

Funding Opportunity Announcement

FY26 Electric School Bus Grant Program

1. **Program Description:**

The State Fiscal Year 2026 (“FY26”) Maryland Electric School Bus Grant Program is being established in support of the Moore-Miller administration’s announcement to direct \$17 million, in FY25 and FY26, for grants to purchase and lease electric school buses to serve Maryland public school students. The Program offers a statewide competitive application process for eligible vehicles utilized in student transportation services, with a strong focus on expanding access to funding for overburdened and low-to-moderate income communities facing economic challenges. Applicants will need to provide comprehensive information regarding their current fleet composition, demonstrate preparedness for fleet transition, and furnish financial details concerning vehicles and associated charging infrastructure.

2. **Type of Grant Program:**

Competitive

3. **Program Budget:**

- a. The program has an anticipated budget of approximately \$4.9 million for FY26.
- b. The source of the program funding is a dedicated purpose account placed in the Moore-Miller Administration’s FY26 budget proposal as one-time funding to advance implementation of the Climate Solutions Now Act. All funding is subject to final appropriation of funding.

4. **Application Deadline:**

- a. The program application period closes on December 16th, 2025. Applications must be received at MEA by 3:00 PM ET, December 16th, 2025.
- b. Confirmation will be sent to each applicant verifying receipt of application from transportation.mea@maryland.gov within **two business days** of receipt.
- c. If an applicant does not receive a confirmation of receipt within this time frame, it is the applicant’s responsibility to contact MEA to confirm that the application was successfully transmitted from the applicant’s email system to MEA.

5. Program and Eligibility Requirements:

The Maryland Electric School Bus Program, administered by the Maryland Energy Administration (“MEA”), imposes specific eligibility criteria and program requirements:

- a. **Eligible Entities:** Local Educational Agencies (LEAs) and the fleets/private school bus vendors operating on behalf of LEAs to purchase school buses are eligible to submit applications.
- b. **Eligible Vehicles:** Any publicly-funded school bus procured by an eligible entity for the routine transportation of students for school or school-related programming or activities is eligible for consideration. Vehicles must be purchased new (i.e. retrofits or repowered vehicles are NOT eligible).
- c. **Replacement Component:** If the new electric school bus will be replacing an older diesel school bus the applicant must state in the application the Model Year (MY) of the replaced bus (must be MY 2010 or older diesel buses OR oldest buses in fleet, whichever is feasible).
- d. **State Domicile Requirement:** Requested vehicles must be domiciled within the State of Maryland for a minimum of three years and comply with all Maryland Department of Education standards governing vehicles used for student transportation..
- e. **Operational Compliance:** Applicants must agree to operate awarded vehicles according to the [Grant Program General Provisions](#) specified by the Maryland Energy Administration.
- f. **Private School Bus Vendors and Non-Profit Applicants Requirements:** Private school bus vendors and non-profit applicants representing a school district must demonstrate current registration and good standing with the [Maryland State Department of Assessments and Taxation](#) (SDAT). Additionally, non-profit applicants not directly operating the vehicles shall provide evidence of a contractual agreement with an LEA at the time of application, where applicable.
- g. **Insurance and Authorization:** Requested vehicles must be appropriately insured and authorized for use in the State of Maryland.
- h. **Data Sharing Agreement:** Applicants must consent to share vehicle usage data with MEA. Following the delivery of new vehicles, specific vehicle information, including VINs, license plate numbers, bus routes (if applicable) and any other pertinent data required by the State, must be provided for a minimum of (3) years.
- i. **Notification and Repayment Obligation:** Vehicle owners are obligated to notify MEA in advance of any intention to sell or relocate awarded vehicles outside Maryland. In such cases, repayment of received funding is required.

These requirements ensure adherence to program guidelines and facilitate the effective implementation of the Maryland Electric School Bus Program, fostering a transition towards sustainable transportation solutions for Maryland's student population.

