

SENATE BILL REPORT

SB 5431

As of January 31, 2023

Title: An act relating to requiring and funding the purchase of zero emission school buses.

Brief Description: Requiring and funding the purchase of zero emission school buses.

Sponsors: Senators Shewmake, Hasegawa, Hunt, Liias, Lovelett, Nguyen, Pedersen, Saldaña, Valdez and Wilson, C..

Brief History:

Committee Activity: Early Learning & K-12 Education: 2/01/23.

Brief Summary of Bill

- Requires that any school buses purchased by school districts, charter schools, or state-tribal education compact schools be zero-emission school buses beginning September 1, 2035.
- Creates the Zero Emission School Bus Grant Program.
- Requires the Office of the Superintendent of Public Instruction to annually publish and update information regarding federal grant opportunities pertinent to non-zero-emission school bus replacement.
- Adjusts other school bus related statutes to comply with zero-emission requirements.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Staff: Benjamin Omdal (786-7442)

Background: Transportation Vehicle Fund. The Transportation Vehicle Fund is a fund on deposit with each county treasurer for each school district of the county. Deposits in a school district's transportation vehicle fund may include, but are not limited to, state

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

Vehicle purchases may include electric buses and other alternative fuel vehicles.

School Bus Categories. School districts are responsible for selecting, paying for, and maintaining student transportation vehicles purchased by the district. The Superintendent of Public Instruction is responsible for developing categories and competitive specifications for school bus acquisitions as well as a corresponding list of school bus dealers with the lowest purchase price quotes.

School districts and educational service districts that purchase buses through this competitive quote process or through a separate lowest-price competitive bid process are eligible for certain state funds that are based on the category of vehicle, the anticipated lifetime of vehicles of this category, and a state reimbursement rate.

School Bus Replacement Incentive Program. Legislation adopted in 2007, directed the Office of the Superintendent of Public Instruction (OSPI) to implement a school bus replacement incentive program for qualifying new buses purchased by a school district on or before June 30, 2009. Districts participating in the program were required to document that buses being replaced through the program were scrapped and not purchased for future road use.

Department of Ecology Emission Rules. Under the federal Clean Air Act (CAA), most states, including Washington, are restricted from enacting their own emissions standards for new motor vehicles, which is an authority generally reserved for the federal government. California is the only state allowed under the CAA to adopt state standards for vehicle emissions. Other states may adopt vehicle emissions standards identical to California's for specific vehicle model years.

In 2020, the Legislature required the Department of Ecology to adopt all of California's motor vehicle emission standards, which includes low-emission vehicle and zero-emission vehicle program regulations.

Summary of Bill: School Bus Purchase Requirements. Beginning September 1, 2035, any school buses purchased by school districts, charter schools, or state-tribal education compact schools must be zero-emission school buses, including buses used for pupil transportation services contracts.

The Zero Emission School Bus Grant Program. The Zero Emission School Bus Grant Program is established for the replacement of school buses powered by fossil fuels with zero-emission school buses. Eligible entities include school districts, charter schools, and state-tribal education compact schools.

Eligible grant uses include:

- zero-emission school buses;
- purchase and installation of school bus charging stations; and
- associated electric vehicle charging infrastructure and equipment.

OSPI shall develop a competitive grant application process and assist eligible applicants to apply for grants. The application process must reflect a ranking system based on factors that include providing the greatest reduction in greenhouse gas emissions, providing improvements in health equity for communities of color and low-income communities, and the age of applicants' fleets.

Grant amounts must not exceed, on a per-bus basis, the purchase price of the replacement school buses, less total state depreciation payments, for the specific school buses being replaced and their salvage value.

Transportation Vehicle Fund. Beginning September 1, 2035, any school buses purchased by school districts from the Transportation Vehicle Fund must be zero-emission.

School Bus Categories. Beginning September 1, 2035, school bus categories developed by the Superintendent of Public Instruction must solely include school buses that are zero-emission. OSPI shall annually publish and update information regarding federal grant opportunities pertinent to non-zero-emission school bus replacement.

School Bus Replacement Incentive Program. Beginning September 1, 2035, OSPI must provide funding for this program for school buses that are zero-emission, except for any remaining depreciation payments for school buses powered by fossil fuels that were purchased prior to that date.

Other Provisions. "Zero-emission" is defined as the emission of no exhaust gas from a vehicle's onboard source of power, other than water vapor.

The requirements of this act are in addition to any rules adopted by the Department of Ecology relating to motor vehicle emission standards. Nothing in the act modifies or limits state motor vehicle emission standards as they apply to zero-emission school buses.

Appropriation: The bill contains a section or sections to limit implementation to the availability of amounts appropriated for that specific purpose.

Fiscal Note: Requested on January 19, 2023.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.