

***All project requirements must be completed and
all rebate documentation must be submitted by June 30, 2026.***

Use the information provided here and the downloadable forms listed on the School Bus Rebate Selectee Information web page to complete your School Bus Rebate project in the DERA Competitive Grant program.

REIMBURSEMENT TIMELINE: By **June 30, 2026**, the selectee must:

1. Accept delivery of the new bus
2. Scrap the old bus in accordance with the program requirements described below
3. Submit the Request for Reimbursement Form, Certificate of Engine/Chassis Scrappage, and all required supporting documentation after the project is completed.

ELIGIBLE REPLACEMENT BUSES

- School bus with 2021 or newer model year propane-fueled engine certified to meet CARB's Optional Low-NOx Standards of 0.1 g/bhp-hr, 0.05 g/bhp-hr, or 0.02 g/bhp-hr NOx (35% reimbursement, maximum \$33,000).
- School bus with 2021 or newer model year diesel or gasoline engine certified to meet EPA or CARB emissions standards (25% rebate, maximum \$28,500).

OTHER REQUIREMENTS:

- The new bus cannot be used to expand the applicant's current fleet; it must replace a bus that is currently operational and in use.
- The new bus cannot be in a larger Gross Vehicle Weight Rating Class than the bus being replaced.
- If selected for an award, the rebate recipient must maintain ownership of the new school bus for at least five years from the date of purchase. If the new bus is sold before the end of the three-year period or used for purposes other than what is allowed under this program, the rebate recipient may be required to return up to the full amount of the rebate to the Nebraska Department of Environment and Energy (NDEE). The amount required to be returned is at the discretion of NDEE and will be determined on a case-by-case basis.
- Recipients may be required to file annual reports of mileage and fuel use for the five-year period.

SCRAPPAGE REQUIREMENTS

The old bus being replaced must be scrapped (permanently disabled) prior to submission of the reimbursement request to NDEE and within 90 days after delivery of the new bus unless NDEE approves a longer period.

Scrappage consists of:

1. Cutting, drilling, or punching a 3" by 3" hole completely through the cylinder wall of the engine block or shearing the engine block
2. Cutting completely through the chassis frame rails on either side between the front and rear axles

Scrappage may be completed by the rebate recipient, by a salvage yard, or by a similar service, provided all scrappage requirements have been met and all necessary documentation is provided. Alternative scrappage methods require approval from NDEE. Equipment and vehicle components that are not part of the engine or chassis may be salvaged from the bus being replaced (e.g., seats, tires, etc.). The engine and chassis may be sold for scrap metal, provided that the bus is disposed of in accordance with federal and state requirements for vehicle disposal. Salvage proceeds may be retained by the rebate recipient but must be reported to NDEE as program income.

SCRAPPAGE DOCUMENTATION

The following documentation of scrappage is required and must be submitted prior to or with the reimbursement request.

Clean Diesel Rebate Program Certificate of Engine/Chassis Scrappage signed by the party responsible for dismantling the vehicle and by the school representative, including:

- The name and address of the dismantler
- Identification of the old vehicle and engine including model year, VIN, and engine serial number
- The dates the vehicle was scrapped by the dismantler.

Photographs (with labels or explanatory captions) of:

- Side profile of the old bus clearly showing that the bus has been disabled
- Vehicle Identification Number (VIN)
- The engine label that includes:
 - Engine serial number
 - Engine family identifier
- Chassis frame rails cut in half between the front and rear axles
- Engine block prior to hole being cut
- Engine block showing the 3" by 3" hole
- Other photos as needed.

DOCUMENTATION REQUIRED FOR REIMBURSEMENT

After you have received the new bus and have scrapped the old bus, you must submit the following documentation to receive reimbursement:

- Request for Reimbursement form
- Copy of the Nebraska vehicle registration for the replacement bus
- Side profile photo of the replacement bus
- Photo of the new vehicle engine label showing the EPA Engine Family
- Copy of purchase order
- Copy of paid invoice
- Copy of proof of payment (e.g., cancelled check front and back, credit card payment receipt, or bank statement showing that the check was cashed)
- Completed MBE-WBE form
- Scrappage documentation (see above)

SUBMITTING YOUR REIMBURSEMENT REQUEST

Reimbursement requests may be submitted electronically by e-mail or in hard-copy by U.S. mail. Reimbursement forms and documentation may be assembled into a PDF file for easy e-mail submission.

For hard-copy submission, please mail to:
Nebraska Clean Diesel Rebate Program
Nebraska Department of Environment and Energy
P.O. Box 98922
Lincoln, NE 68509-8922

For electronic submission, please e-mail to:
NDEE.AirGrants@nebraska.gov

Questions? Email us at NDEE.AirGrants@nebraska.gov