

E2SHB 1368 - S COMM AMD

By Committee on Early Learning & K-12 Education

OUT OF ORDER 03/01/2024

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** (1) The legislature finds that zero
4 emission vehicle technology is crucial to protecting Washington's
5 children from the health impacts of fossil fuel emissions and to
6 limiting the long-term impacts of climate change on our planet.
7 Spurred by a supportive regulatory environment, the state has made
8 great advances in recent years that have improved the performance and
9 reduced the costs of such vehicles. With the recent deployment of
10 financial incentives for clean transportation technology under the
11 federal bipartisan infrastructure law of 2021, the inflation
12 reduction act of 2022, and state funding for early adopters of zero
13 emission buses that began being made available in the 2023 enacted
14 budgets, the costs and performance of zero emission vehicles,
15 including zero emission school buses, are forecast to continue to
16 improve in coming years. Zero emission school buses on the market
17 today feature reduced fuel, operations, and maintenance costs
18 compared to their fossil-fueled counterparts.

19 (2) Zero emission school buses and the related reduction of
20 diesel exhaust will also have significant public health benefits for
21 children, school staff, bus drivers, and communities, and decrease
22 inequities. Residents in overburdened parts of Washington facing poor
23 air quality are disproportionately communities of color, rural, and
24 low-income and suffer from increased health risks, higher medical
25 bills, are living sicker and dying younger, emphasizing the need for
26 cleaner air and environmental justice.

27 (3) Therefore, it is the intent of the legislature to help
28 transition school districts, charter schools, and state-tribal
29 education compact schools to using zero emission school buses by
30 providing grants to communities that are bearing the most acute harms
31 of air pollution, and to replace the oldest diesel vehicles that were
32 manufactured under outdated and less protective federal emission

1 standards. Zero emission buses are intended to include both battery
2 electric technologies and hydrogen fuel cell technologies. Schools
3 and school districts receiving zero emission school buses funded
4 through this grant program are encouraged to coordinate with electric
5 utilities to utilize the vehicles to support electric system
6 reliability and capacity through vehicle-to-grid integration when the
7 school buses are not in service. Electric utilities are encouraged to
8 plan and take steps to ensure any service upgrades necessary to
9 support the onboarding of zero emission fleets of school buses,
10 including by making use of the grid modernization grant program
11 administered by the department of commerce.

12 NEW SECTION. **Sec. 2.** A new section is added to chapter 70A.15
13 RCW to read as follows:

14 (1) The department must administer the zero emission school bus
15 grant program within the clean diesel grant program for buses,
16 infrastructure, and related costs.

17 (2)(a) Appropriations to this grant program are provided solely
18 for grants to transition from fossil-fuel school buses to zero
19 emission vehicles. Eligible uses of grant funds include the planning
20 and acquisition of zero emission school bus vehicles for student
21 transportation, planning, design, and construction of associated
22 fueling and charging infrastructure, including infrastructure to
23 allow the use of zero emission buses in cold weather and other
24 challenging operational conditions, the scrapping of old diesel
25 school buses, and training drivers, mechanics, and facility
26 operations personnel to operate and maintain the zero emission buses
27 and infrastructure.

28 (b) Grant recipients may combine grant funds awarded under this
29 section with any other source of funding in order to secure all funds
30 needed to fully purchase each zero emission vehicle and any
31 associated charging infrastructure.

32 (c) Grants issued under this section are in addition to payments
33 made under the depreciation schedule adopted by the office of the
34 superintendent of public instruction.

