

(2) Certified engine configuration

The term “certified engine configuration” means a new, rebuilt, or remanufactured engine configuration—

- (A) that has been certified or verified by—
 - (i) the Administrator; or
 - (ii) the California Air Resources Board;

- (B) that meets or is rebuilt or remanufactured to a more stringent set of engine emission standards, as determined by the Administrator; and

- (C) in the case of a certified engine configuration involving the replacement of an existing engine or vehicle, an engine configuration that replaced an engine that was—

- (i) removed from the vehicle; and
 - (ii) returned to the supplier for remanufacturing to a more stringent set of engine emissions standards or for scrappage.

(3) Eligible entity

The term “eligible entity” means—

- (A) a regional, State, local, or tribal agency or port authority with jurisdiction over transportation or air quality;

- (B) a nonprofit organization or institution that—

- (i) represents or provides pollution reduction or educational services to persons or organizations that own or operate diesel fleets; or

- (ii) has, as its principal purpose, the promotion of transportation or air quality; and

- (C) any private individual or entity that—

- (i) is the owner of record of a diesel vehicle or fleet operated pursuant to a contract, license, or lease with a Federal department or agency or an entity described in subparagraph (A); and

- (ii) meets such timely and appropriate requirements as the Administrator may establish for vehicle use and for notice to and approval by the Federal department or agency or entity described in subparagraph (A) with respect to which the owner has entered into a contract, license, or lease as described in clause (i).

(4) Emerging technology

The term “emerging technology” means a technology that is not currently, or has not been previously, certified or verified by the Administrator or the California Air Resources Board but for which an approvable application and test plan has been submitted for verification to the Administrator or the California Air Resources Board.

(5) Fleet

The term “fleet” means one or more diesel vehicles or mobile or stationary diesel engines.

(6) Heavy-duty truck

The term “heavy-duty truck” has the meaning given the term “heavy duty vehicle” in section 7521 of this title.

(7) Medium-duty truck

The term “medium-duty truck” has such meaning as shall be determined by the Administrator, by regulation.

(8) State

The term “State” means the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(9) Verified technology

The term “verified technology” means a pollution control technology, including a retrofit technology or auxiliary power unit, that has been verified by—

- (A) the Administrator; or
- (B) the California Air Resources Board.

(Pub. L. 109-58, title VII, §791, Aug. 8, 2005, 119 Stat. 838; Pub. L. 110-255, §3(a), June 30, 2008, 122 Stat. 2423; Pub. L. 111-364, §2(a), Jan. 4, 2011, 124 Stat. 4056.)

Editorial Notes**AMENDMENTS**

2011—Par. (3)(C). Pub. L. 111-364, §2(a)(1), added subpar. (C).

Par. (4). Pub. L. 111-364, §2(a)(2), inserted “currently, or has not been previously,” after “that is not”.

Par. (8). Pub. L. 111-364, §2(a)(6), added par. (8). Former par. (8) redesignated (9).

Par. (9). Pub. L. 111-364, §2(a)(5), struck out “, advanced truckstop electrification system,” after “retrofit technology” in introductory provisions.

Pub. L. 111-364, §2(a)(4), redesignated par. (8) as (9). Former par. (9) struck out.

Pub. L. 111-364, §2(a)(3), struck out par. (9) which defined “State” to include the District of Columbia.

2008—Par. (9). Pub. L. 110-255 added par. (9).

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 2011 AMENDMENT**

Pub. L. 111-364, §4, Jan. 4, 2011, 124 Stat. 4061, provided that:

“(a) GENERAL RULE.—Except as provided in subsection (b), the amendments made by section 2 [amending this section and sections 16132 to 16134 and 16137 of this title] shall take effect on October 1, 2011.

“(b) EXCEPTION.—The amendments made by subsections (a)(4) and (6) and (c)(4) of section 2 [amending this section and section 16133 of this title] shall take effect on the date of enactment of this Act [Jan. 4, 2011].”

§ 16132. National grant, rebate, and loan programs**(a) In general**

The Administrator shall use 70 percent of the funds made available to carry out this part for each fiscal year to provide grants, rebates, or low-cost revolving loans, as determined by the Administrator, on a competitive basis, to eligible entities, including through contracts entered into under subsection (e) of this section, to achieve significant reductions in diesel emissions in terms of—

- (1) pollution produced; and
- (2) diesel emissions exposure, particularly from fleets operating in areas designated by the Administrator as poor air quality areas.

(b) Distribution**(1) In general**

The Administrator shall distribute funds made available for a fiscal year under this part in accordance with this section.

