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**HOUSE BILL 1368**

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**State of Washington**

**68th Legislature**

**2023 Regular Session**

**By** Representatives Senn, Fey, Berry, Doglio, Peterson, Chapman, Fosse, Slatter, Gregerson, Callan, Lekanoff, Ramel, Stonier, Street, Santos, Fitzgibbon, and Berg

1 AN ACT Relating to requiring and funding the purchase of zero  
2 emission school buses; amending RCW 28A.160.130, 28A.160.195, and  
3 28A.160.205; adding new sections to chapter 28A.160 RCW; adding a new  
4 section to chapter 28A.710 RCW; adding a new section to chapter  
5 28A.715 RCW; and creating a new section.

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

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

1 for children and are part of a broad-based policy approach to slowing  
2 the environmental consequences of climate change.

3 (2) Therefore, it is the intent of the legislature to transition  
4 school districts, charter schools, and state-tribal education compact  
5 schools to using only zero emission school buses and to facilitate  
6 this transition through the requirements and zero emission school bus  
7 grant program.

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

10 (1) Beginning September 1, 2035, any school buses purchased by  
11 school districts, charter schools, or state-tribal education compact  
12 schools, or used for pupil transportation services contracts under  
13 RCW 28A.160.140, must be zero emission school buses.

14 (2) For the purposes of this section, "zero emission" means the  
15 emission of no exhaust gas from a vehicle's onboard source of power,  
16 other than water vapor.

17 NEW SECTION. **Sec. 3.** A new section is added to chapter 28A.160  
18 RCW to read as follows:

19 (1) The zero emission school bus grant program is hereby  
20 established. Grants to school districts, charter schools, and state-  
21 tribal education compact schools for the replacement of school buses  
22 powered by fossil fuels with zero emission school buses must be  
23 funded in accordance with this section.

24 (2) Eligibility.

25 (a) Only school districts, charter schools, and state-tribal  
26 education compact schools are eligible for a grant under this  
27 section.

28 (b) Zero emission school buses, purchase and installation of  
29 school bus charging stations, and associated electric vehicle  
30 charging infrastructure and equipment are eligible grant uses under  
31 this section.

32 (c) Except as provided for under (d) of this subsection, school  
33 buses powered by fossil fuels must be at the end of their  
34 depreciation schedule and deemed eligible for replacement pursuant to  
35 RCW 28A.160.200 to be eligible for replacement under this program.

36 (d) For the purpose of determining eligibility for charter school  
37 bus and state-tribal education compact school bus replacement under  
38 this section, the office of the superintendent of public instruction

1 must establish a standard that is sufficiently equivalent to the  
2 standard used to determine eligibility for school district bus  
3 replacement under (c) of this subsection.

4 (3) Application process.

5 (a) The office of the superintendent of public instruction shall  
6 develop a competitive grant application process and assist eligible  
7 applicants in matters related to applying for grants under this  
8 section.

9 (b) The competitive application process established under this  
10 section must reflect a ranking system based on the following factors:

11 (i) Providing the greatest reduction in greenhouse gas emissions, as  
12 measured by the number of vehicle miles traveled, for the amount of  
13 state grant support; (ii) providing improvements in health equity for  
14 communities of color and low-income communities; and (iii) the age of  
15 applicants' fleets. The office of the superintendent of public  
16 instruction may take into consideration other factors, such as  
17 providing air quality improvements in areas with high traffic  
18 congestion. However, the office of the superintendent of public  
19 instruction must first prioritize grants that provide the greatest  
20 reduction in greenhouse gas emissions for the amount of state grant  
21 support. The office of the superintendent of public instruction may  
22 consult with the department of ecology in the development and  
23 evaluation of granting criteria.

24 (4) Administration.

25 (a) The office of the superintendent of public instruction may  
26 use up to three percent of amounts appropriated for the grant program  
27 under this section for costs that result from administration of the  
28 program.

