6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

[EPA-HQ-OAR-2025-1806; FRL-12979-01-OAR]

Development of Guidance for Alternative Fuel Vehicles and Fueling Infrastructure Deployment under the Clean School Bus Funding Programs

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice; request for information (RFI).

SUMMARY: The U.S. Environmental Protection Agency (EPA) is planning a new funding opportunity under the Clean School Bus (CSB) Program to encourage broad participation and fleet turnover by providing school districts with greater choice in school bus technology while strengthening oversight and compliance. To support the development of this new funding opportunity, the EPA invites public comments to inform the Agency's understanding of the availability of alternative fuels and associated technologies in the medium- and heavy-duty school bus sector. The EPA is committed to ensuring that all technologies covered by the definition of "clean school bus" in 42 U.S.C. 16091(a)(3) are included in a new funding opportunity later this year. In addition to seeking information on available alternative fuels and buses for the upcoming funding opportunity, the EPA is also seeking information from the public on additional ways the Agency can further safeguard taxpayer dollars. The EPA conducted a programmatic review of the previous CSB funding rounds and identified areas for enhanced controls. The EPA is interested in identifying additional ways to prevent waste, fraud, and abuse within the CSB Program and is requesting comment to ensure that the Agency has the most comprehensive information available regarding robust oversight and compliance.

DATES: Comments must be received on or before **[INSERT DATE 45 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].** The EPA will host an informational webinar during which participants may also submit comments and

questions. Details on the webinar, including the date and registration info, will be posted on the CSB website at *www.epa.gov/cleanschoolbus*.

ADDRESSES: You may submit your comments, identified by Docket ID No. EPA-HQ-OAR-2025-1806, by any of the following methods:

- *Federal eRulemaking Portal:* Go to *https://www.regulations.gov* and follow the online instructions for submitting comments (preferred method);
- *Mail:* U.S. Environmental Protection Agency, EPA Docket Center, OAR Docket ID No. EPA-HQ-OAR-2025-1806, Mail Code 28221T, 1200 Pennsylvania Avenue NW, Washington, DC 20460;
- *Hand Delivery or Courier:* EPA Docket Center, WJC West Building, Room 3334, 1301 Constitution Avenue NW, Washington, DC 20004. The Docket Center's hours of operation are 8:30 a.m.-4:30 p.m. EST., Monday-Friday, except Federal holidays.

Instructions: All submissions received must include the Docket ID No. for this notice. Comments received may be posted without change to *https://www.regulations.gov*, including any personal information provided.

FOR FURTHER INFORMATION CONTACT: For information about this RFI, contact Alexander Paulos, Office of Transportation and Air Quality, via email at EPA-CSB-RFI@epa.gov or via phone at 202-564-9674. U.S. EPA, Room: WJC-North 5358D, Mail Code: 6406A, 1200 Pennsylvania Avenue NW, Washington, DC 20460.

SUPPLEMENTARY INFORMATION: In this request for information (RFI), the EPA provides a brief background on the CSB Program and describes five areas of interest: (1) Alternative Fuel School Buses; (2) Alternative Fuels for Use in School Buses; (3) Fueling Infrastructure for Alternative Fuels; (4) School Bus Industry Supply Chain and Purchasing Practices; and (5) Oversight and Fraud Prevention.

The EPA is interested in comments detailing: (1) the availability, market price, and performance of alternative fuel school buses that operate entirely or in part on liquified natural gas (LNG), compressed natural gas (CNG), hydrogen, propane, or biofuels; (2) the availability, market price, and performance of LNG, CNG, hydrogen, propane, or biofuels with respect to school buses; (3) the availability, market price, and performance of associated alternative fueling infrastructure; (4) the need for school bus fleets to have dedicated fueling infrastructure when operating buses in their fleet on alternative fuels in the near term (*i.e.*, within 1-5 years); and (5) ways that the EPA can enhance and expand grant implementation tools and improve oversight methods.

The EPA also invites comment on other aspects of the school bus industry, including supply chain timelines for alternative fuel school buses and standard purchasing practices for school bus orders, such as down payment expectations. The EPA seeks suggestions to bolster oversight across the CSB Program and to protect Federal investment and responsibly manage awards.

This RFI then requests comment on each of these areas of interest. This RFI also includes guidance on submitting comments, procedures for submitting Confidential Business Information (CBI), and where to find additional information.

