Close Out are less than the quote, then the selectee will be expected to reimburse EPA.



EPA or its authorized representatives may contact a selectee to clarify any information provided in the Payment Request Form; selectees are requested to respond promptly to ensure the selection process can move forward as swiftly as possible. If, upon review, the PRF 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 and approved PRF.

**NOTE:** If the bus, eligible charging infrastructure costs, and other eligible costs are lower than the amount of funds EPA has reserved for the selectee, then EPA will reduce the rebate funding amount to the actual costs. Selectees are able to request a change in the fuel type, number of buses, and/or size of bus from what they requested in their application prior to the initial PRF deadline, so long as the changes do not exceed the awarded rebate amount listed in the application. The per bus funding amounts will be adjusted per Table 4 depending on the changes made to the replacement buses. EPA will review these requests and may approve on a case-by-case basis.

## Section 9: Scrappage, Sale, or Donation of Existing Buses

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

### Scrappage Requirements:

The preferred scrappage method is cutting a three-inch-by-three-inch hole in the engine block (the part of the engine containing the cylinders) and cutting or crushing one chassis rail between the axles. Other acceptable scrappage methods, such as shredding, may be considered and will require prior EPA approval. Selectees seeking approval for alternative scrappage methods must submit an alternative scrappage plan to [cleanschoolbus@epa.gov](mailto:cleanschoolbus@epa.gov) detailing how the method will destroy and/or disable the engine and must, if approved, comply with the evidence requirements listed below, including digital photos.

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 C 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; and

- iv. Lists contact information for the entity that performed the scrappage.

See Appendix D 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). 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. Selectees must adhere to state and local funding requirements regarding scrappage.

### 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<sup>39</sup>:

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; and
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 replacement buses and eligible charging infrastructure and have replaced their existing buses. The Close Out Form must be submitted within two years of the date of the initial selection notification. EPA will provide the specific deadline in the selection notification.<sup>40</sup> The Close Out Form will require selectees to attach<sup>41</sup>:

1. For existing buses being scrapped, scrappage photos and letter for buses being replaced (see Section 9);
2. For existing 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 replacement buses and eligible infrastructure;
  - a. If training, consulting, or warranty expenses were included on the order document per Section 8, these costs must also be included on the bus invoice.
4. A scan of proof of delivery for the replacement buses and eligible infrastructure (e.g., dated bill of lading);
5. One photo of the exterior of each replacement bus, labeled with the last 4 digits of the bus VIN; and

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<sup>39</sup> Please refer to Section 3 for details on eligible replacement buses if choosing to replace a 2011 or newer bus.

<sup>40</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.

<sup>41</sup> EPA may request additional information in the online Close Out Form

6. One photo of each EV charger after installation is completed if EPA funds were used for charging infrastructure.

EPA will not provide additional funds beyond those approved in the PRF and, if the bus or infrastructure costs reported at the time of Close Out Form submission are less than the bus or infrastructure costs in the PRF, then the selectee will be responsible for reimbursing EPA the difference. 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 A.

## Appendix A: 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 2023 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, voluntarily drops out of the program, or does not fully comply with the program requirements, then the rebate may be canceled. EPA will notify the selectee prior to canceling any rebate. If funds have already been disbursed to a selectee for a cancelled rebate, the selectee will be required to return the cancelled rebate funding to EPA within a timeframe to be established by EPA.

### **Replacement buses must:**

Meet all requirements listed in Section 3 of this Program Guide.

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.

### **Existing buses must:**

- Meet all requirements listed in Section 3 of this Program Guide;
- Be scrapped, donated, or sold based on the requirements of Section 3 and Section 9 of this Program Guide; and
- 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.

## **Signage**

Comply with EPA signage policy<sup>42</sup> for the Clean School Bus Program.

## **Restriction for Mandated Measures**

Pursuant to 42 U.S.C. 16132(d)(2), no funds awarded under the 2023 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**

The proposed replacement bus and any associated charging infrastructure to be paid for in part by CSB funds must not also be funded by other federal 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.

If an applicant plans to use state or local funding for buses and/or infrastructure, then the applicant must ensure that their procurement process adheres to the to any applicable state or local requirements.