(2) Engine configurations and technologies**(A) Certified engine configurations and verified technologies**

The Administrator shall provide not less than 95 percent of funds available for a fiscal year under this section to eligible entities for projects using—

- (i) a certified engine configuration; or
- (ii) a verified technology.

(B) Emerging technologies**(i) In general**

The Administrator shall provide not more than 5 percent of funds available for a fiscal year under this section to eligible entities for the development and commercialization of emerging technologies.

(ii) Application and test plan

To receive funds under clause (i), a manufacturer, in consultation with an eligible entity, shall submit for verification to the Administrator or the California Air Resources Board a test plan for the emerging technology, together with a verification application.

(c) Applications**(1) Expedited process****(A) In general**

The Administrator shall develop a simplified application process for all applicants under this section to expedite the provision of funds.

(B) Requirements

In developing the expedited process under subparagraph (A), the Administrator—

- (i) shall take into consideration the special circumstances affecting small fleet owners; and
- (ii) to avoid duplicative procedures, may require applicants to include in an application under this section the results of a competitive bidding process for equipment and installation.

(2) Eligibility**(A) Grants**

To be eligible to receive a grant under this section, an eligible entity shall submit to the Administrator an application at such time, in such manner, and containing such information as the Administrator may require.

(B) Rebates and low-cost loans

To be eligible to receive a rebate or a low-cost loan under this section, an eligible entity shall submit an application in accordance with such guidance as the Administrator may establish—

- (i) to the Administrator; or
- (ii) to an entity that has entered into a contract under subsection (e).

(3) Inclusions

An application under this subsection shall include—

- (A) a description of the air quality of the area served by the eligible entity;

(B) the quantity of air pollution produced by the diesel fleets in the area served by the eligible entity;

(C) a description of the project proposed by the eligible entity, including—

- (i) any certified engine configuration, verified technology, or emerging technology to be used or funded by the eligible entity; and

(ii) the means by which the project will achieve a significant reduction in diesel emissions;

(D) an evaluation (using methodology approved by the Administrator or the National Academy of Sciences) of the quantifiable and unquantifiable benefits of the emissions reductions of the proposed project;

(E) an estimate of the cost of the proposed project;

(F) a description of the age and expected lifetime control of the equipment used or funded by the eligible entity;

(G) in the case of an application relating to nonroad engines or vehicles, a description of the diesel fuel available in the areas to be served by the eligible entity, including the sulfur content of the fuel; and

(H) provisions for the monitoring and verification of the project.

(4) Priority

In providing a grant, rebate, or loan under this section, the Administrator shall give highest priority to proposed projects that, as determined by the Administrator—

(A) maximize public health benefits;

(B) are the most cost-effective;

(C) serve areas—

- (i) with the highest population density;
- (ii) that are poor air quality areas, including areas identified by the Administrator as—

(I) in nonattainment or maintenance of national ambient air quality standards for a criteria pollutant;

(II) Federal Class I areas; or

(III) areas with toxic air pollutant concerns;

(iii) that receive a disproportionate quantity of air pollution from diesel fleets, including truckstops, ports, rail yards, terminals, construction sites, schools, and distribution centers; or

(iv) that use a community-based multi-stakeholder collaborative process to reduce toxic emissions;

(D) include a certified engine configuration, verified technology, or emerging technology that has a long expected useful life;

(E) will maximize the useful life of any certified engine configuration, verified technology, or emerging technology used or funded by the eligible entity; and

(F) conserve diesel fuel.

(d) Use of funds**(1) In general**

An eligible entity may use a grant, rebate, or loan provided under this section to fund the costs of—

(A) a retrofit technology (including any incremental costs of a repowered or new diesel engine) that significantly reduces emissions through development and implementation of a certified engine configuration, verified technology, or emerging technology for—

- (i) a bus;
- (ii) a medium-duty truck or a heavy-duty truck;
- (iii) a marine engine;
- (iv) a locomotive; or
- (v) a nonroad engine or vehicle used in—
 - (I) construction;
 - (II) handling of cargo (including at a port or airport);
 - (III) agriculture;
 - (IV) mining; or
 - (V) energy production; or

(B) programs or projects to reduce long-duration idling using verified technology involving a vehicle or equipment described in subparagraph (A).

(2) Regulatory programs

(A) In general

Notwithstanding paragraph (1), no grant, rebate, or loan provided, or contract entered into, under this section shall be used to fund the costs of emissions reductions that are mandated under any Federal law, except that this subparagraph shall not apply to a mandate in a State implementation plan approved by the Administrator under the Clean Air Act [42 U.S.C. 7401 et seq.].

