



Information on the \$1 Billion Federal Electric School Bus Rebate Program

Overview: The Environmental Protection Agency is now accepting applications from eligible organizations (see below) for a total of \$1 billion in rebates covering the purchase of electric school buses and related charging infrastructure. The Clean Bus Program will disburse funds by a lottery, so there is no advantage to applying early. The application window closes on August 19, 2022.

Background: In 2021, the Infrastructure Investment and Jobs Act (IIJA) was signed into law.¹ This bipartisan infrastructure bill includes \$5,000,000,000 (\$5 Billion) in funding over a five-year period (\$1B per year starting in fiscal year 2022). Half of the funding is set aside for zero-emissions (electric) school buses, and half can be used for “clean” buses, which may also include electric school buses. The program will be administered by the U.S. Environmental Protection Agency (EPA), and will provide competitive grants, rebates and contracts to replace currently-owned buses.

Who is eligible for funding?

- 1) State and local governments responsible for providing bus service to school(s) or purchase of school buses
- 2) “Eligible contractors,” which are for-profit, not-for-/non-profit entities that have the capacity to sell electric school buses or other equipment needed to charge, fuel, or maintain electric school buses to school bus operators, subject for approval by public school systems that would be served by the buses
- 3) Nonprofit school transportation associations
- 4) Indian tribes

What considerations will be taken into when determining who gets funding?

In the program’s first year, priority will be given to schools (see list here) that meet the following criteria:

- 1) Serve high percentages of children living below the poverty line, or that serve high-need schools,
- 2) Serve rural or low-income areas, or
- 3) Complement the received funds through public-private partnerships, grants, or school bonds.

How do the buses need to be used?

All school buses acquired with the funds must be operated in the fleet for at least five years, maintained, operated, and charged or fueled according to manufacturer recommendations, and not modified in a way that creates air pollution.

Will the entire cost of an electric school bus and charging infrastructure be covered by the grant?

Awards could be made for up to 100 percent of the costs for replacement of existing school buses electric buses and charging or fueling infrastructure, but EPA is able to decide how best to facilitate replacing existing school buses with clean school buses or zero-emission school buses. EPA will be working to achieve nationwide deployment of clean school buses and zero-emission school buses and to ensure a broad geographic distribution of awards.

What is the objective of the Beneficial Electrification League’s Electric School Bus Initiative?

The Beneficial Electrification League’s (BEL) intends to provide rural communities and cooperatives assistance to ensure that school districts served by co-ops can access the funds. BEL will be providing information as we learn more. Please reach out if you have questions or are interested in applying for your organization or assisting others to apply.

To stay informed or join the initiative visit: www.be-league.org/buses or email grants@be-league.org

¹ The full text of the law is available at: [BILLS-117hr3684enr.pdf \(congress.gov\)](https://www.congress.gov/bills/117/hr3684/enr/pdf). The School Bus program begins on page 893. This summary is not intended to be a comprehensive legal summary. Please refer to the law’s text for full details.