In this RFI, the EPA is not soliciting similar information on technology or fueling infrastructure for zero-emission buses as the Agency already has sufficient information on the availability and performance of zero-emission school buses.

Preamble Acronyms and Abbreviations

Throughout this preamble, the use of "we," "us," or "our" is intended to refer to the EPA. We use multiple acronyms and terms in this RFI. We use multiple acronyms and terms in this RFI. While this list may not be exhaustive, to ease the reading of this RFI and for reference purposes, the EPA defines the following terms and acronyms here:

B20	Biodiesel 20 percent
CBI	Confidential Business Information
CNG	Compressed Natural Gas
CSB	Clean School Bus
E85	Ethanol 85 percent
EPA	Environmental Protection Agency
FOIA	Freedom of Information Act
GVWR	Gross Vehicle Weight Rating
IIJA	Infrastructure Investment and Jobs Act
LNG	Liquified Natural Gas
RFI	Request for Information

Table of Contents

I. RESPONDING TO THIS RFI

Please indicate in your written comments the topic number(s) you are commenting on and provide specific examples or information to support your comments where possible. Please follow the instructions on *https://www.regulations.gov* and the docket website for submitting comments, but do not submit any information electronically that you consider to be CBI or other information whose disclosure is restricted by statute as there are separate instructions below for submitting CBI. Once submitted, comments cannot be edited or removed from the docket. You do not need to address every topic and should focus on those topics where you have relevant expertise or experience. The EPA may publish any comment received to its public docket or to *https://www.regulations.gov* without change, including any personal information provided. Multimedia submissions (*e.g.*, audio, video) must be accompanied by a written comment. The written comment is considered the official comment and should include discussion of all points you wish to make. In all cases, to the extent possible, please cite any public data related to or that support your responses. If data are available, but non-public, describe such data to the extent permissible. The EPA will generally not consider comments or comment contents located outside of the primary submission (*i.e.,* on the web, cloud, or other file sharing system).

Confidential Business Information:

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. § 552), CBI is exempt from public disclosure. If your comments responsive to this RFI contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this RFI, it is important that you clearly designate the submitted comments as CBI. Pursuant to 40 CFR part 2, you may ask the EPA to give confidential treatment to information you give to the Agency by

taking the following steps: (1) mark each page of the original document submission containing CBI as "Confidential"; (2) send the EPA, along with the original document, a second copy of the original document with the CBI deleted; and (3) explain why the information you are submitting is CBI. Unless you are notified otherwise, the EPA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this RFI. Submissions containing CBI should be sent to the individual listed in the **FOR FURTHER INFORMATION CONTACT** section. Any comment submissions that the EPA receives that are not designated as CBI will be placed in the public docket for this matter.

II. BACKGROUND

The Infrastructure Investment and Jobs Act (IIJA) amended the Energy Policy Act at 42 U.S.C. 16091 to authorize the clean school bus (CSB) program. The IIJA directs the EPA to create the CSB Program and fund projects totaling $5 billion over 5 years for the replacement of existing school buses with clean school buses or zero-emission school buses, as well as fueling infrastructure. The CSB Program prioritizes providing school districts with resources to replace as much of their school bus fleet as possible through the duration of the CSB Program. Maximizing fleet-turnover requires a focus on affordability and technology choice, including setting an appropriate EPA funding level and ensuring school districts can choose the type of bus that best suits their needs. Of the amounts appropriated to the EPA for CSB awards in a fiscal year, the IIJA directs the EPA to use fifty percent to replace existing buses with clean and zero-emission buses and the other fifty percent to replace existing buses with zero-emission buses (42 U.S.C. 16091(b)(2)).

To date, nearly $3 billion has been awarded through one competitive grant opportunity and two rebate opportunities. Across these three opportunities, the EPA

expects that recipients will replace nearly 8,500 school buses with propane-fueled, and battery-electric school buses. School buses that were fueled by biofuels, compress natural gas (CNG), liquified natural gas (LNG), and hydrogen were not awarded in prior funding rounds. The result of the awards was that battery-electric accounted for over 90 percent of these new vehicles. School districts applied directly for funding or partnered with third parties such as student transportation providers, bus dealerships, and manufacturers.