(B) Mandated

For purposes of subparagraph (A), voluntary or elective emission reduction measures shall not be considered “mandated”, regardless of whether the reductions are included in the State implementation plan of a State.

(e) Contract programs

(1) Authority

In addition to the use of contracting authority otherwise available to the Administrator, the Administrator may enter into contracts with eligible contractors described in paragraph (2) for the administration of programs for providing rebates or loans, subject to the requirements of this part.

(2) Eligible contractors

The Administrator may enter into a contract under this subsection with a for-profit or nonprofit entity that has the capacity—

- (A) to sell diesel vehicles or equipment to, or to arrange financing for, individuals or entities that own a diesel vehicle or fleet; or
- (B) to upgrade diesel vehicles or equipment with verified or Environmental Protection Agency-certified engines or technologies, or to arrange financing for such upgrades.

(f) Public notification

Not later than 60 days after the date of the award of a grant, rebate, or loan, the Administrator shall publish on the website of the Environmental Protection Agency—

- (1) for rebates and loans provided to the owner of a diesel vehicle or fleet, the total

number and dollar amount of rebates or loans provided, as well as a breakdown of the technologies funded through the rebates or loans; and

- (2) for other rebates and loans, and for grants, a description of each application for which the grant, rebate, or loan is provided.

(Pub. L. 109–58, title VII, §792, Aug. 8, 2005, 119 Stat. 839; Pub. L. 111–364, §2(b), Jan. 4, 2011, 124 Stat. 4056.)

Editorial Notes

REFERENCES IN TEXT

The Clean Air Act, referred to in subsec. (d)(2)(A), is act July 14, 1955, ch. 360, 69 Stat. 322, which is classified generally to chapter 85 (§7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.

AMENDMENTS

2011—Pub. L. 111–364, §2(b)(1), inserted “, rebate,” after “grant” in section catchline.

Subsec. (a). Pub. L. 111–364, §2(b)(2)(A), substituted “to provide grants, rebates, or low-cost revolving loans, as determined by the Administrator, on a competitive basis, to eligible entities, including through contracts entered into under subsection (e) of this section,” for “to provide grants and low-cost revolving loans, as determined by the Administrator, on a competitive basis, to eligible entities” in introductory provisions.

Subsec. (a)(1). Pub. L. 111–364, §2(b)(2)(B), struck out “tons of” before “pollution produced”.

Subsec. (b)(2). Pub. L. 111–364, §2(b)(3)(A), (B), redesignated par. (3) as (2) and struck out former par. (2). Prior to amendment, text read as follows: “The Administrator shall provide not less than 50 percent of funds available for a fiscal year under this section to eligible entities for the benefit of public fleets.”

Subsec. (b)(2)(A). Pub. L. 111–364, §2(b)(3)(C)(i), substituted “95” for “90” in introductory provisions.

Subsec. (b)(2)(B)(i). Pub. L. 111–364, §2(b)(3)(C)(ii), substituted “5 percent” for “10 percent”.

Subsec. (b)(2)(B)(ii). Pub. L. 111–364, §2(b)(3)(C)(iii), substituted “a verification application” for “the application under subsection (c)”.

Subsec. (b)(3). Pub. L. 111–364, §2(b)(3)(B), redesignated par. (3) as (2).

Subsec. (c). Pub. L. 111–364, §2(b)(4)(A), (B), added pars. (1) and (2), redesignated former pars. (2) and (3) as (3) and (4), respectively, and struck out former par. (1). Prior to amendment, text of par. (1) read as follows: “To receive a grant or loan under this section, an eligible entity shall submit to the Administrator an application at a time, in a manner, and including such information as the Administrator may require.”

Subsec. (c)(3)(G). Pub. L. 111–364, §2(b)(4)(C), inserted “in the case of an application relating to nonroad engines or vehicles,” before “a description of the diesel”.

Subsec. (c)(4). Pub. L. 111–364, §2(b)(4)(D)(i), inserted “, rebate,” after “grant” and “highest” before “priority” in introductory provisions.

Subsec. (c)(4)(C)(iii). Pub. L. 111–364, §2(b)(4)(D)(ii), substituted “diesel fleets” for “a diesel fleets” and inserted “construction sites, schools,” after “terminals.”

