

1 **CLEAN FUEL SCHOOL BUSES AND INFRASTRUCTURE**

2 2014 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Stephen G. Handy**

5 Senate Sponsor: Aaron Osmond

7 **LONG TITLE**

8 **General Description:**

9 This bill provides grants to replace school buses and to create infrastructure for
10 alternative fuel vehicles.

11 **Highlighted Provisions:**

12 This bill:

13 ▶ allows the State Board of Education to award a grant to a school district or charter
14 school to:

15 • replace a school bus manufactured before 2002 with a new school bus that uses
16 ~~H→ [CNG, propane,]~~ alternative fuel ←H or clean diesel fuel;

17 • install an alternative fuel fueling station for a school bus that uses alternative
18 fuel and that may be accessed by a governmental entity or the public to fuel an
19 alternative fuel vehicle; or

20 • retrofit a bus shop to service and maintain a school bus that uses alternative
21 fuel;

22 ▶ requires the State Board of Education to make rules related to the awarding of a
23 grant, including rules that:

24 • specify criteria for selecting a grant recipient; and
25 • require a grant recipient to provide funding matches in an amount that is greater
26 than or equal to the amount of a grant received; and

27 ▶ requires the State Board of Education to:



- 28 • facilitate training for bus shop technicians and bus drivers on the operation and
 29 maintenance of a school bus that uses alternative fuel; and
 30 • make a report to the Legislature.

31 Money Appropriated in this Bill:

32 This bill appropriates in fiscal year 2015:

- 33 ▶ to the State Board of Education - Utah State Office of Education - Initiative
 34 Programs as a one-time appropriation:
 35 • from the Education Fund, One-time, \$20,000,000.

36 Other Special Clauses:

37 This bill provides an effective date.

38 Utah Code Sections Affected:

39 ENACTS:

40 **53A-17a-127.5**, Utah Code Annotated 1953

42 *Be it enacted by the Legislature of the state of Utah:*

43 Section 1. Section **53A-17a-127.5** is enacted to read:

44 **53A-17a-127.5. Grants for school buses and alternative fuel infrastructure.**

45 (1) As used in this section:

46 (a) "Alternative fuel" means CNG ~~or~~ , ~~propane~~ , **blended biodiesel,**
 46a **or electricity** .

46b ~~or~~ (b) "**Blended biodiesel**" means fuel:

46c **(i) consisting of 6% to 20% by volume of biodiesel and 80% to 94% by volume of**
 46d **clean diesel fuel; and**

46e **(ii) which meets ASTM D7467 standards.**

47 ~~(b)~~ (c) ~~or~~ "Board" means the State Board of Education.

48 ~~or~~ (d) ~~or~~ "Clean diesel fuel" means diesel fuel with a sulfur content of no more
 48a than 15 parts

49 per million (ppm).

50 ~~or~~ (e) ~~or~~ "CNG" means compressed natural gas.

51 (2) The board may award a grant to a school district or charter school to:

52 (a) replace a school bus manufactured before 2002 with a new school bus that uses

53 ~~or~~ **[CNG, propane,] alternative fuel** ~~or~~ clean diesel fuel;

54 (b) install an alternative fuel fueling station:

55 (i) for a school bus that uses alternative fuel; and

56 (ii) that may be accessed by a governmental entity or the public to fuel an alternative
 57 fuel vehicle; or

58 (c) retrofit a bus shop to service and maintain a school bus that uses alternative fuel.

59 (3) The board shall make rules:

60 (a) establishing procedures for applying for and awarding a grant;

61 (b) specifying criteria for selecting a grant recipient ~~H~~→ **consistent with the requirements**

61a of Subsection (4) ~~H~~ ;

62 (c) requiring reporting of grant money expenditures and evidence that a new school bus
 63 purchased with grant money has replaced a school bus manufactured before 2002; ~~H~~→ **[and]** ~~H~~

64 (d) requiring a grant recipient to provide matching funds in an amount that is greater
 65 than or equal to the amount of a grant received under this section ~~H~~→ **[;]** ;

65a **(e) requiring a grant recipient to ensure that a replaced school bus is made permanently**
 65b **inoperable; and**

65c **(f) requiring a grant recipient to expend the grant within two years of receiving the**
 65d **grant.**

65e **(4) The board shall specify criteria for selecting a grant recipient in consultation with**
 65f **the Division of Air Quality, including the following criteria:**

65g **(a) fuel savings;**

65h **(b) the emissions reduction or environmental improvement over the remaining useful**
 65i **life of a school bus that is taken out of operation;**

65j **(c) the amount of matching funds provided;**

65k **(d) the number and capacity of alternative fuel fueling stations installed; and**

65l **(e) a commitment to use fuel savings to purchase school buses that use alternative fuel**
 65m **or clean diesel fuel until all school buses manufactured before 2002 are replaced.**

66 ~~[(4)] (5) ~~H~~ The board shall appoint a committee that includes representatives of school~~
 67 ~~districts, charter schools, and the board to review grant applications and make~~
 68 ~~recommendations to the board for the award of grants that meet the requirements of this section~~
 69 ~~and rules adopted under Subsection (3).~~

70 ~~H~~→ ~~[(5)] (6) ~~H~~ Through the state superintendent of public instruction, the board~~
 70a ~~shall facilitate~~

71 ~~training for bus shop technicians and bus drivers on the operation and maintenance of a school~~
 72 ~~bus that uses alternative fuel.~~

73 ~~H~~→ ~~[(6)] (7) ~~H~~ On or before November 1, 2014, the board shall submit a report to~~
 73a ~~the Public~~

74 ~~Education Appropriations Subcommittee that:~~

75 ~~(a) describes the grants awarded under this section; and~~

76 ~~(b) includes recommendations regarding continuation of the grant program.~~

77 Section 2. **Appropriation.**

78 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, for
79 the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following sums of money
80 are appropriated from resources not otherwise appropriated, or reduced from amounts
81 previously appropriated, out of the funds or accounts indicated. These sums of money are in
82 addition to any amounts previously appropriated for fiscal year 2015.

83 To State Board of Education - Utah State Office of Education - Initiative Programs

84 From Education Fund, One-time \$20,000,000

85 Schedule of Programs:

86 Contracts and Grants \$20,000,000

87 The Legislature intends that of the \$20,000,000 appropriated for the Contracts and
88 Grants Program, the State Board of Education may expend:

89 (1) up to \$13,000,000 for grants for new school buses pursuant to Section

90 [53A-17a-127.5](#); and
91 (2) up to \$7,000,000 for grants for alternative fuel fueling stations and bus shop
92 retrofits pursuant to Section [53A-17a-127.5](#).
93 Section 3. **Effective date.**
94 (1) Except as provided in Subsection (2), this bill takes effect on May 13, 2014.
95 (2) Section 2, Appropriations, takes effect on July 1, 2014.

Legislative Review Note
as of 12-23-13 1:32 PM

Office of Legislative Research and General Counsel