The EPA observed that CSB projects where all partners—including school boards, transportation service providers, bus manufacturers and dealers, utilities, and infrastructure providers—are engaged prior to the application were most successful. The EPA highly encourages applicants to consult with potential partners to discuss expectations, costs, and timelines in advance of the application. Further, the bankruptcy of Lion Electric seriously impacted several projects. Applicants should exercise due diligence when selecting partners for their applications. School districts should also consider if the school district is best suited to be the direct applicant to ensure maximum flexibility in their vendors. Alternatively, some school districts may prefer a third party manages the application and project, and these districts may be better served as a beneficiary to a third-party application.

Finally, the statute allows for-profit entities to apply directly for CSB funds. Based on program implementation experience to date with this relatively unique structure, the EPA and for-profit funding recipients need to improve internal controls and financial management systems. The EPA is developing additional requirements applicable to for-profit recipients in the next funding round and seeks input on how to draft robust program guidance and requirements to ensure responsible grant management.

For more information on the CSB Program, including eligibility for participants as specified in the statute, please refer to *https://www.epa.gov/cleanschoolbus.*

A. Alternative Fuel School Buses

The IIJA allows the EPA to fund the replacement of existing school buses with clean school buses. The IIJA defines "clean school bus" as a school bus that that the Administrator certifies reduces emissions and operates entirely or in part using an "alternative fuel" or a "zero-emission school bus." 42 U.S.C. 16091(a)(3).

The IIJA defines "alternative fuel" to mean LNG, CNG, hydrogen, propane or biofuels. 42 U.S.C. 16091(a)(2). Prior CSB-funding rounds did not include biofuels, LNG, or hydrogen. In the next funding round, the EPA plans to expand the available types of school bus technology to provide school districts with all alternative fuels identified under the law and to allow for the maximum number of affordable bus choices to fit school districts' specific needs. To gain an understanding of the interest in and feasibility of these additional technologies, the EPA is seeking feedback from stakeholders on the availability of school bus technology and associated infrastructure needs for these fuel types, as well as any new information on propane or CNG school bus technology and associated infrastructure.

B. Alternative Fuels

As noted above, the EPA may provide awards toward the purchase of school buses that the Administrator certifies reduce emissions and are operated entirely or in part using biofuels, CNG, LNG, propane, or hydrogen (*i.e.*, alternative fuels). The EPA would like to better understand the expected emissions performance of school buses operating on the range of alternative fuels allowed by the law as the market availability and distribution practices for these fuels. Specifically, the EPA seeks information on the availability, blends, pricing, performance, and other considerations of the defined alternative fuels for use in school buses. Through responses to the questions listed below, the EPA would like to better understand (1) the market availability and transport logistics of alternative fuels

for use in school bus applications, (2) the availability and common practices of fuel feedstock and blend documentation for retail purchases of alternative fuels in both onsite fueling systems, and through offsite arrangements for fueling the buses of public and private student transportation providers, and (3) the appropriate fuel and technology comparisons between clean school buses and the existing buses they will replace for the purpose of certifying emissions reductions, including how to account for emissions from bus operation using a blended alternative fuel or an alternative fuel only for a portion of service.

C. Fueling Infrastructure

Through the CSB Program, the EPA may fund fueling infrastructure as an eligible expense in supporting school bus projects. The EPA seeks information on the availability, pricing, performance, and other considerations of alternative fueling infrastructure systems and components. Regarding fueling infrastructure, this RFI is intended to help the EPA better understand (1) the market availability of domestically manufactured alternative fueling infrastructure and (2) common fueling practices for school bus fleets for both onsite fueling systems and offsite arrangements.

D. School Bus Industry Supply Chain and Purchasing Practices

The EPA recognizes that supply-chain related factors impact project timelines from ordering to putting new buses into service. The EPA seeks information to better understand these factors, particularly elements that extend the period between grant drawdowns and invoiced vehicle and equipment procurement by grantees and sub-grantees. The EPA is also interested in information regarding opportunities that promote cost effectiveness and fleet turnover, such as standardization of purchasing requirements

across geographies or Federal cost-share levels, while accommodating local and State needs to reduce costs, expedite production, and streamline service and training.

E. Oversight and Fraud Prevention

The EPA is committed to the responsible management of CSB funding, which includes providing clear information and tools for funding recipients to promote compliance with grant requirements and conducting oversight to ensure such compliance and to prevent waste, fraud, and abuse of taxpayer dollars. The CSB Program office has continually engaged with the EPA Office of Inspector General and implemented recommendations included in their oversight reports. The EPA has also implemented adjustments to each funding round as the Agency continually improves program management based on prior funding rounds. Input on effective oversight measures is always welcomed by the EPA, including in response to this RFI.

