

HOUSE BILL REPORT

SHB 1644

As Amended by the Senate

Title: An act relating to permitting funds in the transportation vehicle fund to be used for electric and other clean pupil transportation vehicle feasibility planning and fueling station infrastructure.

Brief Description: Permitting funds in the transportation vehicle fund to be used for electric and other clean pupil transportation vehicle feasibility planning and fueling station infrastructure.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Senn, Ybarra, Leavitt, Bateman, Ryu, Shewmake, Ramel, Fitzgibbon, Valdez, Callan, Macri, Peterson, Ramos, Santos, Chopp, Slatter, Bergquist, Tharinger, Harris-Talley and Hackney).

Brief History:

Committee Activity:

Appropriations: 1/24/22, 1/27/22 [DPS].

Floor Activity:

Passed House: 2/9/22, 94-2.

Senate Amended.

Passed Senate: 3/2/22, 46-1.

Brief Summary of Substitute Bill

- Expands allowable uses of school districts' transportation vehicle funds to include purchase, installation, and repair of vehicle charging stations and other zero-emission fueling stations, and feasibility studies to transition to electric or zero-emission vehicles for pupil transportation

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 30 members: Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson,

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Vice Chair; Macri, Vice Chair; Stokesbary, Ranking Minority Member; Chambers, Assistant Ranking Minority Member; Corry, Assistant Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Caldier, Chandler, Cody, Dolan, Dye, Fitzgibbon, Frame, Hansen, Harris, Jacobsen, Johnson, J., Lekanoff, Pollet, Rude, Ryu, Schmick, Senn, Springer, Steele, Stonier, Sullivan and Tharinger.

Staff: James Mackison (786-7104).

Background:

School District Funds.

School districts are required to maintain funds to account for their financial operations. The largest fund is the district's general fund, which accounts for activities not required to be accounted for in a separate fund. Accounts separate from a school district's general fund include the Capital Projects Fund, the debt service fund, the associated student body fund, and the transportation vehicle fund. Each fund may have limits on money that can be deposited into the fund and allowable uses of money expended from the fund.

Transportation Vehicle Fund.

Deposits in a school district's transportation vehicle fund may include, but are not limited to, state depreciation payments to reimburse school districts for vehicle purchases, proceeds from the sale of vehicles, and two-year levies for transportation vehicle funds authorized by voters. Allowable uses of money within the transportation vehicle fund include purchases and repairs of pupil transportation vehicles. Vehicle purchases may include electric buses and other alternative fuel vehicles.

Summary of Substitute Bill:

The allowable uses of school districts' transportation vehicle funds are expanded to include the following additional uses:

- purchase, installation, and repair of electric pupil transportation vehicle charging stations and other zero-emission fueling stations, and other costs necessary for their installation; and
- to complete feasibility plans to transition from gas or diesel pupil transportation vehicles to electric or zero-emission pupil transportation vehicles.

EFFECT OF SENATE AMENDMENT(S):

The Senate amendment expands the allowable uses of transportation vehicle funds to include converting or repowering existing gas or diesel pupil transportation vehicles to electric or zero emission pupil transportation vehicles.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Recent federal infrastructure legislation includes incentives for schools to move to electric buses, but districts may not have the infrastructure or expertise to transition to electric vehicles. School districts brought this proposal to the Legislature. The bill has no state cost, has bipartisan support, preserves local control, and improves air quality.

There is a desire to transition to electric vehicles, but districts face financial constraints. Additional infrastructure investment is needed for the transition. Local transportation funds are restricted from being used for charging infrastructure, and capital funds are required for other school building maintenance purposes. This bill provides districts with the ability to use local levy funds as an initial outlay to perform feasibility studies and eventually make investments. There is no additional financial burden to the state, and the expanded uses allow districts to rely on funds from their own communities.

(Opposed) None.

(Other) There is support for the overall policy objective of using transportation vehicle funds to support zero-emission and electric buses. One issue is that the bill may allow funding to be used for propane, compressed natural gas, or other fossil fuel infrastructure. Referring to zero-emission vehicles and infrastructure rather than alternative fuels would limit the funds to electric and hydrogen technologies. This bill is an important step in the transition to electric school buses.

Classified school transportation employees share the goal of transitioning school buses to green energy. In the meantime, funding is needed to maintain the current fleet. Expanding fund uses without increases in state funding could put a strain on school districts' ability to maintain their existing fleets. Please consider increasing grants to allow districts to install charging stations.

Persons Testifying: (In support) Representative Tana Senn, prime sponsor; and Deborah Lurie, Mercer Island School Board.

(Other) Joel Creswell, Department of Ecology; and Rick Chisa, Public School Employees of Washington.

Persons Signed In To Testify But Not Testifying: None.