

ACT School Bus Advisory Program

No-cost, government funded school bus electrification planning for Massachusetts

The Massachusetts Clean Energy Center (MassCEC) launched the ACT School Bus Advisory Services Program earlier this year as part of the Accelerating Clean Transportation (ACT) School Bus Program. The Advisory Services Program is a **Massachusetts state government** funded program which provides fleet electrification planning at **no cost** for up to 25 public school districts across the state, including districts that contract for their transportation services.

Advisory Program Update

Multiple districts have joined the program, and data collection is underway. The project team is currently facilitating intake meetings and guiding schools through the intake process. There are still open spaces and districts that are interested in the Advisory Services Program are encouraged to email: massbusadvisory@veic.org.

Schools Applied

25



Buses Enrolled

1000+



Spaces Remaining

16



Funding on the Horizon

Federal

The **EPA Clean School Bus (CSB) Rebate Program** aims to reduce emissions by replacing old school buses with low-emissions models. Funding is available for various school districts, prioritizing low-income areas, and high-need, rural, and tribal school districts. The rebate program is currently open, and applications are due January 31, 2024, 4:00 PM ET. To learn more about eligibility, visit the 2023 [program guide](#) and/or apply through the EPA's [website](#). Selectees may be eligible for Inflation Reduction Act (IRA) tax credits applicable to their bus and infrastructure purchases. Funding cannot be combined with other federal funds and/or DERA

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).

[EPA Clean Heavy-Duty Vehicle Program](#) funding through the Inflation Reduction Act intends to replace dirty heavy-duty vehicles with clean, zero-emission vehicles between now and 2031. EPA anticipates this new funding opportunity will become available for application through a notice of funding opportunity (NOFO) released in early spring 2024.

The [Commercial Clean Vehicle Tax Credit](#) is intended for businesses and tax-exempt organizations that buy a qualified commercial clean vehicle. Heavy-duty vehicles with a GVWR (gross vehicle weight rating) of 14,000 pounds or greater, purchased on or after January 1, 2023, are eligible for a tax credit of up to \$40,000 per vehicle, or 30% of the incremental cost of the vehicle as compared to a gasoline or diesel vehicle, whichever is lower. The application form to claim the credit is being finalized. Tax credits can be combined with other funding sources such as the EPA Rebate program and Make-Ready programs offered by the utilities.

The [National Diesel Emissions Reduction Act \(DERA\)](#) program aims to reduce emissions from diesel vehicles. All businesses (public and private) are eligible to apply, and funding can be used to cover 25-35% of the cost of zero-emission school buses that replace diesel buses. DERA grants are generally paid once equipment has been put into operation. Applications are due December 1, 2023 and can be submitted via this online [form](#). DERA funds may not be used to meet mandatory cost sharing requirements for projects funded with environmental mitigation funds resulting from federal settlements (e.g., Volkswagen Environmental Mitigation Trust). Further, federal environmental mitigation funds may not be used to meet non-federal mandatory cost share requirements of any DERA grant.

State

The [Massachusetts Diesel Emissions Reduction Act \(DERA\)](#) program aims to reduce emissions from diesel vehicles. Program details and eligibility are under development. DERA grants are generally paid once equipment has been put into operation. EPA anticipates offering states and territories approximately \$30 million for fiscal year 2023 and \$30 million for fiscal year 2024 to under the DERA State Grants. Please see the previous Notice of Funding Opportunity for more information. DERA funds may not be used to meet mandatory cost sharing requirements for projects funded with environmental mitigation funds resulting from federal settlements (e.g., Volkswagen Environmental Mitigation Trust). Further, federal environmental mitigation funds may not be used to meet non-federal mandatory cost share requirements of any DERA grant.

The [MassCEC ACT Bus Fleet Deployment](#) grant program is designed to accelerate the electrification of school bus fleets and related charging infrastructure. ACT School Bus programming is intended to complement the federal EPA's Clean School Bus Program, so if you did not apply for this funding, it might make sense to wait until the next round of EPA funding is released. Public school districts or eligible private third-party fleet operators can apply. The

program will be re-opening in early Fall 2023. MassCEC ACT Bus Fleet Deployment funding can be combined with other state and federal funding, and a program goal is to elevate districts that receive EPA CSB funding.