

Frequently Asked Questions (FAQs) – December 2018

This list of FAQs will be updated periodically. Check back later to see any additions to the list.

Question: Who is eligible to apply for grant funds under the Volkswagen (VW) Settlement Program?

Answer: Both public and private entities are eligible to apply for a grant. The applicant must have passed a financial audit completed by a Certified Public Accountant within the past two years and provide proof of a successful audit with their application.

Question: When will the Request for Proposals be released?

Answer: A Request for Proposals for school buses only will be released in late December 2018. The Request for Proposals for all other Eligible Mitigation Actions will be released in 2019.

Question: Must old vehicles be decommissioned to receive grant funds for new vehicles?

Answer: Yes. VW Mitigation Trust funds cannot be used to expand a fleet, and therefore, the old vehicle must be permanently decommissioned. The old vehicle must be diesel and meet all requirements specified in the Request for Proposals.

Question: Why are there different funding levels for various fuel types?

Answer: The DEQ is incentivizing technologies that have the greatest emission reductions to encourage the adoption of zero emission and alternate fuel vehicles and equipment. Applicants can choose which fuel type they believe is best for their project.

Question: Can VW Mitigation Trust funds be used to purchase gasoline powered vehicles or equipment?

Answer: No. Gasoline powered vehicles and equipment are not eligible for funding.

Question: Will applications from throughout the state be accepted and considered for funding or only those that are in priority areas?

Answer: A project does not have to be in a priority area to be eligible for funding. Project applications from across the state will be accepted and considered for funding. Projects located in counties that are identified as priority areas will receive a higher score for that criterion; however, that will be only one factor out of many, when evaluating a project.

Question: What are match funds?

Match funds are dollars contributed to the project to cover the cost of new vehicle(s) and equipment not paid for by the grant.

Question: Can a project receive funding from both the Volkswagen Settlement Program and the Michigan Clean Diesel Program?

Answer: No. A project cannot be funded out of both programs; however, if a project is funded from one program, a separate project is still eligible under the other program.

Question: Can grant funds from the Michigan Clean Diesel Program be used as match for VW Settlement Program projects?

Answer: No. Funds from a Michigan Clean Diesel grant cannot be used as match for a project funded with VW Settlement funds, or vice versa. However, an entity may apply for and receive funds from both programs for different vehicles and pieces of equipment.

Question: Can I spend project funds prior to signing an agreement with the State?

Answer: No. Expenses incurred prior to obtaining a signed agreement or those incurred after the agreement expires are not eligible for reimbursement.

Question: If my project receives funding, how will I know what is required for reporting and reimbursement?

Answer: General requirements will be included in the agreement. A webinar will also be held for all recipients to explain what is required to complete a report and receive reimbursement for their new vehicles and/or equipment.

Question: Are infrastructure costs reimbursable for propane, compressed natural gas, or diesel vehicles and equipment?

Answer: No. These expenses are not eligible as specified in the *Environmental Trust Agreement for State Beneficiaries*.