

Proposed Second Substitute House Bill 1368 (H-2461.1)
House Appropriations Committee
By Representative Senn

Original Bill: Requiring and funding the purchase of zero emission school buses.

Proposed Second Substitute (H-2461.1) compared to the substitute from the House Environment & Energy Committee (H-1243.2)

- Replaces the deadlines for school bus purchases for public schools to be zero-emission with a deadline that all bus purchases be zero-emission by September 1, 2027.
- Instead of establishing the zero-emission grant program, requires the Department of Ecology (Ecology) to shift the electric school bus grant program to a formula-based grant available to all school districts by July 1, 2027, subject to amounts appropriated.
- Requires the Office of the Superintendent of Public Instruction to assist Ecology's transition to a formula-based grant program.
- Changes the timeline for open procurement of contracted pupil transportation services from every 5 years to every 15 years.

Staff: James Mackison
Office of Program Research
Date: 01/08/2024

BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: H-2461.1/24

ATTY/TYPIST: CC:akl

BRIEF DESCRIPTION: Requiring and funding the purchase of zero emission school buses.

Proposed Second Substitute House Bill 1368

by Representative Senn

1 AN ACT Relating to requiring and funding the purchase of zero
2 emission school buses; amending RCW 28A.160.140, 28A.160.130, and
3 28A.160.195; adding new sections to chapter 28A.160 RCW; adding a new
4 section to chapter 70A.15 RCW; adding a new section to chapter
5 28A.710 RCW; adding a new section to chapter 28A.715 RCW; and
6 creating a new section.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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

1 today feature reduced fuel, operations, and maintenance costs
2 compared to their fossil-fueled counterparts. Zero emission school
3 buses also have significant public health benefits for children and
4 are part of a broad-based policy approach to slowing the
5 environmental consequences of climate change.

6 (2) Further, the legislature finds that school districts need
7 funding support to enable the transition to zero emission buses,
8 including accurately reflecting the costs of zero emission buses in
9 the state's reimbursement schedule for school buses.

10 (3) Therefore, it is the intent of the legislature to transition
11 school districts, charter schools, and state-tribal education compact
12 schools to using only zero emission school buses and to facilitate
13 this transition through: (a) The requirements set forth in this act;
14 and (b) financial support for purchasing electric school buses,
15 scrapping old diesel school buses, and installing associated charging
16 infrastructure available from the electric school bus grant program
17 that is administered by the Washington state clean diesel program at
18 the department of ecology.

19 NEW SECTION. **Sec. 2.** A new section is added to chapter 28A.160
20 RCW to read as follows:

21 (1) Beginning September 1, 2027, all school buses purchased by
22 school districts, charter schools, or state-tribal education compact
23 schools, or used for pupil transportation services contracts under
24 RCW 28A.160.140 and acquired by the contractor after September 1,
25 2027, must be zero emission school buses.

26 (2) If a school district, charter school, state-tribal education
27 compact school, or contractor that provides pupil transportation
28 services determines that the purchase or contracting of a zero
29 emission school bus is not feasible, it may request a one-time
30 extension for a term not to exceed five years.

31 (3) The office of the superintendent of public instruction must:

32 (a) Receive and, jointly with the department of ecology, evaluate
33 a pupil transportation services provider's request, and grant a one-
34 time extension based on reasonably demonstrating that the purchase or
35 contract is not feasible; and

36 (b) Provide the department of ecology with ongoing advice and
37 recommendations for adjustments to the grant guidelines and
38 administration of the electric school bus grant program in accordance
39 with the policies set forth in this section, with the objective of

1 transitioning the grant program from a competitive grant program to a
2 formula-based program providing financial assistance to all school
3 districts by 2027.

4 (4) For the purposes of this section, "zero emission school bus"
5 means a school bus that produces zero exhaust emission of any air
6 pollutant and any greenhouse gas other than water vapor.