6. Ineligible Projects:

The following projects are ineligible for funding through the Maryland Electric School Bus grant program:

- a. **Past Awards:** Previous Grantees who have received funding through the Clean Fuels Incentive Program (CFIP), Alternative Fuel Infrastructure Program (“AFIP”), or the Medium-Duty and Heavy-Duty Zero-Emission Grant Program (“MHD ZEV Grant Program”) are **NOT** eligible for this Grant for those **same** electric buses. Applicants must be purchasing **new** electric buses for this Grant to be considered eligible.
- b. **Retroactive Funding:** MEA will not provide funding for projects retroactively. Vehicles must not be ordered and/or purchased prior to execution of the grant agreement or commitment letter at MEA’s discretion. **Vehicles, charging infrastructure, technician planning, EVSE/facility planning, etc. that were awarded in FY25 cannot apply for those same funds in FY26.**

7. Evaluation Criteria:

The review process aims to identify the most cost-effective, well-planned projects that address health impacts in communities across Maryland. **MEA will give priority to school districts that are located in or serve communities that face economic challenges.**

Evaluation Calculation for overburdened and low-to-moderate income communities:

- a. Determine the total number of schools in the school district.
- b. Count the number of Title I schools within that school district.
- c. Calculate the percentage of Title I schools by dividing the number of Title I schools by the total number of schools.

Schools with a higher percentage of Title I schools in their school district will receive more points on the scoring rubric as shown below.

Applications will be assessed based on the soundness of the applicant's approach and their understanding of program requirements. MEA will evaluate qualifications, experience, and past performance in other MEA funded Grant projects to determine the likelihood of successful, on-time performance. This assessment may include consideration of potential risks and the necessary State resources to ensure timely project completion.

The program has implemented a rigorous scoring and selection process to ensure equitable selection of the most qualified applicants. The selection criteria align directly with the required application components. All applications will be reviewed by an evaluation committee using the rubric outlined in Table 1. Applications that fail to adhere to all requirements may not be considered.

Table 1: Scoring Rubric

Criteria	Description	Points Available
1. Application Quality	The applicant has provided a detailed description of the school transportation electrification project.	10
2. Project Cost and Funding Request	The applicant has provided a clear and detailed budget narrative outlining the total project cost and how requested vehicles and infrastructure will be financed. Applicant specifies how costs not covered by the Maryland Electric School Bus program will be met, including identification of additional funding sources such as tax credits, grants, rebates, financing, or loans, with anticipated amounts and timelines. A complete current bus fleet list and associated vehicle information is provided to support cost estimates and replacement details.	15
3. Emission Reductions Benefits	The applicant has clearly described projected air quality benefits including reductions in criteria pollutants, greenhouse gas emissions, and fuel savings. Applicant has identified whether fleet operations serve or are located within disproportionately impacted communities, using available mapping tools or other relevant data. Application demonstrates alignment with environmental justice priorities and indicates how the project will deliver measurable benefits to affected communities.	30
4. Project Planning/Schedule	The applicant may provide a concept plan of the project schedule detailing major tasks and milestones.	30
5. Project Communication and Partnerships	The applicant has identified all project partners and contractors or subcontractors participating in project development. Applicant has provided letters of support describing partnerships or contracts (draft or final) should the applicant receive funding.	10

6. Project Equity	Title I ¹ is a federal program designed to provide financial assistance to local educational agencies (LEAs) to improve the academic achievement of disadvantaged students. MEA will leverage the Ratio of Title I school districts or county education agencies.	5
Total Points Available		100

