



**Fact Sheet: 10/23/2023** Since there are numerous funding opportunities offered by federal and state grants, this information quickly becomes outdated and new grants opportunities are added each day. Please go to the actual link to obtain the most current information.

1. Diesel Emission Reduction Act (DERA) Funds: Participating states can support grant, rebate, and loan programs to achieve significant reductions in diesel emissions. States enter into Cooperative Agreements with the U.S. Environmental Protection Agency to administer their allocation of DERA funds for eligible project types.

**Link:** [Diesel Emission Reduction Act \(DERA\)](https://www.epa.gov/dera)  
<https://www.epa.gov/dera>

2. EPA Ports Program

**Link:** <https://www.epa.gov/ports-initiative>

3. EPA Medium and Heavy Duty Clean Truck Program

**Link:** <https://www.epa.gov/inflation-reduction-act/clean-heavy-duty-vehicle-program>

4. EPA School Bus Program

EPA is announcing the **2023 Clean School Bus (CSB) Rebate Program!** This is the second rebate funding opportunity through the multi-year funding program. Under the 2023 Rebate Program, EPA anticipates awarding at least **\$500 million** in rebate funding with the potential to modify this figure based on the application pool and other factors.

Eligible applicants can apply to receive funding for the purchase of up to 25 zero-emission (ZE) and/or clean school buses, along with ZE charging infrastructure and eligible workforce development costs. Selectees may be eligible for Inflation Reduction Act (IRA) tax credits applicable to their bus and infrastructure purchases. For example, the **Clean Vehicle tax credits** for qualifying school buses are worth up to \$40,000.

EPA is prioritizing applications that will replace buses serving high-need local education agencies, rural areas, Tribal school districts funded by the Bureau of Indian Affairs and public school districts receiving basic support payments for students living on Tribal land. In addition, EPA is committed to ensuring the CSB Program delivers on the Biden-Harris Administration's Justice40 Initiative that at least 40% of the benefits of certain federal investments flow to disadvantaged communities.

Applicants must submit all application materials by: Jan 31st, 2024, at 4:00PM ET

**Link:** <https://www.epa.gov/cleanschoolbus>

5. The US Department of Agriculture (USDA) plans to increase cleaner fuel options for Americans and strengthen energy independence. Under HBIP, approximately \$90 million per quarter to: Fueling stations, convenience stores, hypermarket fueling stations, fleet facilities, and similar entities with capital investments) for eligible implementation activities related to higher blends of fuel ethanol greater than 10 percent ethanol, such as E15 or higher, and biodiesel greater than 5 percent biodiesel, such as B20 or higher; and Terminal operations, depots, midstream partners, and home heating oil distributors for eligible implementation activities related to higher blends of fuel ethanol greater than 10 percent ethanol, such as E15 or higher, and biodiesel greater than 5 percent biodiesel, such as B20 or higher.

**Links:** [HBIP webpage](#), [Federal Register](#), [Grants.gov](#), [Inflation Reduction Act](#), [USDA Rural Development](#)

#### 6. EV & FCEV Federal Tax Credit Evolution

- \$2,500-7,500 Qualified Plug-in Electric Drive Motor Vehicles tax credit, limited to manufacturer sales caps for EVs.
- Clean Vehicle Tax Credit available as described above, BUT limited to EVs with final assembly in North America
- Eligible vehicles list available at [afdc.energy.gov/laws/electric-vehicles-for-tax-credit](https://afdc.energy.gov/laws/electric-vehicles-for-tax-credit)
- Clean Vehicle Tax Credit eliminates manufacturer sales caps, adds eligible FCEVs, adds vehicle MSRP and household income limits, and requires domestic critical sourcing and battery component manufacturing and assembly.
- Commercial EV and FCEV Tax Credit becomes available
- Pre-Owned EV and FCEV Tax Credit becomes available
- Clean Vehicle Tax Credit expected to make "on the hood" tax credits available at the time of vehicle purchase.

**Link:** [AFDC Electric Vehicle Tax Credit](#)

7. Volkswagen (VW) Environmental Mitigation Trust Fund: Established as part of the VW Settlement to address Clean Air Act violations related to certain Volkswagen diesel vehicles. Illinois received an initial allocation of approximately \$108 million. The funds are to be used for projects that reduce nitrogen oxide (NOx) emissions in Illinois.

**Link:** <https://epa.illinois.gov/topics/air-quality/driving-a-cleaner-illinois/vw-settlement.html>

<https://epa.illinois.gov/topics/air-quality/driving-a-cleaner-illinois.html>

8. Driving a Cleaner Illinois - Volkswagen: Up to \$27,023,485 in Volkswagen funding is available for all-electric school buses. Applications are due on September 5, 2023. Funding is available for replacing old, diesel school buses with new all-electric school buses. Pre-qualification is required before application submission.

#### Drive a Cleaner IL Grants Round 5

- Provided by Illinois EPA VW Mitigation Trust Funds
- Over \$27M now available to replace old, diesel school buses with new all-electric school buses
- Applications due September 5, 2023, at 5pm CT
- Class 4-6: \$190,000 per school bus
- Class 7-8: \$250,000 per school bus
- Infrastructure: \$20,000 per location
- Applicants must pre-qualify prior to application submission.