The EPA conducted a comprehensive internal review of the CSB Program over the past year to assess financial management practices, compliance performance, and internal control structures. The EPA has significant concerns after discovering several weaknesses and vulnerabilities. These include inconsistent documentation and recordkeeping among some awardees, instances of incomplete adherence to reporting and award conditions, improper or premature drawdowns of funds, and insufficient internal by certain awardees, including some for-profit recipients. The EPA also identified areas where verification processes related to vehicle scrappage, deployment, and operational compliance could be strengthened.

The EPA takes these concerns seriously. Protecting taxpayer resources is a core responsibility of the Agency. In light of these concerns, the EPA is evaluating and intends to incorporate strengthened oversight mechanisms into any future funding rounds to reduce risk, improve transparency, and ensure funds are used strictly as authorized. The

Agency is considering pre-award risk assessments and financial capability reviews for certain applicants; stronger documentation requirements associated with drawdowns and reimbursements; clearer and more enforceable award terms and conditions; improved verification procedures for scrappage and operational compliance; and expanded post-award monitoring, including targeted compliance reviews where appropriate. The Agency is also evaluating the appropriateness of additional safeguards and conditions for for-profit entities.

The EPA recognizes the importance of balancing robust oversight with practical implementation. The Agency seeks input on oversight approaches that can strengthen accountability while minimizing unnecessary administrative burden for school districts and fleet operators acting in good faith. The specific questions are listed in section III-E of this RFI.

III. REQUEST FOR COMMENTS AND INFORMATION

In this section, the EPA requests responses to specific topics. Please indicate in your written comments the topic number(s) you are commenting on and provide specific examples or information to illustrate your comments where possible.

A. Alternative Fuel School Buses

The EPA requests information on current and expected near-term (*i.e.*, within 1-5 years) availability of alternative fuel Type A school buses (typically Class 3-6 vehicles, gross vehicle weight rating (GVWR) 10,001–26,000 pounds) and Types C and D school buses (typically Class 7-8 vehicles, GVWR > 26,000 pounds). The EPA also requests responses to the questions regarding the current state of alternative fuel school buses, including vehicle availability, performance, pricing, opportunities to streamline manufacturing processes, and other practical considerations.

1. Using the following categories as a guide, please identify types of vehicles that you are providing information about in response to this RFI. For each item you identify, please provide a description and specify the type of fuel (*i.e.*, biodiesel, hydrogen, propane, CNG, LNG, E85 flex fuel, or other biofuel technologies).
    i. Type A school buses
    ii. Type C school buses
    iii. Type D school buses
2. For each of the vehicle types you identified in response to Topic A.1, please:
    i. Describe the current and the expected near-term (*i.e.*, within 1-5 years) availability of the vehicles based on sales volumes, number and size of manufacturers, and other key industry factors.
    ii. Provide information on the near-term demand outlook for the vehicles. For entities that are eligible for funding, please describe how many and what types of alternative fuel vehicles you would anticipate purchasing in the near-term.
    iii. Provide information regarding whether the current and expected near-term manufacturing capacity would be adequate to meet the expected market demand. Please specify any factors that are helping or impeding the industry from meeting the expected demand, both currently and in the near-term.
    iv. Provide information on the current and expected near-term average customer delivery time.
    v. Specify the current market price (or price range) of the vehicles and what is included in that price.
    vi. Provide information on the price outlook through calendar year 2026 and, where applicable, through the near-term (*i.e.*, within 1-5 years). Please identify and describe any opportunities for reducing prices.

vii. Provide information regarding supply chain constraints, local permitting, safety requirements, and other factors that may affect costs, invoicing timeframes, or project implementation timelines.

viii. Describe the expected service life and long-term (greater than 5 years) operation and maintenance requirements of alternative fuel school buses compared to those operating on conventional petroleum-based liquid fuels.

ix. Provide information regarding the cost of maintenance and operation of alternative fuel school buses. Please specify information on related costs and identify any differences in these costs compared to school buses that use conventional petroleum-based fuels. If information specific to school buses is not available, then please provide information relevant to similarly sized medium- and heavy-duty vehicles.