8. Criteria Explanation:

- a. **Application Quality:** Responses are comprehensive and directly address the questions posed, with consideration of the quality of the answers. Applicants submit all required documents and finalize their applications before the closing date specified on MEA's website. If applications are submitted without the required documentation, the score of the application will be reduced.
- b. **Project Cost and Funding Request:**
 - **Estimated Project Cost/Current Bus Fleet List:** Provide an estimated project cost for each vehicle and charging station requested, if applicable (i.e., researched and examined for fleet). Along with these quotes, provide a list of the current whole bus fleet (make and models), specific # of buses and license plates that will be retired (or replaced), and route/mileage information (which includes, annual mileage, fuel type, and annual fuel use) to calculate the community impacts as shown below in Section 3: Project Benefits and Community Impact.
 - **Budget Narrative:** Present a detailed explanation of the applicant's plan to finance all requested vehicles. Clarify how any vehicle costs not covered by the grant award from the Maryland Electric School Bus program will be funded. If applying for additional tax credits, grants, rebates, financing, or loans, specify anticipated amounts and timelines.
- c. **Emission Reduction Benefits:** Evaluation will be based on emission reduction benefits in criteria pollutants and greenhouse gases, as well as fuel savings (through the Alternative Fuel Life-Cycle Environmental and Economic Transportation (AFLEET)). MEA will utilize tools such as the [Maryland Department of the Environment EnviroScreen](#) Tool and emissions benefit calculators to assess community impact factors (**eligible entities**

¹ The purpose of Title I is to provide all children the opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps. [Title I, Part A](#) provides financial assistance to Local Educational Agencies (LEAs) and schools with high numbers or high percentages of children from low-income families to help ensure that all children are equipped to meet challenging academic standards.

will not have to do this calculation):

- **Air Quality Benefit:** Projected benefits in criteria pollutants, greenhouse gas emissions, and fuel savings to State and local areas.
 - **Disproportionately Impacted Communities:** Assessment through mapping tools to identify fleet operations in overburdened and low to moderate income communities.
- d. **Project Planning as a Grant Milestone (i.e., requirement of Grant not application):** In alignment with MEA objectives, the application **may** convey planning for the integration of battery electric vehicles into regular fleet operations. Key aspects could include:
- Engagement of all pertinent project stakeholders, including school district staff and leadership, school board members, vehicle dealers, electric utilities, other relevant vendors, community members or organizations, and first responders.
 - Comprehensive understanding of the financial implications associated with battery electric vehicles.
 - Engagement of driver and maintenance personnel concerning the transition.
 - Identification of how the fleet will address infrastructure needs, encompassing charging infrastructure, electric system upgrades, permitting, and other essential requirements to support the project.
 - Demonstration of route analysis to ensure appropriate deployment of electric buses based on their range capability (for example, the shortest bus routes are X miles roundtrip and the plan is to deploy electric school buses with Y miles of range on those routes).
 - Understanding of vehicle dwell time and when vehicle charging will occur, including any potential demand charges incurred from the electrical utility.
 - Identification of charging solutions tailored to the intended use of electric buses.
- e. **Project Schedule:** The application **may** encompass a concept plan of the project schedule detailing major tasks and milestones. This includes:
- Planning for vehicle acquisition, contracting, and any necessary permitting or construction related to fueling infrastructure.
 - Utilization of a chart (e.g. Gantt chart) to delineate project tasks and milestones.
 - Noting any issues or conditions requiring resolution before project commencement.
 - Highlighting potential barriers that could impede the proposed timeline, if applicable.
 - Staff/technician training in preparation for electric school buses being utilized.
- f. **Project Communication and Partnerships:** Applicants should succinctly outline strategic partnerships and arrangements necessary for the successful deployment of the fleet. This includes:

- **Consultation with Utility:**

- A. Communication with the local electric utility provider regarding service to proposed vehicle charging locations.
- B. Inclusion of details on utility partnerships, such as rebates or incentives, and demonstration of understanding regarding the impact of utility rates and charging patterns on electricity costs.
- C. Encouragement of letters of support from the utility to underscore project viability.