A selectee's total 2023 CSB Rebate funds and other eligible external funds cannot exceed the cost of their replacement bus(es) and eligible infrastructure listed on their Payment Request Form and Close Out Form submitted to EPA.

Please refer to Appendix A.1 for additional, important information on CSB funding restrictions.

## **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 and approved 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](https://www.epa.gov/clean-school-bus-program).

## **Use of Submitted Information**

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<sup>42</sup> For more information, please visit: <https://www.epa.gov/invest/investing-america-signage>.

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 request 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, recordkeeping requirements, and document requests for five years from the date of replacement 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 replacement 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 must not be used to support or oppose union organizing, whether directly or as an offset for other funds.

## Build America, Buy America (BABA) Requirements

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 associated equipment, products, and materials. All applicants should plan to purchase American-made charging infrastructure products. That is, all of the iron, steel, manufactured products, and construction materials used in the infrastructure project must be produced in the United States. This includes, but not limited to the EV charger, all wiring or fixtures to support the charging equipment, breaker panels or subpanel, and conduit from the meter to the panel.

The EPA currently has an [EV charger product waiver](#) that applies to EV chargers that are assembled in the United States, manufactured on or before June 30, 2024, and installed by October 1, 2024. EPA will phase out waiver coverage for all EV chargers manufactured on or after July 1, 2024, which means meeting the requirements for manufactured products in [2 CFR 184.5](#). Depending on the specifics, [EPA's general applicability waivers](#), such as the [Pacific Island Territories General Applicability Waiver](#), may be appropriate. Note that EPA's *De Minimis Waiver* and Small Projects Waiver cannot be used for the EV charger itself. Due to the anticipated payment processing timeframes, it is likely that many recipients will not receive rebate funds prior to the end of the EV charger waiver. Although selectees may be able to apply for a project-specific waiver for items not produced domestically, all applicants should plan to purchase American-made charging infrastructure.

## Appendix A.1: May 2024 Additional Terms and Conditions

### Five-Year Service Requirement to School District Listed on Application

Consistent with the eligible requirements for new replacement buses, school districts and supervisory administrative units (i.e., entities that are responsible for the purchase of buses or providing bus service for multiple smaller sub-units of schools or school districts) that are awarded funding based on qualifying for prioritization as high-need under the definition of "very large school district" (i.e., the school district or supervisory administrative unit does not have SAIPE data and meets the threshold for "very large school district" defined in the self-certification document), must ensure that buses purchased with EPA funds continue to primarily serve the prioritized school district(s), as defined in the documentation submitted to verify self-certification, for at least five years.

### Financial Management Requirements and Best Practices

As previously stated, selectees should work with their vendors to spend EPA funds on eligible project expenses, as described in Section 3 of this Program Guide, as expeditiously as possible after receiving funds from EPA; however if there is an extended period of time between receiving EPA funds and

spending those funds, then selectees must adhere to the following requirements. Specifically, selectees must follow proper financial management practices to ensure that these funds are only used for eligible expenses and should keep these EPA funds separate from other funds the selectee might have for general expenses. If any interest is earned on EPA funds, then that interest must be returned to the federal government, in accordance with instructions to be provided by the EPA. If a selectee chooses to withdraw from the program, then they must return all awarded funds and any interest earned on those funds. The process for reimbursing funds, including any interest earned, will be initiated through completing the Close Out Form for the project as part of the withdrawal process; the EPA will provide additional information on the reimbursement process prior to Close Out Form submission.

## Appendix B: Infrastructure Eligibility Resource

Applicants applying for ZE buses are also able to use funds for eligible infrastructure. Specifically, EPA will provide funding for EV-related infrastructure installation and equipment from the electrical meter to the charging port of the bus as outlined in Section 3. Below are examples of eligible and ineligible EV-related infrastructure costs. Any questions regarding eligibility should be submitted to [cleanschoolbus@epa.gov](mailto:cleanschoolbus@epa.gov).