Subsec. (c)(4)(E) to (G). Pub. L. 111–364, §2(b)(4)(D)(iii)–(v), inserted “and” at end of subpar. (E), substituted a period for “; and” in subpar. (F), and struck out subpar. (G) which read as follows: “use diesel fuel with a sulfur content of less than or equal to 15 parts per million, as the Administrator determines to be appropriate.”

Subsec. (d)(1). Pub. L. 111–364, §2(b)(5)(A), inserted “, rebate,” after “grant” in introductory provisions.

Subsec. (d)(2)(A). Pub. L. 111–364, §2(b)(5)(B), substituted “grant, rebate, or loan provided, or contract

entered into,” for “grant or loan provided” and “any Federal law, except that this subparagraph shall not apply to a mandate in a State implementation plan approved by the Administrator under the Clean Air Act” for “Federal, State or local law”.

Subsecs. (e), (f). Pub. L. 111-364, §2(b)(6), added subsecs. (e) and (f).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2011 AMENDMENT

Amendment by Pub. L. 111-364 effective Oct. 1, 2011, except as otherwise provided, see section 4 of Pub. L. 111-364, set out as a note under section 16131 of this title.

§ 16133. State grant, rebate, and loan programs

(a) In general

Subject to the availability of adequate appropriations, the Administrator shall use 30 percent of the funds made available for a fiscal year under this part to support grant, rebate, and loan programs administered by States that are designed to achieve significant reductions in diesel emissions.

(b) Applications

The Administrator shall—

(1) provide to States guidance for use in applying for grant, rebate, or loan funds under this section, including information regarding—

- (A) the process and forms for applications;
- (B) permissible uses of funds received; and
- (C) the cost-effectiveness of various emission reduction technologies eligible to be carried out using funds provided under this section; and

(2) establish, for applications described in paragraph (1)—

- (A) an annual deadline for submission of the applications;
- (B) a process by which the Administrator shall approve or disapprove each application; and
- (C) a streamlined process by which a State may renew an application described in paragraph (1) for subsequent fiscal years.

(c) Allocation of funds

(1) In general

For each fiscal year, the Administrator shall allocate among States for which applications are approved by the Administrator under subsection (b)(2)(B) funds made available to carry out this section for the fiscal year.

(2) Allocation

(A) In general

Except as provided in subparagraphs (B) and (C), using not more than 20 percent of the funds made available to carry out this part for a fiscal year, the Administrator shall provide to each State qualified for an allocation for the fiscal year an allocation equal to $\frac{1}{3}$ of the funds made available for that fiscal year for distribution to States under this paragraph.

(B) Certain territories

(i) In general

Except as provided in clause (ii), Guam, the United States Virgin Islands, Amer-

ican Samoa, and the Commonwealth of the Northern Mariana Islands shall collectively receive an allocation equal to $\frac{1}{3}$ of the funds made available for that fiscal year for distribution to States under this subsection, divided equally among those 4 States.

(ii) Exception

If any State described in clause (i) does not qualify for an allocation under this paragraph, the share of funds otherwise allocated for that State under clause (i) shall be reallocated pursuant to subparagraph (C).

(C) Reallocation

If any State does not qualify for an allocation under this paragraph, the share of funds otherwise allocated for that State under this paragraph shall be reallocated to each remaining qualified State in an amount equal to the product obtained by multiplying—

(i) the proportion that the population of the State bears to the population of all States described in paragraph (1); by

(ii) the amount otherwise allocatable to the nonqualifying State under this paragraph.

(3) State matching incentive

(A) In general

If a State agrees to match the allocation provided to the State under paragraph (2) for a fiscal year, the Administrator shall provide to the State for the fiscal year an additional amount equal to 50 percent of the allocation of the State under paragraph (2).

(B) Requirements

A State—

(i) may not use funds received under this part to pay a matching share required under this subsection; and

(ii) shall not be required to provide a matching share for any additional amount received under subparagraph (A).

(4) Unclaimed funds

Any funds that are not claimed by a State for a fiscal year under this subsection shall be used to carry out section 16132 of this title.

(d) Administration

(1) In general

Subject to paragraphs (2) and (3) and, to the extent practicable, the priority areas listed in section 16132(c)(3) of this title, a State shall use any funds provided under this section to develop and implement such grant, rebate, and low-cost revolving loan programs in the State as are appropriate to meet State needs and goals relating to the reduction of diesel emissions.

(2) Apportionment of funds

The chief executive of a State that receives funding under this section may determine the portion of funds to be provided as grants, rebates, or loans.

(3) Use of funds

A grant, rebate, or loan provided under this section shall be used for a project relating to—