

---

THE GENERAL ASSEMBLY OF PENNSYLVANIA

---

HOUSE BILL

No. 1542 Session of  
2023

---

INTRODUCED BY MARKOSEK, MADDEN, HILL-EVANS, KENYATTA, BRENNAN,  
MALAGARI, SCHLOSSBERG, KAZEEM, SANCHEZ, HOHENSTEIN, MERSKI,  
STEELE, KRAJEWSKI AND GREEN, JUNE 29, 2023

---

REFERRED TO COMMITTEE ON EDUCATION, JUNE 29, 2023

---

AN ACT

1 Establishing the Electric School Bus Grant Program and the  
2 Electric School Bus Grant Program Fund; providing for duties  
3 of the Department of Education; and making an appropriation.

4 The General Assembly of the Commonwealth of Pennsylvania  
5 hereby enacts as follows:

6 Section 1. Short title.

7 This act shall be known and may be cited as the Electric  
8 School Bus Grant Program Act.

9 Section 2. Definitions.

10 The following words and phrases when used in this act shall  
11 have the meanings given to them in this section unless the  
12 context clearly indicates otherwise:

13 "Charging infrastructure." A facility or equipment that is  
14 used to charge a battery or other energy storage device of a  
15 vehicle that is fully or partially powered by electricity.

16 "Department." The Department of Education of the  
17 Commonwealth.

18 "Disproportionately impacted community." Any of the

1 following:

2 (1) A community that is in a census block group, as  
3 determined in accordance with the most recent Federal  
4 decennial census, where:

5 (i) the proportion of households that are low income  
6 is more than 40%;

7 (ii) the proportion of households that identify as  
8 minority is more than 40%; or

9 (iii) the proportion of households that are cost-  
10 burdened is more than 40%.

11 (2) A community identified or approved by a State agency  
12 as a disproportionately impacted community if any of the  
13 following apply:

14 (i) The community has a history of environmental  
15 racism perpetuated through redlining, anti-Indigenous,  
16 anti-immigrant, anti-Hispanic or anti-Black laws.

17 (ii) The community is impacted by multiple factors,  
18 including socioeconomic stressors, disproportionate  
19 environmental burdens, vulnerability to environmental  
20 degradation and a lack of public participation, which may  
21 act cumulatively to affect the health and environment and  
22 contribute to persistent disparities.

23 "Electric-powered school bus." A school bus that is powered  
24 solely by electricity.

25 "Fund." The Electric School Bus Grant Program Fund  
26 established under section 6(a).

27 "Grantee." A recipient of a grant under the program.

28 "Internal combustion engine school bus." A school bus  
29 powered by diesel fuel or gasoline.

30 "Nonattainment area." An area of this Commonwealth that has

1 been designated by the Environmental Protection Agency as being  
2 in nonattainment with national ambient air quality standards.

3 "Program." The Electric School Bus Grant Program established  
4 under section 3(a).

5 "School bus." A school bus as defined in 75 Pa.C.S. § 102  
6 (relating to definitions).

7 "School entity." A public school, including a charter school  
8 or cyber charter school, intermediate unit or area career and  
9 technical school operating within this Commonwealth.

10 "Secretary." The Secretary of Education of the Commonwealth.  
11 Section 3. Electric School Bus Grant Program.

12 (a) Establishment.--The Electric School Bus Grant Program is  
13 established within the department. The department shall award  
14 grants under the program to a school entity or a contracted  
15 nonprofit organization or private entity acting on behalf of the  
16 school entity to finance the following:

17 (1) The procurement and maintenance of electric-powered  
18 school buses, the conversion of internal combustion engine  
19 school buses to electric-powered school buses, charging  
20 infrastructure and electrical upgrades on each customer's  
21 side of the meter as necessary to support charging  
22 infrastructure.

23 (2) The administrative costs associated with the  
24 procurements, conversions, maintenance or retirements  
25 specified under paragraph (1), including up-front  
26 administrative costs associated with developing and  
27 implementing a proposal for the procurements, conversions or  
28 maintenance.

29 (b) Duties.--The department shall administer the program,  
30 including providing the necessary technical assistance for the

1 program. The department may provide no more than the equivalent  
2 of one-half of a full-time employee of the department to provide  
3 technical assistance to a school entity regarding applying for a  
4 grant under the program and implementing a project with the  
5 awarded grant money.

6 (c) Application.--The department shall establish an  
7 application process for a school entity or a contracted  
8 nonprofit organization or private entity acting on behalf of the  
9 school entity to apply for a grant under the program. The  
10 department shall post information about the program application  
11 process, including an application form that the department  
12 develops for the program, on the department's publicly  
13 accessible Internet website.

14 Section 4. Criteria for awarding grants under program.

15 (a) Criteria.--The department shall develop criteria for  
16 awarding grants under the program, which shall include all of  
17 the following:

18 (1) Giving priority to a school entity:

19 (i) located in or attended by students living in a  
20 disproportionately impacted community;

21 (ii) located in a nonattainment area;

22 (iii) where at least a certain percentage of  
23 students, as determined by the department, receive free  
24 or reduced-price lunches under the National School Lunch  
25 Program; or

26 (iv) that retires or converts at least a certain  
27 percentage, as determined by the department, of the  
28 grantee's internal combustion engine school buses or  
29 retire or convert the grantee's internal combustion  
30 engine school buses in a certain manner.