- **Other Engagement:**

- A. Documentation of engagement with local governments regarding permitting and site development for vehicle charging or fueling.
- B. Provide other documentation to show engagement with community organizations, parent teacher associations, students, workforce development, etc.
- C. Documentation of technical assistance received regarding electric school bus electrification within your fleet through [Clean Cities and Communities](#), federal or state funded programs, or non-profit organizations.

g. Project Equity

- Address in the application how the project prioritizes equity by specifically describing historically marginalized student populations, significant achievement gaps, or lack of adequate resources. This includes Title I schools with high percentages of low-income students, students of color, English language learners, or students with disabilities. By focusing on these schools, we can help to address systemic inequities and ensure that all students have the opportunity to succeed.

9. Review Process:

- a. The MEA Clean Transportation Program Manager will assemble a review team of at least three (3) qualified energy professionals. Individuals from outside MEA may be included at the Clean Transportation Program Manager's discretion. All team members will review each application using the program evaluation criteria outlined in this FOA.
- b. Projects will then be ranked from highest to lowest by the review team as a group, based on the evaluation criteria (with the consideration for disadvantaged communities and geographic diversity). The review team will also determine if any applications do not meet the eligibility requirements for the Program.
- c. The Program Manager will summarize the recommendations of the award team to the MEA Energy Programs Division Director or the designee of the Energy Programs Division Director, incorporating input from the Review Team, based on the funding available. Award recommendations are not finalized until approved by the MEA Agency Director, or the MEA Agency Director's authorized designee.
- d. The review team may recommend additional projects (in order of ranking) for funding if additional funding becomes available before the end of the fiscal year.

10. Award Formula:

- a. The grant provided by MEA for applications selected for award will be up to **120%** of the incremental cost of the qualified electric school bus.
- b. **The standard maximum award amount cap will be \$1,000,000.00 per Grantee, which includes electric school bus purchase, charging infrastructure, and associated costs. Depending on income qualifications and the size of the school district, the maximum award amount cap may be increased to \$1,500,000.00.**
- c. If stacking awards, the total funding received for any project must not be over 100% of the actual project cost.
 - A. Listed below are maximum funding amounts offered through the Maryland Electric School Bus Grant Program. Charging infrastructure incentives from the Maryland Electric School Bus Grant Program can be combined with other incentives, to lower out-of-pocket costs for the applicant.
 - o **Excess Funds Utilization Clause:** If the total amount of funding received from all sources (including but not limited to [list of funding sources, e.g., federal, State grants, local funds]) is greater than the amount awarded, the excess funds must be returned to MEA.

Table 2: Grant Amounts and Levels – School Buses

School Bus Type	Percentage of Incremental Cost Covered	Up to Dollar Amount (per vehicle) ²
New Type A (NTA)	120%	\$236,526
New Type C (NTC)	120%	\$297,518
New Type D (NTD)	120%	\$ 270,209

Table 3: Grant Amounts and Levels – Charging Infrastructure

Charging Infrastructure (per port, up to)					
19-49 kW		50-99 kW		100kW+	
Single	Dual	Single	Dual	Single	Dual
\$6,325	\$12,650	\$42,550	\$59,800	\$59,800	\$82,800

Maximum cap on requested charging infrastructure is 30% of total project funding request.

² Calculation included estimated average diesel and gasoline cost for each corresponding Type A, C, and D school bus. Type A estimated gasoline cost is \$105,000, Type C estimated diesel cost is \$157,000, and Type D estimated diesel cost is \$215,000.

