



National Clean Diesel Campaign

FY 2012 STATE CLEAN DIESEL GRANT PROGRAM FACT SHEET FOR EPA REGIONS AND PARTICIPATING STATES AND ISLANDS

FY 2012 SPECIFIC FUNDING HIGHLIGHTS

DERA January 2011 Reauthorization changes to the FY 2012 DERA State Program:

- States* and Islands** may use their funding to run a rebate program.
- All projects must use verified technologies or certified engine configurations.
- States and Islands must use the same statutory priorities as the DERA National Program when selecting projects.
- States and Islands must make a public notification listing project information on their State or Island websites within 60 days of making a grant, rebate, or loan. Website postings must include the total number and dollar amount of rebates, grants, or loans provided, as well as a breakdown of the technologies funded.
- For States: FY 2012 State Program funding will be disbursed to participating States as new awards. States with an open DERA State grant must complete all grant activities and incur all costs for their current State Program grant by September 30, 2012, in order to receive FY 2012 State Program funds. States must submit a new application and work plan for a new FY 2012 award.
- For Islands with current State Clean Diesel grants: FY 2012 State Program funds will be dispersed as an amendment to the participating Islands' current State Program awards. Islands should note that the FY 2012 funding will be awarded under terms and conditions meeting the requirements of the Diesel Emissions Reduction Act of 2010.
- If all 50 States, the District of Columbia, and the five qualifying Islands participate in the FY 2012 State Program, then:
 - Each State, the District of Columbia, and the Commonwealth of Puerto Rico will receive a base allocation of 1.887% of 2/3 of the total FY 2012 State Program allocation.
 - Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands will each receive a base allocation of 0.472% of 2/3 of the total FY 2012 State Program allocation.
- If fewer than all 50 States, the District of Columbia, and the five qualifying Islands participate in the FY 2012 State Program, then the available base allocations to the participating States and Islands will be modified in accordance with the methodology outlined at 42 U.S.C. § 16133(c)(2)(B).

* "States" includes fifty U.S. States and the District of Columbia.

**"Islands" includes the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, American Samoa, and the United States Virgin Islands.

- States and Islands cannot fund federally mandated projects.

ADDRESSING FREQUENTLY ASKED QUESTIONS

Question 1: *Can a State or Island fund locally mandated projects?*

Answer: Yes. However, States and Islands cannot use DERA State Program awards to fund the costs of emissions reductions that are mandated under any federal law. Voluntary or elective emission reduction measures shall not be considered mandated, regardless of whether the reductions are included in the State Implementation Plan.

Question 2: *Can a State or Island project include non-verified and/or non-certified technologies for projects funded with FY 2012 funds?*

Answer: No. Starting in FY 2012 States can only fund EPA and/or CARB verified or certified technologies and engines with DERA State Program funds.

Question 3: *If a State cannot complete its current State Program grant work by September 30, 2012, may a Region issue a no-cost extension beyond September 30, 2012?*

Answer: Yes. Regions have some discretion to give States standard extension opportunities for a no-cost time extension. However, please note that a State will not be eligible to receive any FY 2012 State Program funds if it receives a no-cost extension for its current State Program grant.

Question 4: *If a State cannot have two State Program grants simultaneously open, then why will the FY 2012 grants be awarded in June-September 2012 (while the current FY 2008-2011 grants do not close until September 30, 2012)?*

Answer: The project periods will not overlap. The FY 2012 grants will be awarded to those eligible States in the early summer months. However, the project period start date for these new grants will not begin until October 1, 2012, after the project period end date of the current grant.

Question 5: *Do the Islands need to complete their current grants by September 30, 2012, in order to receive any new FY 2012 funds?*

Answer: No. The Islands may work with EPA to amend their current FY 2011 awards in order to receive FY 2012 State Program funds. However, the Islands must ensure that the FY 2012 funded projects meet the conditions of the Diesel Emissions Reduction Act of 2010.

FY 2012 State Program Funding Schedule	
Description of Tasks	Date
Release the Notice of Intent to Participate/Continue to States and Islands.	Monday, April 16, 2012
Notice of Intent to Participate/Continue and match due from all participating States and Islands	Tuesday, May 1, 2012
Send out allocation amounts, schedule, timeline, and instructions to regions via email to EPA Air Division Directors.	Monday, May 7, 2012
States' and Islands' final Statement of Work plans are due to EPA regional offices	Friday, June 1, 2012