35 (3) When selecting grant recipients, the department must
36 prioritize, in descending order of priority:

37 (a) School bus routes currently using school buses manufactured
38 prior to 2007 and serving overburdened communities, including
39 communities of color, rural, and low-income communities, highly

1 impacted by air pollution identified by the department under RCW
2 70A.65.020(1);

3 (b) If funds remain after reviewing grant applications meeting
4 the criteria of (a) of this subsection, school bus routes serving
5 overburdened communities, including communities of color, rural, and
6 low-income communities, highly impacted by air pollution identified
7 by the department under RCW 70A.65.020(1);

8 (c) If funds remain after reviewing grant applications meeting
9 the criteria of (a) and (b) of this subsection, the replacement of
10 school buses manufactured prior to 2007; and

11 (d) If funds remain after reviewing grant applications meeting
12 the criteria of (a), (b), or (c) of this subsection, to applicants
13 that demonstrate an unsuccessful application to receive federal
14 funding for zero emission school bus purposes prior to January 1,
15 2024.

16 (4) The department must distribute no less than 90 percent of the
17 funds appropriated under this section to grant recipients. Amounts
18 retained by the department may only be used as follows:

19 (a) Up to three and one-half percent of funds appropriated under
20 this section for administering the grant program; and

21 (b) Up to six and one-half percent of funds appropriated under
22 this section to provide technical assistance to grant applicants
23 including, but not limited to, assistance in evaluating charging
24 infrastructure and equipment and in coordinating with electric
25 utility service adequacy.

26 (5) The department must provide notice of a grant award decision
27 to the utility providing electrical service to the grant recipient.

28 (6) By June 1, 2025, the department in consultation with the
29 superintendent of public instruction must submit a report to the
30 governor and the relevant policy and fiscal committees of the
31 legislature providing an update on the status of implementation of
32 the grant program under this section.

33 (7) For the purposes of this section, "zero emission vehicles"
34 means a vehicle that produces zero exhaust emission of any air
35 pollutant and any greenhouse gas other than water vapor.

36 NEW SECTION. **Sec. 3.** A new section is added to chapter 28A.300
37 RCW to read as follows:

38 (1) By November 15, 2024, the office of the superintendent of
39 public instruction, in consultation with the department of ecology,

1 must carry out a survey of school districts, charter schools, and
2 state-tribal education compact schools focused on the uptake and
3 total cost of ownership of zero emission school buses. The office of
4 the superintendent of public instruction must submit a report to the
5 legislature summarizing their findings by December 1, 2024.

6 (2) The survey required under this section must collect
7 information from each school district and school on:

8 (a) Current zero emission vehicle charging and refueling capacity
9 and infrastructure;

10 (b) Whether, assuming the availability of grant funds and
11 depreciation schedule payments to cover the full cost of a vehicle,
12 including the total cost of ownership of the vehicle, the school
13 district or school would anticipate applying for funds to support
14 zero emission school bus or bus infrastructure purchases in the next
15 two years, and in the next five years;

16 (c) For any schools or school districts still using a school bus
17 after the end of its applicable depreciation schedule, whether the
18 bus was manufactured prior to 2007, and an explanation of why the
19 school or school district has continued to use the bus past the end
20 of its depreciation schedule; and

21 (d) Any other survey information deemed helpful by the department
22 of ecology or the office of the superintendent of public instruction
23 to facilitating the transition to zero emission vehicles.

24 (3) For purposes of this section, "zero emission vehicle" has the
25 same meaning as in section 2 of this act."

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26 On page 1, line 2 of the title, after "buses;" strike the
27 remainder of the title and insert "adding a new section to chapter
28 70A.15 RCW; adding a new section to chapter 28A.300 RCW; and creating
29 a new section."

EFFECT: (1) Removes provisions that require OSPI's depreciation
schedule to solely include zero-emission school buses once the total
cost of ownership is at or below the total cost of ownership of
diesel school buses, and all related provisions including rulemaking
authority and direction for reimbursement under this schedule.

(2) Removes provisions that require newly acquired school buses used for pupil transportation service contracts to be zero-emission and provisions granting exceptions to this requirement.

(3) Removes language changing the pupil transportation service contract period from 5 years to 15 years.

(4) Modifies the intent, grant program, and survey provisions to remove references to the depreciation schedule and pupil transportation contract requirements.

(5) Adds cross references to clarify the order of grant prioritization.

(6) Requires the Department of Ecology to provide notice of a grant award decision to the utility providing electrical service to the grant recipient.

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