Table 4: Grant Amounts – Associated & Additional Costs

Associated Costs		
Project Start-up for EVSE and Facility Planning (LEAs only)	Project Start-up for EVSE and Facility Planning (Vendors only)	School District Technician Training ³
Up to \$200,000	Up to \$100,000	Up to \$7,200

11. Associated Costs Details:

As part of the Maryland Electric School Bus Program, MEA offers various funding incentives on a case by-case basis to support applicants. These incentives include:

- a. **Project Start-up:** LEAs may apply for a stipend not to exceed **\$200,000** (per application) to assist with project start-up expenses related to the Maryland Electric School Bus Grant Program. Fleets/private school bus vendors may apply for a stipend not to exceed **\$25,000** to assist with project start-up expenses related to the Maryland Electric School Bus Grant Program (with a maximum of 4 vendors per school district). Similar to training incentives, recipients of federal grant funding may not qualify for State project start-up incentives due to associated federal award requirements.
 - i. Project start-up expenses for LEAs may include:
 - A. School district staff time for planning purposes,
 - B. A basic fleet analysis from a consultant
 - ii. Project start-up expenses for fleets/private school bus vendors may include:
 - A. A basic fleet analysis from a consultant or
 - B. EV plan (including assessment analysis)
- b. **School District Technician Training:** MEA will provide funding of up to \$7,200 to certify six (6) school-district fleet technicians in maintaining and repairing high voltage battery and electrical systems present in electric school buses. Documentation of training completion may be necessary for reimbursement. Again, applicants receiving federal grant funding may be ineligible for State high voltage training incentives due to federal award requirements.

³ Calculation was determined by using the average cost of training a technician (~\$1,200) for 6 technicians in total.

A. Procurement as a Grant Milestone (i.e., requirement of Grant not application): In the procurement process for the Maryland Electric School Bus Program, MEA mandates the submission of vehicle and/or conversion quotes once Grant has been awarded to applicant (i.e., not necessary to include with initial application). The Grant Award will be an “up to” amount and actual reimbursement on the actual cost. These quotes should encompass line-item pricing for all major components, along with pricing for any accessories, shipping or delivery fees, and applicable taxes.

B. Grant Payment

- In accordance with MEA guidelines, all funding disbursed under the Maryland Electric School Bus Grant Program will be distributed solely as cost-reimbursement. While alternative payment options are under exploration, selected applicants must have the financial capability to cover expenses upfront and then seek reimbursement from MEA.
- Reimbursement for project expenses will occur on a monthly basis for approved expenses incurred during the preceding month **OR** once vehicles, chargers, etc. are purchased and in service. Approved expenses will be reimbursed monthly upon submission and approval of an invoice, with invoices required to be submitted within forty-five (45) days after the end of each month. Source documentation demonstrating actual expenses incurred will undergo review.
- All expenditures must meet MEA's standards of being reasonable, necessary, and approved for the completion of approved grant activities. Additionally, expenses must comply with the fiscal rules of the State of Maryland. It's important to note that MEA will not reimburse any costs incurred by selected applicants prior to the issuance of a legally executed contract between the Grantee and the vendor.
- Furthermore, indirect costs are not eligible for funding through the Maryland Electric School Bus Grant Program. Only eligible vehicles, charging infrastructure, and activities listed in Table 4 will be considered for funding.

12. Partial Awards:

- a. Partial awards are possible under the Program. If insufficient funds are available to fully fund a project (e.g. instances of exceptional demand, limited budget resources, etc.), an applicant may be offered a proportionally reduced, partial award with the remaining budgeted funding. MEA will evaluate on a case-by-case basis in discussion with selected applicants.
- b. If the applicant does not accept a partial award, an award will be offered to the next approved project in rank order until all funding has been expended or all remaining projects have rejected the offer.

13. Required Application Documents:

- a. The required Jotform application form and Summary Tables can be obtained on the Program Website at [Electric School Bus Grant Program](#).
- b. A complete application package consists of a complete, signed application and the supporting documentation outlined below.
- c. Application Package
 - i. A completed, signed Jotform application form. After reviewing the Instructions at the top of the Jotform application form, the applicant must complete the following additional required sections:
 - Section A: Applicant Information

