



[rogram](#)



Diesel Modernization Program

The Diesel Modernization Program is primarily a **diesel replacement program**. This program utilizes Federal and State funding to replace on-road and non-road diesel marine engines – anything from refuse trucks to forklifts to ferry vessels. The program periodically solicits specific project proposals in addition to accepting project awards contingent upon available funding.

Diesel particulate matter (diesel PM) could cause cancer, as well as many other adverse health effects.

The visible emissions you can see in diesel exhaust are known as particulate matter.

Diesel engines emit a complex mixture of air pollutants, comprised of both solid and gaseous material.

Older, low-quality diesel vehicles and equipment operating in the State contribute heavily to air pollution.

The pollutants include many carbon particles (also called soot), as well as gases that become visible as they cool.

Air pollution will negatively affect the health of our residents, particularly in **overburdened communities**.

1: <https://dep.nj.gov/ej/communities/>

MEDIUM- AND HEAVY-DUTY INCENTIVE PROGRAMS

	EDA NJ ZIP	DEP RGGI	
	First come, first serve	Competitive, rolling applications	
	Vehicles	Vehicles and charging infrastructure	
	Commercial, Industrial, or Institutional organizations	Local governments	
	Zero-emission	Electric	
	No	No	
	The leaser/original purchaser is the eligible entity	Yes	
Funding	\$90 M for Phases 1 and 2	\$138 M awarded; -\$30 M available annually	
Phase 2b	\$20,000	\$15,000	
Phase 3	\$50,000		
Phase 4	\$65,000		
Phase 5	\$75,000	Non-passenger: \$100,000	Passenger: \$160,000
Phase 6	\$90,000		
Phase 7	\$135,000	Non-passenger: \$180,000	Passenger: \$270,000
Phase 8	\$175,000	Non-passenger: \$305,000	Passenger: \$270,000
Woman-, minority-, or veteran-owned business	4% bonus per qualification	No bonus	
Small business/ Small government	25% bonus	25-190% bonus	
Trucks	10% bonus for small businesses and municipalities who commit to driving 50% or more VMT in OBCs for 3 years	10-80% bonus	
Manufacturing	25% bonus if the manufacturer can demonstrate 25% or more of the vehicle miles are spent in NJ	No bonus	
School Bus	25% bonus	No bonus	
	Does not fund infrastructure	Base costs include L2 charging station. Additional \$20,000 for DCFC	
Costs	N/A- max funding per applicant is \$3 million	No max	
Requirements	Must operate 75% of vehicle miles in NJ and register vehicle in NJ	Grantee annually operates at least 75% of vehicle miles in NJ	
Conditions	Device is provided by EDA and must remain on the vehicle for 3 years.	Device is provided by DEP and must remain on the vehicle for 3 years.	
	Required if the vehicle to be rebalanced is model year 2009		



Medium- and Heavy-Duty Incentive Programs Snapshot

Review the state incentive programs at a glance.

[Learn more](#)

these requirements, please submit the [Project Proposal Form](#) to stopthesoot@dep.nj.gov.

Successful Project Highlights

Marine Vessel Engine Repower



[Dive in](#)

Non-Road Diesel Equipment Replacements



[Dig in](#)

On-Road Vehicle Electrification



[The Scoop](#)