7 NEW SECTION. **Sec. 3.** A new section is added to chapter 70A.15
8 RCW to read as follows:

9 Subject to the availability of funds appropriated for this
10 specific purpose, beginning July 1, 2027, the department must
11 administer the electric school bus grant program as a formula-based
12 grant available to all school districts. The department must consult
13 with the office of the superintendent of public instruction as
14 prescribed in section 2 of this act. The electric school bus grant
15 program is not part of the basic program of education that must be
16 fully funded under Article IX, section 1 of the state Constitution.

17 **Sec. 4.** RCW 28A.160.140 and 1990 c 33 s 140 are each amended to
18 read as follows:

19 As a condition of entering into a pupil transportation services
20 contract with a private nongovernmental entity, each school district
21 shall engage in an open competitive process at least once every
22 ((five)) 15 years. This requirement shall not be construed to
23 prohibit a district from entering into a pupil transportation
24 services contract of less than ((five)) 15 years in duration with a
25 district option to renew, extend, or terminate the contract, if the
26 district engages in an open competitive process at least once every
27 ((five)) 15 years after July 26, 1987. As used in this section:

28 (1) "Open competitive process" means either one of the following,
29 at the choice of the school district:

30 (a) The solicitation of bids or quotations and the award of
31 contracts under RCW 28A.335.190; or

32 (b) The competitive solicitation of proposals and their
33 evaluation consistent with the process and criteria recommended or
34 required, as the case may be, by the office of financial management
35 for state agency acquisition of personal service contractors;

36 (2) "Pupil transportation services contract" means a contract for
37 the operation of privately owned or school district owned school
38 buses, and the services of drivers or operators, management and

1 supervisory personnel, and their support personnel such as
2 secretaries, dispatchers, and mechanics, or any combination thereof,
3 to provide students with transportation to and from school on a
4 regular basis; and

5 (3) "School bus" means a motor vehicle as defined in RCW
6 46.04.521 and under the rules of the superintendent of public
7 instruction.

8 **Sec. 5.** RCW 28A.160.130 and 2022 c 200 s 1 are each amended to
9 read as follows:

10 (1) There is created a fund on deposit with each county treasurer
11 for each school district of the county, which shall be known as the
12 transportation vehicle fund. Money to be deposited into the
13 transportation vehicle fund shall include, but is not limited to, the
14 following:

15 (a) The balance of accounts held in the general fund of each
16 school district for the purchase of approved transportation equipment
17 and for major transportation equipment repairs under RCW 28A.150.280.
18 The amount transferred shall be the balance of the account as of
19 September 1, 1982;

20 (b) Reimbursement payments provided for in RCW 28A.160.200 except
21 those provided under RCW 28A.160.200(3) that are necessary for
22 contracted payments to private carriers;

23 (c) Earnings from transportation vehicle fund investments as
24 authorized in RCW 28A.320.300; and

25 (d) The district's share of the proceeds from the sale of
26 transportation vehicles, as determined by the superintendent of
27 public instruction.

28 (2) Funds in the transportation vehicle fund may be used for the
29 following purposes:

30 (a) Purchase of pupil transportation vehicles pursuant to RCW
31 28A.160.200 and 28A.150.280;

32 (b) Payment of conditional sales contracts as authorized in RCW
33 28A.335.200 or payment of obligations authorized in RCW 28A.530.080,
34 entered into or issued for the purpose of pupil transportation
35 vehicles;

36 (c) Major repairs to pupil transportation vehicles;

37 (d) To complete a feasibility plan to transition from gas or
38 diesel pupil transportation vehicles to electric or zero emission
39 pupil transportation vehicles;

1 (e) Purchase, installation, and repair of electric pupil
2 transportation vehicle charging stations and other zero emission
3 pupil transportation vehicle fueling stations and for other costs
4 necessary for station installation; and

5 (f) Converting or repowering existing gas or diesel pupil
6 transportation vehicles to electric or zero emission pupil
7 transportation vehicles.

8 (3) Beginning September 1, 2027, all school buses purchased by a
9 school district from the transportation vehicle fund must meet the
10 definition of zero emission school bus in section 2 of this act.