### Infrastructure Installation Guidance:

Common **Eligible** Infrastructure Installation Expenses (must be behind the meter):

- Installation of higher amp service
- Installation of additional wiring or fixtures to support charging equipment
- Installation of wiring from the meter to the panel
- Installation of breaker panel or subpanel
- Trenching and installation of PVC/conduit from the meter to the panel, chargers
- Disconnecting and removing existing hardware/panels/wiring
- Installation of mounting equipment for panel
- Assembly and installation of EV chargers
- Installation of concrete bases for EV chargers
- Installation of additional capacity in panel for additional EV chargers in the future
- Installation of conduit, wiring for additional EV chargers in the future
- Design, drawings, field engineering, permitting

Common **Ineligible** Infrastructure Installation Expenses (cannot be in front of the meter):

- Installation of cabling or wiring from front-of-the-meter (FTM) transformer to meter
- Trenching and installation of PVC/conduit between FTM transformer and the meter
- Trenching and installation of PVC/conduit from the FTM transformer to the utility pole
- Setting of new utility pole
- Installation of FTM transformer foundation
- Installation of FTM transformer

### Charging Equipment Guidance:

Common **Eligible** Charging Equipment Expenses:

- Energy Star certified Level 2 chargers
- Nationally Recognized Testing Laboratory (NRTL) certified DC Fast Chargers
- Commissioning, startup, testing of equipment
- Charge management systems
- Network, data plans for connectivity
- Warranty
- Shipping

Common **Ineligible** Charging Equipment Expenses:

- Level 2 chargers without Energy Star certification
  - This includes white-labeled products that are sold as a different brand name than the model that is listed on the Energy Star website
- DC Fast Chargers without NRTL certification

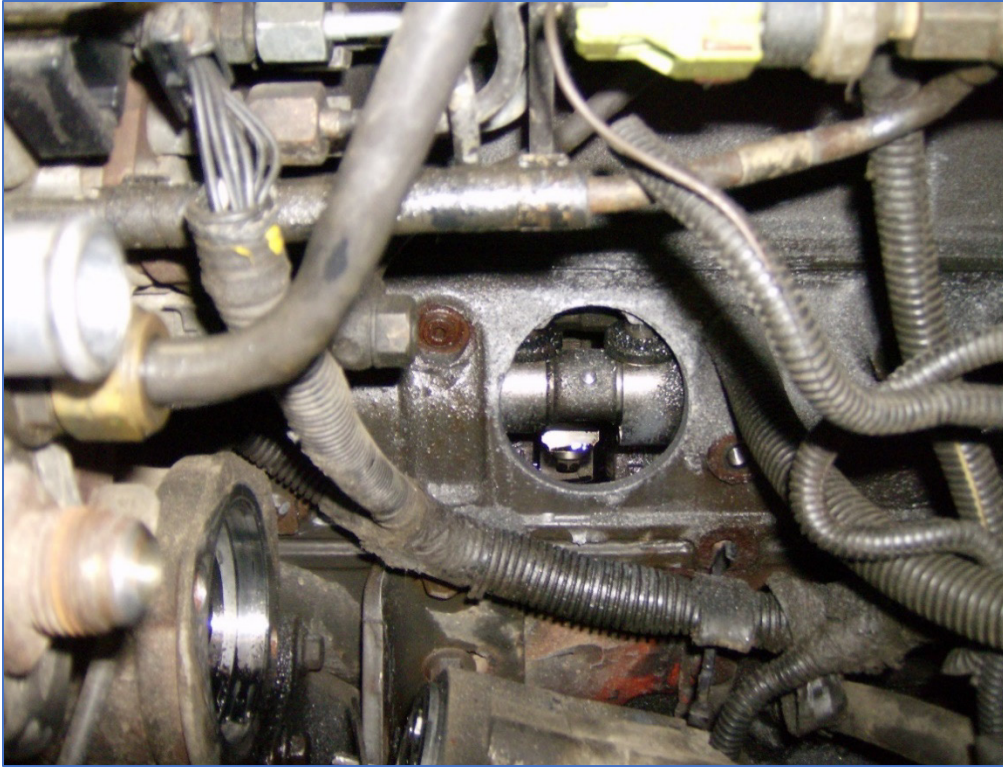
## Appendix C: Sample Scrappage Photos

- 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





- 3) Shredded engine – DestroyedEngine[INSERT LAST 4 DIGITS OF VIN].jpg.  
Note: Any alternative scrappage method, including shredding, needs prior EPA approval. Email [cleanschoolbus@epa.gov](mailto:cleanschoolbus@epa.gov) for approval.



## Appendix D: 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 2023 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]**