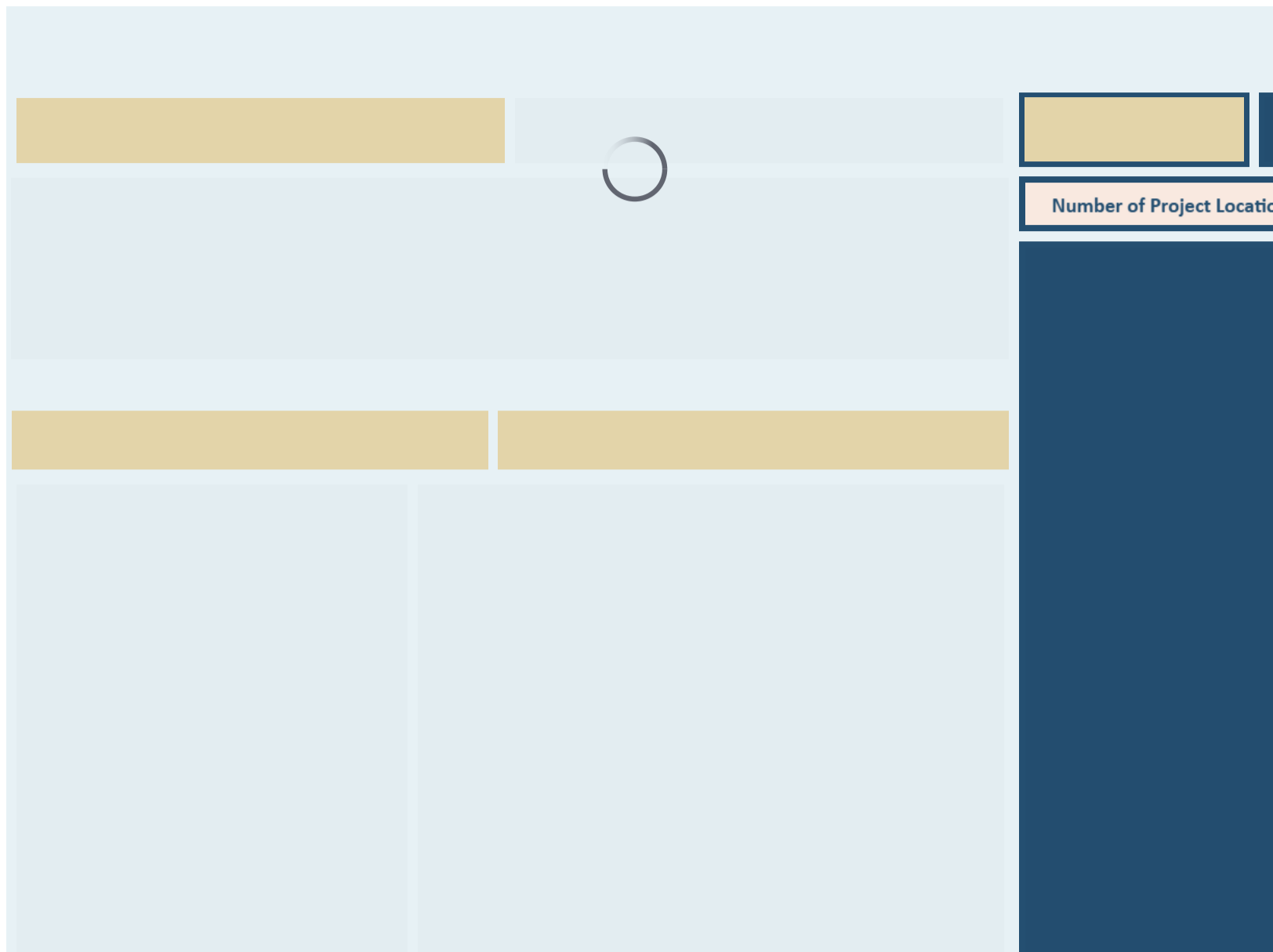
Electric School Buses



[Learn more](#)



The **Diesel Modernization Program** utilizes various funding sources and has awarded grants for a variety of transportation projects since 2014. This dashboard highlights the success of the program for the last decade.



Funding Sources

- Congestion Mitigation and Air Quality Improvement Program (CMAQ)
- Diesel Emissions Reduction Act (DERA)
- Regional Greenhouse Gas Initiative (RGGI)
- Volkswagen Mitigation Consent Decree (VW)

Questions?

stopthesoot@dep.nj.gov

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Last Update: December 5th, 2024