11 (4) The superintendent of public instruction shall adopt rules
12 which shall establish the standards, conditions, and procedures
13 governing the establishment and use of the transportation vehicle
14 fund. The rules shall not permit the transfer of funds from the
15 transportation vehicle fund to any other fund of the district.

16 **Sec. 6.** RCW 28A.160.195 and 2005 c 492 s 1 are each amended to
17 read as follows:

18 (1) The superintendent of public instruction, in consultation
19 with the regional transportation coordinators of the educational
20 service districts, shall establish a minimum number of school bus
21 categories considering the capacity and type of vehicles required by
22 school districts in Washington. Once nonzero emission school bus
23 pricing is deemed no longer necessary by the office of the
24 superintendent of public instruction for calculating reimbursement or
25 depreciation payments, these school bus categories must solely
26 include school buses that meet the definition of zero emission school
27 bus in section 2 of this act. The superintendent, in consultation
28 with the regional transportation coordinators of the educational
29 service districts, shall establish competitive specifications for
30 each category of school bus. The categories shall be developed to
31 produce minimum long-range operating costs, including costs of
32 equipment and all costs in operating the vehicles. The competitive
33 specifications shall meet federal motor vehicle safety standards,
34 minimum state specifications as established by rule by the
35 superintendent, and supported options as determined by the
36 superintendent in consultation with the regional transportation
37 coordinators of the educational service districts. The superintendent
38 may solicit and accept price quotes for a rear-engine category school

1 bus that shall be reimbursed at the price of the corresponding front
2 engine category.

3 (2) After establishing school bus categories and competitive
4 specifications, the superintendent of public instruction shall
5 solicit competitive price quotes for base buses from school bus
6 dealers to be in effect for one year and shall establish a list of
7 all accepted price quotes in each category obtained under this
8 subsection. The superintendent shall also solicit price quotes for
9 optional features and equipment and, beginning September 1, 2027,
10 shall require vendors to ensure that emission-related features and
11 equipment produce zero exhaust emission of any air pollutant and any
12 greenhouse gas other than water vapor.

13 (3) The superintendent shall base the level of reimbursement to
14 school districts and educational service districts for school buses
15 on the lowest quote for the base bus in each category. School
16 districts and educational service districts shall be reimbursed for
17 buses purchased only through a lowest-price competitive bid process
18 conducted under RCW 28A.335.190 or through the state bid process
19 established by this section.

20 (4) Notwithstanding RCW 28A.335.190, school districts and
21 educational service districts may purchase at the quoted price
22 directly from any dealer who is on the list established under
23 subsection (2) of this section. School districts and educational
24 service districts may make their own selections for school buses, but
25 shall be reimbursed at the rates determined under subsection (3) of
26 this section and RCW 28A.160.200. District-selected options shall not
27 be reimbursed by the state.

28 (5) This section does not prohibit school districts or
29 educational service districts from conducting their own competitive
30 bid process. However, beginning September 1, 2027, any school buses
31 purchased by school districts, or used for pupil transportation
32 services contracts under RCW 28A.160.140, must be school buses that
33 meet the definition of zero emission school bus in section 2 of this
34 act.

35 (6) The superintendent of public instruction may adopt rules
36 under chapter 34.05 RCW to implement this section.

37 NEW SECTION. Sec. 7. A new section is added to chapter 28A.160
38 RCW to read as follows:

1 The requirements of this act are in addition to any rules adopted
2 by the department of ecology under chapter 70A.30 RCW, and nothing in
3 this act modifies or limits the provisions of chapter 70A.30 RCW as
4 they apply to zero emission school buses.

5 NEW SECTION. **Sec. 8.** A new section is added to chapter 28A.710
6 RCW to read as follows:

7 Section 2 of this act, related to zero emission school buses,
8 governs school operation and management under RCW 28A.710.040 and
9 applies to charter schools established under this chapter.

10 NEW SECTION. **Sec. 9.** A new section is added to chapter 28A.715
11 RCW to read as follows:

12 Section 2 of this act, related to zero emission school buses,
13 governs school operation and management under RCW 28A.715.020 and
14 applies to state-tribal education compact schools established under
15 this chapter.

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