

VW Mitigation Program

Semiannual Report

Beneficiary	Wisconsin
Lead Agency	Department of Administration
Lead Agency Contact	Richard Rydecki, Administrator, Division of Enterprise Operations
Program Contact	Erin Smith, VW Mitigation Program Administrator, vwsettlement@wisconsin.gov
Reporting Period	January 1 through June 30, 2026
Allocation ¹	\$67,077,457.70

Summary

Project	Budget ²	VW Funds		
		Obligated	Expended	Reimbursed from Trust
Transit Capital Assistance Grants – Round 1	\$32,000,000	\$32,000,000	\$30,797,511	\$30,797,511
Transit Capital Assistance Grants – Round 2	\$20,000,000	\$17,267,935	\$16,156,843	\$16,156,843
Transit Capital Assistance Grants – Round 3	\$16,000,000	\$11,822,500	\$0	\$0
Transit Capital Assistance Grants – Round 4	\$5,000,000	\$621,500	\$0	\$0
State Fleet Vehicle Replacement Program	\$10,000,000	\$1,188,528	\$1,188,528	\$1,188,528
Electric Vehicle Charging Station Grants	N/A	\$0	\$0	\$0
Administration (all projects)	\$900,000	\$900,000	\$649,668	\$587,485
Total	\$83,900,000	\$63,800,463	\$48,792,550	\$48,730,367

¹ The allocation amount does not include accrued interest.

² The budgeted amounts were based upon funding availability at the time of each announcement and have not been adjusted to reflect final expenditures.

Project Narrative		
Project	EMA(s)	Status
Transit Capital Assistance Grants – Round 1	2	2017 Wisconsin Act 59 established the Transit Capital Assistance Grant Program to competitively award Volkswagen Trust funds to scrap eligible 1992-2009 engine model year class 4-8 public transit buses and replace with new diesel or alternate fueled buses. Grants will fund 100% of eligible vehicle replacement expenses. DOA has incurred administrative costs in support of the Transit Capital Assistant Grant program. The application period for round 1 of this program opened July 23, 2018 and closed September 28, 2018. DOA published a Notice of Intent to Award on March 8, 2019 funding 58 (now 60) bus replacement projects for 10 applicants totaling \$32 million. From July 1 through December 31, 2025, no bus replacement projects and associated scrapping were reimbursed. As of June 30, 2026, all 60 bus replacement projects and associated scrapping have been completed and reimbursed.
Transit Capital Assistance Grants – Round 2	2	2017 Wisconsin Act 59 established the Transit Capital Assistance Grant Program to competitively award Volkswagen Trust funds to scrap eligible 1992-2009 engine model year class 4-8 public transit buses and replace with new diesel or alternate fueled buses. Grants will fund 100% of eligible vehicle replacement expenses. DOA has incurred administrative costs in support of the Transit Capital Assistant Grant program. The application period for round 2 of this program opened January 15, 2020 and closed April 1, 2020. DOA published a Notice of Intent to Award on September 9, 2020 funding 32 bus replacement projects for 8 applicants totaling \$17.3 million. From July 1 through December 31, 2025, no bus replacement projects and associated scrapping were completed and reimbursed. As of June 30, 2026, all 32 bus replacement projects and associated scrapping have been completed and reimbursed.
Transit Capital Assistance Grants – Round 3	2	2017 Wisconsin Act 59 established the Transit Capital Assistance Grant Program to competitively award Volkswagen Trust funds to scrap eligible 1992-2009 engine model year class 4-8 public transit buses and replace with new diesel or alternate fueled buses. Grants will fund 100% of eligible vehicle replacement expenses. DOA has incurred administrative costs in support of the Transit Capital Assistant Grant program. The application period for round 3 of this program opened January 16, 2024 and closed March 8, 2024. DOA published a Notice of Intent to Award on February 10, 2025, funding 15 bus replacement projects for 4 applicants totaling \$11.8 million. As of June 30, 2026, no bus replacement projects have been completed.

Project Narrative		
Project	EMA(s)	Status
Transit Capital Assistance Grants – Round 4	2	2017 Wisconsin Act 59 established the Transit Capital Assistance Grant Program to competitively award Volkswagen Trust funds to scrap eligible 1992-2009 engine model year class 4-8 public transit buses and replace with new diesel or alternate fueled buses. Grants will fund 100% of eligible vehicle replacement expenses. DOA has incurred administrative costs in support of the Transit Capital Assistant Grant program. The application period for round 4 of this program opened February 9, 2026 and closed March 20, 2026. DOA issued a Notice of Intent to Award on May 14, 2026, funding 1 bus replacement project for 1 applicant totaling \$621,500. As of June 30, 2026, no bus replacement projects have been completed.
State Fleet Vehicle Replacement Program	1, 2, 6	2017 Wisconsin Act 59 authorized up to \$10 million of VW Settlement funding for the replacement of state-owned fleet vehicles. The State operates vehicles, including buses, in classes 4-8 (EMA 1, 2 & 6). DOA has generated and periodically updates a list of state fleet vehicles eligible for replacement under the settlement terms. VW Settlement funds may contribute up to 100% of the cost for the vehicle replacement projects, unless otherwise noted. DOA has incurred administrative costs in support of the State Fleet Vehicle Replacement Program. In 2020, DOA authorized replacement of two (2) motorcoaches (EMA 2 – Eligible Buses) operated by the State Department of Corrections. Vehicle replacements and the associated scrapping were completed in spring of 2022.
Electric Vehicle Charging Station (EVCS) Grants	9	2019 Wisconsin Act 9 (2019-21 Enacted Budget) and Governor Evers' Veto Message directed DOA to spend up to \$10 million in VW Settlement funds for EVCS grants. However, the language authorizing the EVCS Grant Program was removed from statute due to a Wisconsin Supreme Court opinion issued on July 10, 2020. At that time program activities were, and remain, suspended. No grants have been issued.

Attestation	
<i>I, the undersigned, attest that the information contained in this report is true and correct and that the submission is made under penalty of perjury.</i>	
<u>Richard Rydecki</u> Richard Rydecki (Jul 31, 2026 09:38:05 CDT)	<u>31/07/2026</u>
Richard Rydecki, Administrator Division of Enterprise Operations Department of Administration	Date