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Application to Receive Funding for On-Road and Class 8 Fleet Vehicle Projects in Pennsylvania Now Available!

AUTOMOBILE, SCHNEIDER DOWNS, TRANSPORTATION & LOGISTICS
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As you know from our previous articles ([Volkswagen Environmental Mitigation Trust Fund](#)), Volkswagen is obligated to fund various environmental trusts for states to use on projects aimed at reducing overall air pollution (specifically, NO_x emissions). Upon finalization of their Beneficiary Mitigation Plan in May 2018, Pennsylvania was allocated \$118.5 million dollars to fund various on-road fleet upgrade projects. These projects include both Class 8 trucks and transit buses, as well as an Onroad Rebate Program for Class 4-7 trucks and school buses with model years 2009 and prior.

Onroad Rebate Program

Applications for the Onroad Rebate Program are being accepted by the Department of Environmental Protection (DEP) on a rolling basis from now until December 31, 2019 with additional programs to be released in subsequent years. To be eligible to receive funding through the Onroad Rebate Program, applicants must upgrade or replace a qualifying onroad vehicle with a model year of 2009 or older.

The program is a voucher program, in which the entity pays for the new fleet vehicle or upgrade, submits proof of purchase and scrappage of the old vehicle, and will then be able to receive reimbursement in the amount of the voucher received by the DEP. An entity must submit a separate application for each individual fleet vehicle the entity plans to replace. The DEP will then either grant or deny the individual vehicle application, and issue the applicant a voucher for redemption once all appropriate project documentation is received. Due to the one vehicle-one application format, the DEP allows any one entity to have a maximum of either ten (10) vehicle vouchers or \$500,000 of vouchers, at any one time.

Class 8 Truck and Transit Bus Grant Program

Applications for the Class 8 Truck and Transit Grant Program are also accepted on a rolling basis, however, the DEP has set multiple evaluation deadlines, with May 10, and September 23, 2019 being the next application deadlines. Like the Onroad Rebate Program, the funds are allocated on a first come-first serve basis until \$6.4 million has been awarded to projects in 2019.

This program is a reimbursement-style program, as well. Upon approval of an application, the DEP and the applicant will enter into an agreement that upon completion of a qualifying project, the applicant will be reimbursed in the approved

amount. This application allows for multiple vehicles to be listed within the same application.

Qualifying Vehicles

As noted, within the document programs, the following vehicles will be eligible for the funding:

- Class 8 Local Freight Trucks with Engine Model Years (MY) 1992-2009, with at least three (3) years of remaining useful life
- Class 4-8 Transit Buses with Engine MY 2009 or older that have reached their useful life limit of at least 12 years or at least 500,000 miles on the odometer
- Class 4-7 Local Freight Trucks with Engine MY 1992-2009.
- Drayage Trucks MYs 1992-2009 that meet the definition of drayage truck in these guidelines
- Class 4-8 School Buses with Engine MY 2009 or older
- Class 4-8 Shuttle Buses with Engine MY 2009 or older

We will continue to provide additional updates as states' mitigation plans become approved. For information, you can contact a member of the [Schneider Downs Transportation and Logistics Team](#) listed below to discuss the opportunity:

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