

Fact Sheet

Diesel Emissions Mitigation Fund

Background

The Oregon Department of Environmental Quality is providing approximately \$8 million in grant funding every year for five years, starting in 2021. Revenue for the program is provided by the [Environmental Mitigation Trust Fund](#). In 2019, the Oregon Legislature authorized the creation of this grant program for businesses, governments and equipment owners to replace older and more polluting diesel engines with new, cleaner technologies and exhaust control retrofits.

Project Goals

This program recognizes the air contaminants and effects on climate produced by diesel engines. It is designed to reduce diesel pollution, including nitrogen oxides, particulate matter, ozone, and air toxics, among others. Used as grants to upgrade diesel equipment, the program will mitigate adverse impacts from diesel emissions. Targeted use of the funds will help Oregon meet the following goals and address some of the challenges to improving air quality:

- Maximize benefits for vulnerable populations, e.g., low income, minority, elderly and youth
- Prioritize pollution reductions in areas of the state with the highest emissions of NOx and particulate matter from diesel engines
- Maximize pollution reduction cost effectiveness

Eligibility

Public, private, and tribal diesel equipment owners across the state may apply for funding for projects that reduce diesel emissions in Oregon. Proposals for retrofitting, repowering or replacing older, more polluting diesel equipment in favor of newer, cleaner alternative technologies must measurably decrease diesel emissions in Oregon.



What type of projects are eligible?

Funds must be used to upgrade diesel equipment from older and more polluting engines to newer, cleaner technology. The following are the types of eligible projects:

- Replacement - To scrap a diesel-powered motor vehicle and replace it with an equivalent diesel- powered motor engine, or to scrap a piece of equipment powered by a non-road diesel engine and replace it with equivalent cleaner burning or all-electric equipment
- Repower - To replace an existing diesel engine with a newer, cleaner engine or power source
- Retrofit - To equip an original diesel engine with new, emissions-reducing parts or technology or to convert the diesel engine into an engine powered by alternative fuel

Translation or other formats

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DEQ will evaluate proposed projects based on the following criteria:

- Project summary and approach
- Eligibility and type of equipment
- Cost effectiveness and air quality benefits
- Project location for emission benefits
- Applicant and fleet Profile

Please refer to our [Diesel Emissions Reduction web page](#) for more detailed information.

What is the amount of funding available?

As a reimbursement program, the percentage of funding varies from 25-100%, depending on the project type, equipment and owner. See the EPA's [detailed comparison document](#) for eligible projects and percentages that apply.

Key dates for 2025

Estimated dates of grant application and deadlines are below. These are subject to change based on the timing and availability of funds and the schedule of implementation tasks.

- June 2, 2025: Grant program opens for applications
- Sept. 3, 2025: Grant program closes for applications
- Mid-Oct., 2025: Grant awards announced
- Early 2026: Funding for projects becomes available

Non-discrimination statement

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