1           (2) Periodic reporting requirements for a grantee to  
2 demonstrate that the grant money awarded under the program is  
3 being used in accordance with this act.

4           (3) Procedures for addressing a grantee's noncompliance  
5 with this act, including procedures for the reimbursement of  
6 grant money awarded under the program.

7           (b) Limitation.--The department shall limit the amount of a  
8 grant awarded under the program to a school entity as necessary  
9 to achieve cost parity between the costs associated with the  
10 school entity's existing internal combustion engine school buses  
11 and costs associated with the procurements, conversions,  
12 maintenance, retirements and administrative costs specified  
13 under section 3.

14 Section 5. Contract terms for transportation services.

15           (a) Transportation services.--If a contract for the  
16 furnishing of transportation of students to and from a school  
17 entity is executed by the school entity on or after the  
18 effective date of this subsection, the contract shall be made  
19 for a term not to exceed 15 years. The contract shall be  
20 renewable at the option of the school entity and the party  
21 contracted to provide transportation services, jointly, at the  
22 end of the term of the contract. The renewed contract shall  
23 include all of the terms and conditions of the previous  
24 contract, including any provisions increasing rates based on  
25 increased costs.

26           (b) School bus leases.--

27           (1) Except as provided under paragraph (2), if a  
28 contract is executed by a school entity for the lease or  
29 rental of a school bus on or after the effective date of this  
30 subsection, the contract shall be made for a term not to

1 exceed 15 years.

2 (2) If the contract under paragraph (1) provides that  
3 the school entity may exercise an option to purchase the  
4 school bus or cancel the lease or rental at the end of each  
5 annual period during the period of the contract, the contract  
6 may be made for a term not to exceed 20 years.

7 (c) Negotiations.--Notwithstanding any other provision of  
8 law, nothing in this section shall be construed to prohibit a  
9 contract specified under subsection (a) or (b) from being  
10 negotiated annually within the contract period when economic  
11 factors indicate negotiation is necessary to maintain an  
12 equitable pricing structure, subject to the approval of each  
13 contracting party.

14 (d) Compliance.--Any rental, lease or lease-purchase of a  
15 school bus shall comply with any other applicable laws of this  
16 Commonwealth.

17 Section 6. Electric School Bus Grant Program Fund.

18 (a) Establishment.--The Electric School Bus Grant Program  
19 Fund is established within the State Treasury. The department  
20 shall administer the fund for the purposes of this act. The fund  
21 consists of money transferred or appropriated to the fund for  
22 implementation of the program and available money from Federal  
23 sources and gifts, grants and donations received under  
24 subsection (b).

25 (b) Sources.--

26 (1) The fund shall consist of money appropriated to the  
27 fund by the General Assembly.

28 (2) The department may seek, accept and receive money  
29 from Federal sources and gifts, grants and donations from  
30 public and private entities for deposit into the fund. The

1 department shall transmit money received under this paragraph  
2 to the State Treasurer, who shall deposit the money into the  
3 fund.

4 (c) Appropriations.--Money in the fund is appropriated on a  
5 continuing basis to the department for the purposes of this act.  
6 The State Treasurer shall credit all interest and income derived  
7 from the deposit and investment of money in the fund to the  
8 fund. Unexpended and unencumbered money remaining in the fund at  
9 the end of a fiscal year shall not lapse.

10 (d) Direct or indirect costs.--The department may use up to  
11 8% of the money in the fund to cover the direct and indirect  
12 costs the department incurs in administering the program.

13 (e) Technical assistance.--The department shall reserve a  
14 portion of the money in the fund to provide ongoing technical  
15 assistance to a school district to seize available Federal funds  
16 and understand fleet transition considerations for the school  
17 district's specific situation.

18 Section 7. Contracted nonprofit organizations or private  
19 entities.

20 In order to expediently process contracts for the provision  
21 of transportation services funded by a grant awarded under the  
22 program, a school entity may select a preapproved contracted  
23 nonprofit organization or private entity that meets all of the  
24 following criteria:

25 (1) The nonprofit organization or private entity  
26 provides any of the following:

- 27 (i) An electric school bus.
- 28 (ii) An electric school bus charging infrastructure.
- 29 (iii) Charging and charging management services.
- 30 (iv) Electric school bus services.

1           (2) The nonprofit organization or private entity has  
2 sought and received approval from the secretary to provide  
3 any of the products or services listed under paragraph (1).

4 Section 8. Reports.

5           (a) Submission.--On or before January 1, 2025, and on or  
6 before January 1 of each odd-numbered year thereafter, the  
7 department shall prepare a report summarizing the progress of  
8 the program and submit the report to the following:

9           (1) The chairperson and minority chairperson of the  
10 Education Committee of the Senate.

11           (2) The chairperson and minority chairperson of the  
12 Education Committee of the House of Representatives.

13           (3) The chairperson and minority chairperson of the  
14 Environmental Resources and Energy Committee of the Senate.

15           (4) The chairperson and minority chairperson of the  
16 Environmental Resources and Energy Committee of the House of  
17 Representatives.

18           (5) The chairperson and minority chairperson of the  
19 Transportation Committee of the Senate.

20           (6) The chairperson and minority chairperson of the  
21 Transportation Committee of the House of Representatives.

22           (b) Accessibility.--The department shall post a copy of each  
23 report under subsection (a) on the department's publicly  
24 accessible Internet website.

25 Section 9. Effective date.

26           This act shall take effect in 60 days.