x. Describe the expected performance and maintenance impacts on the service life of alternative fuel vehicles in extreme weather conditions or seasonal operation relative to vehicles operating on conventional diesel or gasoline fuel. Include information on any differences in efficiency, reliability, and operational characteristics or challenges that may arise in cold or hot climates or related to fuel remaining in vehicle tanks for extended times such as summer or holiday breaks, and steps taken to address any such differences.

xi. Provide information on school bus telematics systems, specifically on systems which monitor fuel use and parameters, including software and hardware system components, whether systems are proprietary or third-party platforms, data transmission frequency, vehicle activity data (*e.g.*, miles traveled) and geospatial information, and potential applications of vehicle

telematics to monitor fuel usage, track real-time fuel consumption, analyze fuel efficiency, and identify fuel blends through advanced sensors.

B. Alternative Fuels for Use in School Buses

The EPA requests information on current and expected near-term (*i.e.*, within 1-5 years) availability of specified alternative fuels for use in school buses. The EPA also requests responses to the questions regarding the current and near-term state of alternative fuels, including fuel availability, blends, pricing, supply arrangements, fueling practices, and documentation.

1. Using the following categories as a guide, please identify types of fuels (*i.e.*, biodiesel, renewable diesel, E85 flex fuel, CNG, LNG, propane, or other biofuel), including information on blends and fuel feedstocks, as well as applicable fuel supply arrangements, for the fuels that you are providing information about in response to this RFI.
    i. Alternative fuels for school buses with onsite fleet fueling
    ii. Alternative fuels for school buses utilizing offsite private fueling stations
    iii. Alternative fuels for school buses utilizing offsite public fueling stations
2. For each of the items you identified in response to Topic B.1, please:
    i. Describe the current and the expected near-term (*i.e.*, within 1-5 years) availability of these alternative fuels based on sales volumes, number and size of fuel suppliers and distributors, and other key industry factors. Please specify any limitations of fuel availability related to geographic conditions, order volume, seasons and weather, or other factors.
    ii. Provide information on the near-term demand outlook for these alternative fuels. For entities that are eligible for funding, please describe the volume and types of alternative fuels you anticipate purchasing in the near-term.

iii. Provide information on fuel supplier arrangements, including the frequency of fuel deliveries, volume of delivered fuels, common fuel supply contract structures, and seasonal or operational variations in fuel supply or fuel blend rates or properties.

iv. Where the alternative fuel may be used interchangeably with conventional fuel (*e.g.*, B20 or renewable diesel), please describe what documentation is currently used in the marketplace that ensures the use and purchase of the alternative fuel and how such dual operation is documented (*e.g.,* miles traveled, engine hours, or fuel usage). Submissions of examples of receipts (if applicable, CBI should be submitted separately per instructions in the **CONFIDENTIAL BUSINESS INFORMATION** section) and proof of delivery documents are encouraged.

v. Provide information about the appropriate baseline and current fuels the EPA should consider for comparing emissions reductions of buses using alternative fuels.

vi. Provide information on school bus fleet fueling practices for each of the categories under Topic B.1, including any information related to the impact of vehicle size, fuel type, geography, and type of fleet operator (*e.g.*, school district fleet, state government fleet, private school transportation provider, etc.) on fueling strategies.

C. Fueling Infrastructure for Alternative Fuels

The EPA requests information on fueling infrastructure for vehicle fleets that use alternative fuels. Specifically, the EPA requests information on fueling system components, pricing, construction and installation requirements, performance, domestic content, and other practical considerations.

For each of the items you identified in response to Topic B.1, please:

1. Describe how separate fueling infrastructure is necessary for school bus fleets that adopt alternative fuels or expand the use of alternative fuels. For fleets that currently have alternative fuel buses and on-site fueling capabilities, at what fleet size might additional alternative fuel storage or modifications to equipment be necessary?
2. Describe the components of an onsite fleet fueling system. Please include information on pricing and availability, as well as factors that impact pricing and availability (*e.g.*, system size, geography, local regulations, etc.). Diagrams of fueling systems and components are encouraged.
3. For each system listed in B.1, describe how an onsite fueling system for an alternative fuel is different than a system for conventional fuels.
4. For biodiesel, please describe how both weather conditions and limited use of fuel during specific periods (*e.g.*, during summer when school buses are not driving normal routes or winter when lower temperatures could affect fuel flow properties) may impact the use and storage of the fuel, as well as any requirements to address separation, filtering, or mixing.
5. Provide information on construction and installation of fueling systems, including typical pricing, project timelines, and requirements, such as permitting requirements and timeframes between permit request and receipt.
6. Describe the expected service life and long-term operation and maintenance requirements of these components.
7. Describe the original manufacturer's warranty of components. Please include all applicable parameters, such as years or hours of operation. Please specify fuel types and fuel blends that are covered or omitted from manufacturer warranties.

