

Terms and Conditions

Applicants are required to comply with the following terms and conditions. By signing the rebate application, applicants certify that they have read and agree to the requirements of this document and the program terms and conditions.

Use of Replacement School Bus

The replacement school bus must operate in a similar manner and over similar routes as the bus it replaces. In addition, the selectee agrees that they will:

- Register the replacement school bus as required by state law (if applicable);
- Maintain vehicle insurance as required by state law (if applicable);
- Not make significant modifications to the emission control system on the replacement school bus or engine; and
- Be available for follow-up inspection of the school bus for three years after the receipt of the rebate, if requested by EPA or its designee.

Ownership of Replacement School Bus

Selectees must maintain ownership of the replacement school bus for three years after receipt of the rebate and the bus must primarily be used for transporting 10 or more preprimary, primary, or secondary school students to or from schools during that three-year period. If the replacement school bus is sold before the end of the three-year period or used for purposes other than described above, the selectee may be required to return up to the full amount of the rebate to EPA. The amount required to be returned is at the discretion of EPA and will be determined on a case-by-case basis.

Restriction for Mandated Measures

Pursuant to 42 U.S.C. 16132(d)(2), no funds awarded under the 2021 DERA School Bus Rebates shall be used to fund the costs of emission reductions that are mandated under federal law.

Restriction on Other Funding Sources

No other federal funds or Volkswagen (VW) Environmental Mitigation Trust funds can be used on the same bus replacement project as 2021 DERA School Bus Rebate funds. Fleets can use external non-federal and non-VW 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 or VW Trust funds.

The total of 2021 DERA School Bus Rebate funds and other eligible external funds cannot exceed the cost of the new buses and, for electric bus replacements, the cost of charging equipment/infrastructure for those buses.

Documentation Requirement

If an applicant is selected, that selectee is responsible for providing the Payment Request Form and required supporting documentation to EPA. Selectees are responsible for maintaining copies of all submitted forms and documents, and EPA responses, for a period of three years after receipt of the rebate.

EPA Responsibilities

EPA will review rebate applications for eligibility within the timelines established in Section 7. EPA will notify applicants that have been selected for rebates by email within 90 days of the close of the open application period. EPA will also post a list of selectees and organizations on the wait list on the [DERA Rebates website](#).

Disbursement of Funds

EPA will issue rebate funds within a month of determining that a selectee has submitted a completed Payment Request Form and all supporting documents, including proof of scrappage of the replaced vehicle and proof of the new vehicle delivery or technology installation. If necessary, 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.

Emission Reductions Reporting

EPA will use the vehicle information supplied by applicants to calculate emissions reductions attributable to the 2021 DERA School Bus Rebates for the purposes of program evaluation and reporting to Congress on the effectiveness of the program.

Program Audit

EPA will conduct random reviews of selectees to protect against waste, fraud, and abuse. As part of this process, EPA, or its designees, 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 and payment forms. EPA, or its designees, may also conduct site visits to confirm documentation is on hand and that replacement buses are still in service. Selectees are expected to comply with site visit requests and recordkeeping requirements and must supply EPA with any requested documents for three years from date of rebate issuance, 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 three years after receipt of the rebate. If any litigation, claim, or audit is started before the expiration of the three-year period, the recipient must maintain all appropriate records until these actions are completed and all issues resolved.