
Environment & Energy Committee

HB 1368

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

Sponsors: Representatives Senn, Fey, Berry, Doglio, Peterson, Chapman, Fosse, Slatter, Gregerson, Callan, Lekanoff, Ramel, Stonier, Street, Santos, Fitzgibbon, Berg, Reed, Simmons, Bergquist, Goodman, Pollet, Cortes, Macri and Leavitt.

Brief Summary of Bill

- Requires school buses purchased by public kindergarten through twelfth grade (K-12) schools to be zero-emission school buses beginning September 1, 2035.
- Establishes a zero-emission school bus grant program for K-12 schools to be administered by the Office of the Superintendent of Public Instruction (OSPI).
- Amends school bus purchasing protocols of the OSPI and school districts to take into account the 2035 zero-emission bus purchasing requirement.

Hearing Date: 2/7/23

Staff: Jacob Lipson (786-7196).

Background:

Student Transportation.

School buses are used to transport students to and from school or in connection with designated school activities. School district boards of directors are responsible for the operation of student transportation programs. School districts may use school buses and drivers hired by the district or commercial chartered bus services for the transportation of school children and employees necessary for their supervision.

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.

School districts are responsible for selecting, paying for, and maintaining student transportation vehicles purchased by the district. Regarding school bus purchases, the Office of the Superintendent of Public Instruction (OSPI) 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. The accumulated value of the state payments received by the district and the potential investment return is designed to be equal to the replacement cost of the vehicle, less its salvage value, at the end of its anticipated lifetime.

Legislation adopted in 2007 directed the OSPI to implement a school bus replacement incentive program for qualifying new buses purchased by a school district on or before June 30, 2009.

Department of Ecology Zero Emission Vehicle Rules and Grant Programs.

Under the federal Clean Air Act (federal CAA), most states, including Washington, are restricted from enacting their own emissions standards for new motor vehicles, which is an authority generally reserved to the federal government. California is the only state allowed under the federal CAA to adopt state standards for vehicle emissions. California's vehicle emissions standards must be at least as protective of public health as federal standards and must be approved by the United States Environmental Protection Agency (EPA). Other states may adopt vehicle emissions standards that are identical to California's vehicle emissions standards for specific vehicle model years. The motor vehicle emissions standards established by California contain two program components: low-emission vehicle (LEV) requirements and zero-emission vehicle (ZEV) requirements.

The California ZEV program requires that a specified percentage of the vehicles delivered for sale in the state by manufacturers must be ZEVs. California's current ZEV standards for passenger cars and light-duty trucks require that ZEV credits equal to 9.5 percent of vehicles produced by manufacturers and delivered for sale in California be ZEVs by 2020, increasing to 22 percent for model year 2025 and beyond.

In 2020 the Legislature enacted a bill that requires the Department of Ecology (Ecology) to adopt all of California's motor vehicle emission standards, including the ZEV program. Ecology adopted initial rules to implement the ZEV program in 2021, and in December of 2022 updated its rules to increase the standard for ZEV sales of passenger cars, light-duty trucks, and medium-duty vehicles to 100 percent beginning in 2035, in accordance with a similar rule recently adopted in California.

As part of Ecology's clean diesel program, Ecology administers grant programs that have a goal of reducing diesel pollution emissions, including grants that have been used to purchase zero-emission school buses.

Summary of Bill:

Beginning September 1, 2035, any school buses purchased by school districts, charter schools, or state-tribal education compact schools, or used for pupil transportation services contracts.

A zero-emission school bus grant program (ZESBGP) is established to make grants to school districts, charter schools, and tribal education compact schools. Grants may be used to replace fossil-fuel powered buses with zero-emission buses, and to purchase and install charging stations and related infrastructure. School district buses must be at the end of their depreciation schedule and deemed eligible for replacement under the general Office of the Superintendent of Public Instruction (OSPI) process for school bus replacement to be eligible for replacement under the ZESBGP. For tribal compact schools and charter schools, the OSPI must establish a standard that is sufficiently equivalent to the eligibility standard for the replacement of school district buses. Grant amounts may not exceed the purchase price of replacement school buses, minus depreciation payments or similar state payments that have been received for the specific school buses, and salvage value. This cap on the amount of a grant for a zero-emission replacement bus does not include grant funding awarded for purchase and installation of school bus charging stations.

The OSPI must develop a competitive grant application process for the ZESBGP that includes a ranking system that considers greenhouse gas emission reductions, improvements in health equity for communities of color and low-income communities, and the age of applicants' fleets, and that make account for other specified factors. The OSPI may use up to three percent of amounts appropriated for administration of the ZESBGP. The OSPI must adopt rules for the ZESBGP. Once nonzero-emission school bus pricing is deemed no longer necessary by the OSPI to calculate depreciation payments for school buses, the school bus categories for which the OSPI calculates depreciation payments must only include zero-emission school buses. Beginning in 2035, the OSPI may only provide funding under the school bus replacement incentive program for zero-emission school buses, but may continue to provide any remaining depreciation payments for fossil fuel powered buses purchased prior to September 1, 2035. The OSPI must annually publish and update information regarding federal grant opportunities related to nonzero-emission school bus replacement.

Zero- emission school bus purchasing requirements are in addition to the Department of Ecology's zero-emission vehicle rules, and the zero-emission school bus purchasing requirements do not modify the provisions governing the Department of Ecology's adoption of California's motor vehicle emission standards.

Appropriation: None.

Fiscal Note: Requested on January 31, 2023.

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