8. Provide information regarding parts or equipment availability constraints, local permitting, safety requirements, and other needs that may affect costs, delivery timeframes, or installation time of onsite fleet fueling systems.
9. Provide details on fueling or engine system components that can track, measure, or report on fuel usage data, fuel type, and biofuel blend information.

D. School Bus Industry Supply Chain and Purchasing Practices

The EPA is interested in better understanding aspects of CSB project implementation timeframes, particularly those aspects that could lengthen the time between grant funding drawdowns and invoiced vehicle and equipment procurement by grantees and sub-grantees. The EPA requests information on supply chain and purchasing practices, school bus production and component ordering timelines (in days), as well as standard purchasing practices, including down payment expectations for school buses eligible under the CSB Program. The EPA also requests comment on aspects of CSB Program design, including appropriate funding levels, that promote cost effectiveness and provide incentives to apply while preventing overpayment for specific technologies.

1. Provide information on supply chain practices specific to the production timelines (in days) for zero-emission and alternative fuel school buses, including how far in advance school bus manufacturers pay for vehicle components.
2. Describe the standard purchasing processes for school buses, including any down payment expectations.
3. Provide information on supply chain practices specific to the production timelines (in days) for any charging or refueling infrastructure to support school buses, including how far in advance infrastructure manufacturers must pay for infrastructure components.

4. Provide information on potential opportunities to streamline school bus purchasing practices to encourage lower bus prices, including any opportunities related to standardization of bus requirements across geographic areas.
5. The EPA also requests comment on aspects of program design to promote cost effectiveness and fleet turnover while preventing overpayment for specific technologies.
    i. Please describe methods for setting government cost-share funding levels for school bus replacement projects that could support these goals.
    ii. Please describe strategies to standardize school bus procurement or school bus design specifications while accommodating local and state bus specification needs. For example, strategies for standardization that can reduce costs, expedite production, and streamline service and training.

E. Oversight and Fraud Prevention

The EPA is committed to effective management of CSB funding, which includes providing clear information and tools for funding recipients to promote compliance with grant requirements and conducting oversight to ensure such compliance and to prevent waste, fraud, and abuse of taxpayer dollars. The EPA is also interested in improving oversight, specifically for third-party, for-profit applicants, and welcomes comment on how the Agency can strengthen oversight across the CSB Program to protect Federal investment and responsibly manage awards.

1. Please describe business models, financing structures, or third-party arrangements, including but not limited to for-profit entities that may increase risk to project success and negative impacts on partners (*e.g.*, school districts) and the EPA.

2. Please describe what financial framework elements could be examined by the EPA for determining eligibility and risk of for-profit applicants, such as a review of financial statements to ensure sound financial conditions.
3. Please describe objective risk assessment criteria that the EPA could apply during pre-award review to evaluate financial stability, operational capacity, prior Federal grant performance, and compliance history.
4. Please describe financial control standards, audit readiness procedures, and conflict of interest policies for-profit entities should have in place prior to receiving a Federal award to ensure that funds are only used for their intended purpose (*i.e.*, grant award).
5. Please describe limitations for-profit entities should be subject to in order to avoid conflicts of interest, self-dealing, and other practices that are prohibited by Federal grant regulations at 2 CFR 200.
6. Please describe verification tools or documentation applicants could provide to verify appropriate bus usage and potential routes before funds are disbursed. Please submit sample documentation if available.
7. Please describe whether and how milestone-based payment structures, reimbursement-only models, or phased disbursement mechanisms tied to verified delivery could reduce risk and improve accountability.
8. Please describe appropriate enforcement mechanisms, including repayment obligations or clawback provisions, that the EPA should consider in cases of nonperformance, noncompliance, or misuse of funds.

Aaron Szabo,

Assistant Administrator, Office of Air and Radiation.

[FR Doc. 2026-03351 Filed: 2/19/2026 8:45 am; Publication Date: 2/20/2026]