29 (b) Subject to the availability of amounts appropriated for this  
30 specific purpose, the office of the superintendent of public  
31 instruction shall award grants under this section on a competitive  
32 basis and shall promulgate administrative rules for this purpose,  
33 subject to other requirements of this section.

34 (c) The office of the superintendent of public instruction must  
35 require that school districts, charter schools, and state-tribal  
36 education compact schools receiving a grant for a zero emission  
37 school bus grant under this section attest to meeting at least one of  
38 the following conditions: (i) At the time of the grant award, the  
39 grantee has sufficient charging infrastructure in place to operate  
40 the replacement bus; or (ii) the grantee has secured enough funding,

1 inclusive of any prospective grant awarded under this section, to  
2 purchase and install sufficient charging infrastructure to operate  
3 the replacement bus.

4 (d) Grant awards to school districts must be deposited in the  
5 transportation vehicle fund of the receiving school district  
6 established under RCW 28A.160.130.

7 (5) Grant amount limitations. Grant amounts to school districts,  
8 charter schools, and state-tribal education compact schools for the  
9 replacement of school buses under this section must not exceed, on a  
10 per-bus basis, the purchase price of the replacement school buses,  
11 less total state depreciation payments received pursuant to RCW  
12 28A.160.200 or any similar state payments to the extent applicable,  
13 for the specific school buses being replaced and their salvage value.  
14 Grant funding awarded for the purchase and installation of school bus  
15 charging stations must not be included in this calculation.

16 (6) For the purposes of this section, "zero emission" has the  
17 same meaning as in section 2 of this act.

18 **Sec. 4.** RCW 28A.160.130 and 2022 c 200 s 1 are each amended to  
19 read as follows:

20 (1) There is created a fund on deposit with each county treasurer  
21 for each school district of the county, which shall be known as the  
22 transportation vehicle fund. Money to be deposited into the  
23 transportation vehicle fund shall include, but is not limited to, the  
24 following:

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

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

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

35 (d) The district's share of the proceeds from the sale of  
36 transportation vehicles, as determined by the superintendent of  
37 public instruction.

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

1 (a) Purchase of pupil transportation vehicles pursuant to RCW  
2 28A.160.200 and 28A.150.280;

3 (b) Payment of conditional sales contracts as authorized in RCW  
4 28A.335.200 or payment of obligations authorized in RCW 28A.530.080,  
5 entered into or issued for the purpose of pupil transportation  
6 vehicles;

7 (c) Major repairs to pupil transportation vehicles;

8 (d) To complete a feasibility plan to transition from gas or  
9 diesel pupil transportation vehicles to electric or zero emission  
10 pupil transportation vehicles;

11 (e) Purchase, installation, and repair of electric pupil  
12 transportation vehicle charging stations and other zero emission  
13 pupil transportation vehicle fueling stations and for other costs  
14 necessary for station installation; and

15 (f) Converting or repowering existing gas or diesel pupil  
16 transportation vehicles to electric or zero emission pupil  
17 transportation vehicles.

18 (3) Beginning September 1, 2035, any school buses purchased by  
19 school districts from the transportation vehicle fund must meet the  
20 definition of zero emission in section 2 of this act.

21 (4) The superintendent of public instruction shall adopt rules  
22 which shall establish the standards, conditions, and procedures  
23 governing the establishment and use of the transportation vehicle  
24 fund. The rules shall not permit the transfer of funds from the  
25 transportation vehicle fund to any other fund of the district.

