

INSTRUCTIONS FOR APPLICATIONS FOR DISTRIBUTION FROM THE AUTOMOBILE EMISSIONS RESEARCH AND TECHNOLOGY FUND

On September 1, 2016, the United States District Court for the Northern District of California entered a Partial Consent Decree in *People of the State of California v. Volkswagen AG, et al.*, Case No. 16-CV-03620. That Partial Consent Decree set aside \$10 million of the money paid to the California Attorney General's Office to use in its discretion to fund grants for certain projects. Accordingly, in connection with that Consent Decree, the California Attorney General's Office has created the Automobile Emissions Research and Technology Fund (the "Fund") to provide access to grants for study, research, development and/or the acquisition of technology in the following areas: (1) modeling and monitoring of vehicle emissions and air quality impacts in California; or (2) public health and environmental impacts of vehicle emissions in California (including without limitation impacts on environmental justice communities, children, and other vulnerable populations).

Each applicant may apply for a grant of up to \$2,000,000.

The California Attorney General's Office ("AG's Office") administers the Fund, and the grants shall be disbursed at the sole discretion of the California Attorney General's Office.

NOTICE: The grant application, including supporting documents, communications with the AG's Office, and reports to the AG's Office, may become the subject of a California Public Record Act request (Gov. Code, section 6250 et seq.). Please do not include information in your application that should remain confidential, such as personally identifying information.

1. Schedule for Applications and Distributions

We anticipate a single disbursement cycle. Applications must be received by **June 25, 2021**. The AG's Office may, in its sole discretion, invite submissions of additional applications after this date.

Applications must be submitted electronically to emissionsfund@doj.ca.gov. A confirmation email will be sent to the applicant once the application has been received. It is the applicant's responsibility to follow up to confirm that the application has been received.

Applications should be no more than five pages, not including the application form and supporting documentation. Applications should include a section describing the appropriate metrics through which the grant's effectiveness can be measured.

2. Distribution from the Automobile Emissions Research and Technology Fund: Authorized Grantees, Purpose, and Parameters

a. *Authorized Grantees and Amounts*

California local agencies, or California public or non-profit colleges or universities, are authorized to seek grants. No more than 20% of the \$10,000,000 fund, or \$2,000,000, shall go to a single recipient. The AG's Office will provide additional consideration to grant applications that would support work that involves partnerships with environmental justice communities.

b. *Purpose*

Distributions to authorized grantees must be used for study, research, development and/or the acquisition and use of technology in the following areas: (1) modeling and monitoring of vehicle emissions and air quality impacts in California; or (2) public health and environmental impacts of vehicle emissions in California (including without limitation impacts on environmental justice communities, children, and other vulnerable populations). Applications should therefore explain how and to what extent the distribution will be used for these purposes. Special consideration will be given to projects involving partnerships with environmental justice communities. Distributions shall be used to augment, but not to supplant or cause any reduction in, the budget of the grantee.

c. *Parameters*

i. *Grant Conditions*

Grant funds may only be utilized for the purposes set forth in the award letter, and the award is subject to all conditions described in the award letter, these instructions, and the partial consent decree. Unexpended grant funds, and grant funds that have been expended for any purpose other than an authorized purpose, must be returned or refunded to the AG's Office upon request or upon expiration of the grant term, whichever occurs first.

ii. *Funding should advance or support the goals in paragraph 2.b above*

The AG's Office encourages applications that propose to use grant funds to directly advance or support the purposes set forth in paragraph 2.b above. Applications can be made to fund new or existing projects and for equipment that is needed for an ongoing project. If requesting funds for the purpose of purchasing equipment, applicants must certify that the equipment is either (a) needed for a new or existing project concerning the purposes set forth in paragraph 2.b above, or (b) will be used at least 50% of the time for a new or existing project concerning the purposes set forth in paragraph 2.b above.

iii. *Two-year projects*

To allow applicants to advance more complex and/or longer-term projects, applications may seek grants with a term of up to two years.

iv. *Modifications of approved applications*

The AG's Office recognizes that circumstances may arise that would warrant a modification of the terms of a grant, or the purposes for which grant funds can be used. Approved applicants may apply to the AG's Office at any time during the grant term for such a modification, which may be granted in the sole discretion of the AG's Office.

v. *Staff Expenses*

An application can be made to fund or partially fund new project-specific positions or limited term positions. Absent extraordinary circumstances, funds may not be used to pay for salary, benefits, overtime, or other compensation of already existing staff.

vi. *Limitations on Travel or Training Expenses*

The AG's Office disfavors requests to use grant funds for non project-related travel or training. Travel-related expenses, such as per diems, hotels, and rental cars, will be reimbursed at the applicant's government or institutional rate. The AG's Office generally will not approve disbursements to train non-full-time employees.

d. *Factors that the Attorney General's Office May Consider*

In addition to the considerations described above, in making decisions regarding which projects to fund, the factors that the AG's Office may consider include, but are not limited to, the following:

- (1) the intended purpose of the project for which funds are sought and how it matches with the purposes set forth in paragraph 2.b above;
- (2) how, if at all, the project proposes to address environmental justice issues in areas disproportionately affected by environmental pollution;
- (3) the extent of engagement with non-profit, community-based organizations;
- (4) the specificity of the proposal, including the use of funds, expected costs and expenses, materials and personnel to be used, and the services, goods, or equipment to be provided through the project;
- (5) competing requests for funding;
- (6) the anticipated benefit to the public if the project is approved; and
- (7) whether the applicant has the demonstrated ability to safeguard and properly account for and report on the use of grant funds.

3. Additional Grant Conditions

Grants are subject to the conditions described in these instructions and the award letter, and to the following conditions:

- a. The grant recipient will vigilantly safeguard the funds disbursed and maintain financial controls sufficient to protect such funds and ensure that the use of funds fully comports with the grantee's application for the disbursement, and provide detailed written description of such financial controls upon request by the AG's Office.
- b. The funding requested will not be used to pay for regular staff of the agency or entity applying for this project.
- c. The person submitting the application represents that his/her entity is authorized to accept funds under applicable law and that the budget of the applicant will not be reduced by the receipt of the grant funds. Grant funds shall be used to augment, and not supplant or cause any reduction in, the budget of the disbursement recipient.
- d. Except as otherwise expressly agreed by the AG's Office in writing, the funds will only be used for the purposes identified in the award letter.
- e. The grantee will cooperate with the AG's Office and its agents in providing all information and documents concerning the use of funds as the AG's Office reasonably requests and will maintain sufficient records for auditing purposes to substantiate any expenditure.
- f. Approval of a grant application does not constitute endorsement of the applicant's project by the California Attorney General or the State of California.
- g. Except as otherwise expressly agreed by the AG's Office in writing, upon request, or upon conclusion of the grant term, the grant recipient must return all unused or improperly used grant funds to the California Attorney General's Office, with the notation "Automobile Emissions Research and Technology Fund Reimbursement."
- h. If an application is for the production of any materials, the applicant agrees to permit the AG's Office and other state and local government agencies within California to use those materials, without restriction, for their intended purposes.
- i. Grant recipients must submit a report within 60 days of the earlier of (a) the end of the grant term or (b) completing the project for which the disbursement was awarded. These reports shall specify how disbursement funds were used and, if applicable, a description of the project's outcome. Multi-year grant recipients must also provide yearly progress reports.

- j. Grant recipients shall maintain all records related to the use of grant funds for a period of five years from the date of the final expenditure or return of grant funds, whichever is later. The grant recipient will provide the AG's Office with access to all such records upon request.