**Link:** [vw-r5-nofo-and-forms.pdf \(illinois.gov\)](#)

9. Propane Vehicle Rebate Program

- Provided by Illinois Propane Education & Research Council
- Up to \$4,000 per new propane vehicle or vehicle converted to propane
- Applications accepted January 1, 2023 — December 31, 2023
- First come, first served while funds last
- Vehicle must be registered and operated in Illinois

**Link:** [Propane Vehicle Incentives| Illinois Saves with Propane \(ilsaveswithpropane.com\)](#)

10. Infrastructure Funding:

- Expired tax credit has been retroactively extended through 2022, see IRS Form 8911
- Program funding increases with a new equity requirement
- New residential fueling tax credit
- Eligible fuels remain natural gas, propane, hydrogen, electricity, E85, and B20+
- Tax credit for 30% of station cost remains, with new caveats:
- Limited to 6% of station costs if the property is subject to depreciation
- Maximum rebate increases from \$30,000 to \$100,000
- Eligible fueling equipment MUST be installed in locations that meet census tract requirements:
- A population census tract where the poverty rate is at least 20%; or
- Metropolitan and non-metropolitan area census tract where the median family income is less than 80% of the state medium family income level.
- Eligible projects must meet apprenticeship and prevailing wage requirement
- Residential fueling equipment will be eligible for a tax credit up to \$1,000

**Link:** [AFDC Alternative Fuel Infrastructure Tax Credit](#)

#### 11. NEVI (National Electric Vehicle Infrastructure) Program:

The draft [Illinois EV Infrastructure Deployment Plan](#), as submitted to the Federal Highway Administration (FHWA) on August 1<sup>st</sup> 2022, is also available on the Illinois Drive Electric [website](#). Please note this is a draft pending FHWA approval by September 30, 2022 and provides a framework for addressing many program components moving forward into implementation. IDOT is planning additional stakeholder engagement as the state moves toward implementation of the NEVI program, both in the coming months and over the life of the program. In particular, IDOT will prioritize gathering public input in the following areas:

- Priority locations for charging infrastructure
  - Identifying and quantifying benefits and challenges for disadvantaged communities
  - Prioritization considerations for identifying locations, providers, and hosts.
  - Program evaluation metrics and key performance indicators for the NEVI program
  - Data collection
  - Price transparency
  - Other areas raised by stakeholders
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- Part of Infrastructure Investment and Jobs Act of 2021 (IIJA)
  - Formula program: \$5 billion to states, \$148 million of that to IL
  - Additional \$2.5 billion discretionary program CFI
  - Initially, funding under this program is directed to designated Alternative Fuel Corridors
  - Public Charging: stations available to the public 24 hours a day, 7 days a week
  - At a minimum, 4 vehicles will be charged at the same time, at a charging speed that will fully charge an average EV in under a half hour
  - Prioritize Justice 40 communities

**Link:** [NEVI Program](#)

<https://idot.click/drive-electric>

#### 12. Discretionary Grant Program for Charging and Fueling Infrastructure:

- For EV charging, hydrogen, propane, and natural gas fueling infrastructure
- Divided into two distinct \$1.25 billion grant programs to support EV charger deployment:
- Corridor Charging Grant Program: Strategically deploy publicly accessible EV charging infrastructure and alternative fueling infrastructure along designated Alternative Fuel Corridors
- Community Charging Grant Program: Strategically deploy publicly accessible EV charging infrastructure and alternative fueling infrastructure in communities
- Eligible entities include states, local governments, MPOs, etc.

**Link: [Charging and Fueling Infrastructure Grant Program | US Department of Transportation](#)**

13. The Illinois EPA will open the next EV Rebate Program funding round on November 1, 2023. The funding round will run from November 1, 2023, to January 31, 2024. Illinois residents purchasing a new or used all-electric passenger vehicle (\$4,000) or all-electric motorcycle (\$1,500) from an Illinois licensed dealer are eligible for the rebate. Applicants that certify as low income are given priority in disbursement of the rebates.

EV rebates are subject to the availability of funds for each cycle. The Illinois General Assembly has appropriated \$12 million to Illinois EPA for the current fiscal year, which ends on June 30, 2024. Actual funding amounts will be determined by the amount of money available in the Electric Vehicle Rebate Fund, not to exceed \$12 million. The Illinois EPA is announcing the funding round now to allow Illinois residents time to plan vehicle purchases.

Applicants must apply during the rebate cycle window and within 90 days of purchase of the vehicle. The application and instructions will be available on October 18, 2023 on the Illinois EPA's [Electric Vehicle Rebate Program](#) webpage.

Eligibility requirements for an EV rebate in Illinois are set forth in the Illinois EPA's regulations at [35 Ill. Adm. Code 275](#). These requirements include, but are not limited to:

- The purchaser must reside in Illinois at time of vehicle purchase and at the time the rebate is issued.
- An applicant may not previously have received an Electric Vehicle Rebate.
- The vehicle must be purchased from a dealer licensed by the Illinois Secretary of State.
  - Rented or leased vehicles do not qualify for the rebate.
  - Vehicles purchased from an out-of-state dealership, and vehicles delivered to or received by the purchaser out-of-state are not eligible for a rebate.
- The purchaser must apply for the rebate within 90-days after the vehicle purchase date.
- The purchaser must retain ownership of the vehicle for a minimum of 12 consecutive months immediately after the vehicle purchase date.
- The rebate amount cannot exceed the purchase price of the vehicle.

Applicants will need to submit the following along with the information contained in the rebate application:

- Copy of the bill of sale, purchase invoice, or purchase agreement from an Illinois dealership;

- Documentation of proof of purchase, such as a copy of a canceled check, an invoice or bill showing that the applicable amount has been paid or that no remaining balance exists, or loan documents
- Copy of the Illinois vehicle registration or temporary permit provided by the dealership at the time of sale/delivery; and
- IRS W-9 or W-8 form