26 **Sec. 5.** RCW 28A.160.195 and 2005 c 492 s 1 are each amended to  
27 read as follows:

28 (1) The superintendent of public instruction, in consultation  
29 with the regional transportation coordinators of the educational  
30 service districts, shall establish a minimum number of school bus  
31 categories considering the capacity and type of vehicles required by  
32 school districts in Washington. Once nonzero emission school bus  
33 pricing is deemed no longer necessary by the office of the  
34 superintendent of public instruction for calculating depreciation  
35 payments, these school bus categories must solely include school  
36 buses that meet the definition of zero emission in section 2 of this  
37 act. The superintendent, in consultation with the regional  
38 transportation coordinators of the educational service districts,  
39 shall establish competitive specifications for each category of

1 school bus. The categories shall be developed to produce minimum  
2 long-range operating costs, including costs of equipment and all  
3 costs in operating the vehicles. The competitive specifications shall  
4 meet federal motor vehicle safety standards, minimum state  
5 specifications as established by rule by the superintendent, and  
6 supported options as determined by the superintendent in consultation  
7 with the regional transportation coordinators of the educational  
8 service districts. The superintendent may solicit and accept price  
9 quotes for a rear-engine category school bus that shall be reimbursed  
10 at the price of the corresponding front engine category.

11 (2) After establishing school bus categories and competitive  
12 specifications, the superintendent of public instruction shall  
13 solicit competitive price quotes for base buses from school bus  
14 dealers to be in effect for one year and shall establish a list of  
15 all accepted price quotes in each category obtained under this  
16 subsection. The superintendent shall also solicit price quotes for  
17 optional features and equipment and, beginning September 1, 2035,  
18 require vendors to ensure that emission-related features meet the  
19 definition of zero emission in section 2 of this act.

20 (3) The superintendent shall base the level of reimbursement to  
21 school districts and educational service districts for school buses  
22 on the lowest quote for the base bus in each category. School  
23 districts and educational service districts shall be reimbursed for  
24 buses purchased only through a lowest-price competitive bid process  
25 conducted under RCW 28A.335.190 or through the state bid process  
26 established by this section.

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

35 (5) This section does not prohibit school districts or  
36 educational service districts from conducting their own competitive  
37 bid process. However, beginning September 1, 2035, any school buses  
38 purchased by school districts, or used for pupil transportation  
39 services contracts under RCW 28A.160.140, must be school buses that  
40 meet the definition of zero emission in section 2 of this act.

1       (6) The office of the superintendent of public instruction shall  
2 annually publish and update information regarding federal grant  
3 opportunities pertinent to nonzero emission school bus replacement,  
4 such as the clean school bus program under Title 42 U.S.C Sec. 16091.

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

7       **Sec. 6.** RCW 28A.160.205 and 2007 c 348 s 101 are each amended to  
8 read as follows:

9       (1) ~~((The)) Subject to subsection (2) of this section, the office~~  
10 ~~of the superintendent of public instruction shall implement a school~~  
11 ~~bus replacement incentive program. ((As part of the program, the~~  
12 ~~office shall fund up to ten percent of the cost of a new 2007 or~~  
13 ~~later model year school bus that meets the 2007 federal motor vehicle~~  
14 ~~emission control standards and is purchased by a school district by~~  
15 ~~no later than June 30, 2009, provided that the new bus is replacing a~~  
16 ~~1994 or older school bus in the school district's fleet. Replacement~~  
17 ~~of the oldest buses must be given highest priority.))~~

18       (2) Beginning September 1, 2035, the office of the superintendent  
19 of public instruction must provide funding under subsection (1) of  
20 this section only for school buses that also meet the definition of  
21 zero emission in section 2 of this act, except for any remaining  
22 depreciation payments for school buses powered by fossil fuels that  
23 were purchased prior to this date.

24       (3) The office of the superintendent of public instruction shall  
25 ensure that buses being replaced through this program are surplused  
26 under RCW 28A.335.180. As part of the surplus process, school  
27 districts must provide written documentation to the office of the  
28 superintendent of public instruction demonstrating that buses being  
29 replaced are scrapped and not purchased for road use. The  
30 documentation must include bus make, model, year, vehicle  
31 identification number, engine make, engine serial number, and salvage  
32 yard receipts; and must demonstrate that the engine and body of the  
33 bus being replaced has been rendered unusable.

34       ~~((3))~~ (4) The office of the superintendent of public  
35 instruction may adopt any rules necessary for the implementation of  
36 chapter 348, Laws of 2007.

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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