- Section B: Supplemental Project Information
- Section C: Project Narrative
 - Attachment A (ESB Summary Table) and Attachment B (EVSE Summary Table)
- Section D: Attachment Checklist
- Section E: Applicant Signature
- ii. Attachments (as applicable)
 - A. Vendor documentation on the technical specifications of the ESB
 - B. Vehicle Lease Documentation (if applicable)
 - C. A complete and signed IRS Form W-9⁴ (Request for Taxpayer Identification Number and Certification) for the applicant
 - **If the federal tax identification number is a personal social security number, do NOT submit this information via non-encrypted email.**
 - **Contact MEA for alternative submission instructions.**
 - D. Site Host Letter of Commitment (if applicable)
 - E. Proposed EVSE Equipment and Installation Quotes/Estimates (if applicable)
 - F. Additional Documentation (if needed)

14. Submission Instructions:

- a. MEA encourages the use of electronic communication to streamline processing and reduce environmental impacts. If you choose to “opt out” of electronic communications for this program, please contact MEA no later than five (5) days prior to the application deadline to work on an alternative method to apply.
- b. **Applications should be directly submitted electronically through the Jotform application form.**
- c. **Attachments A and B** should be saved as an Excel file using the following naming convention: *"School District/Fleet Name- MEA FY26 Attachment A Electric School Bus Summary Table"* and *"School District/Fleet Name- MEA FY26 Attachment B Electric Vehicle Supply Equipment Summary Table"*. Please do not re-save and submit the file as a PDF.
- d. Attach supporting documents as separate files. Do not combine each piece of supporting documentation into one file attachment.

15. Grant Program General Provisions:

MEA grant programs are covered by general grant provisions that apply to all energy programs. A copy of the General Provisions document is available on MEA's website [here](#). This document will be incorporated into all FY26 grant agreements issued by MEA.

16. Grant Process:

- a. The Applicant must be willing and able to enter into a grant agreement with MEA if selected for an award.
- b. If an LEA is utilizing a third-party vendor to procure ESBs and install charging

⁴ A blank copy of an IRS Form W9 can be downloaded from the IRS website at: www.irs.gov/forms-pubs/about-form-w-9

- infrastructure, they will be required to sign the Grant Agreement for successful awards.
- c. The name and federal tax identification number on the IRS W9 form must match the name of the grantee on the grant agreement. Upon execution of the FY26 grant agreement, MEA is unable to change the federal tax identification number of the grantee.
 - d. Grants are paid in arrears.
 - e. Participation in MEA grant programs is voluntary. If selected for award and to ensure the secure transmission of grant funds, grantee recipients of MEA funding are generally required to receive electronic payments from the State of Maryland. Electronic payments will be set up through the State of Maryland's Comptroller's Office.

17. Reporting Requirements:

Vehicles and conversions funded through the Maryland Electric School Bus Grant Program are obligated to provide operational data to MEA. Semi-annual reporting metrics will encompass monthly mileage and energy consumption data (in kWh), primary charging locations for each funded vehicle, approximate number of students transported per electric bus, and potentially additional data as required by the State. Typically, these reporting requirements can be met through the utilization of telematics technology within the fleet. In cases where awarded vehicles become inoperable, non-repairable, or unable to fulfill their regularly scheduled fleet duties, awardees must promptly notify MEA.

18. Relevant Programs/Resources:

For general information on additional incentives available for ZEVs and supporting fueling/ or charging infrastructure, please consult the [US DOE Alternative Fuels Data Center \("AFDC"\) website](#).

19. Program Changes:

Any update (e.g. extension of a deadline) or clarification about the Program and any corrections to inadvertent errors in the Program information will be available on the Program webpage. In addition, MEA will communicate clarifications and updates made after the application deadline directly to applicants or grantees, as applicable, by letter or email. The final grant amount for each Grantee will be made after review of all proposals received and is subject to funding availability for the Program and any relevant statutory requirement applicable at that time.

Questions may be directed to:

Natalie Buscemi, Transportation Program Manager at transportation.mea@maryland.gov or 443-826-7732.