

Representative Stephen G. Handy proposes the following substitute bill:

CLEAN FUEL SCHOOL BUSES AND INFRASTRUCTURE

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stephen G. Handy

Senate Sponsor: _____

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

- ▶ allows the State Board of Education to award a grant to a school district or charter school to:
 - replace a school bus manufactured before 2002 with a new school bus that uses alternative fuel or clean diesel fuel;
 - install an alternative fuel fueling station for a school bus that uses alternative fuel and that may be accessed by a governmental entity or the public to fuel an alternative fuel vehicle; or
 - retrofit a bus shop to service and maintain a school bus that uses alternative fuel;
- ▶ requires the State Board of Education to make rules related to the awarding of a grant, including rules that:
 - specify criteria for selecting a grant recipient; and
 - 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 drivers and bus shop technicians 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 2016:
 - 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 a special 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, propane, blended biodiesel, or electricity.

47 (b) "Blended biodiesel" means fuel:

48 (i) consisting of 6% to 20% by volume of biodiesel and 80% to 94% by volume of
49 clean diesel fuel; and

50 (ii) that meets ASTM D7467 standards.

51 (c) "Board" means the State Board of Education.

52 (d) "Clean diesel fuel" means diesel fuel with a sulfur content of no more than 15 parts
53 per million (ppm).

54 (e) "CNG" means compressed natural gas.

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

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

57 alternative fuel or clean diesel fuel;
58 (b) install an alternative fuel fueling station:
59 (i) for a school bus that uses alternative fuel; and
60 (ii) that may be accessed by a governmental entity or the public to fuel an alternative
61 fuel vehicle; or
62 (c) retrofit a bus shop to service and maintain a school bus that uses alternative fuel.
63 (3) The board shall make rules:
64 (a) establishing procedures for applying for and awarding a grant;
65 (b) specifying criteria for selecting a grant recipient consistent with the requirements of
66 Subsection (4);
67 (c) requiring reporting of grant money expenditures and evidence that a new school bus
68 purchased with grant money has replaced a school bus manufactured before 2002;
69 (d) requiring a grant recipient to provide matching funds in an amount that is greater
70 than or equal to the amount of a grant received under this section;
71 (e) requiring a grant recipient to ensure that a replaced school bus is made permanently
72 inoperable; and
73 (f) requiring a grant recipient to expend the grant within two years of receiving the
74 grant.
75 (4) The board shall specify criteria for selecting a grant recipient in consultation with
76 the Division of Air Quality, including the following criteria:
77 (a) fuel savings;
78 (b) the emissions reduction or environmental improvement over the remaining useful
79 life of a school bus that is taken out of operation;
80 (c) the amount of matching funds provided;
81 (d) the number and capacity of alternative fuel fueling stations installed; and
82 (e) a commitment to use fuel savings to purchase school buses that use alternative fuel
83 or clean diesel fuel until all school buses manufactured before 2002 are replaced.
84 (5) The board shall appoint a committee that includes representatives of school
85 districts, charter schools, and the board to review grant applications and make
86 recommendations to the board for the award of grants that meet the requirements of this section
87 and rules adopted under Subsection (3).

88 (6) Through the state superintendent of public instruction, the board shall facilitate
89 training for bus drivers and bus shop technicians on the operation and maintenance of a school
90 bus that uses alternative fuel.

91 (7) On or before November 1, 2015, the board shall submit a report to the Public
92 Education Appropriations Subcommittee that:

- 93 (a) describes the grants awarded under this section; and
- 94 (b) includes recommendations regarding continuation of the grant program.

95 **Section 2. Appropriation.**

96 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, for
97 the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following sums of money
98 are appropriated from resources not otherwise appropriated, or reduced from amounts
99 previously appropriated, out of the funds or accounts indicated. These sums of money are in
100 addition to any amounts previously appropriated for fiscal year 2016.

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

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

103 Schedule of Programs:

104 Contracts and Grants - Clean Fuel School

105 Buses and Infrastructure \$20,000,000

106 The Legislature intends that of the \$20,000,000 appropriated for the Contracts and
107 Grants - Clean Fuel School Buses and Infrastructure Program, the State Board of Education
108 may expend:

109 (1) up to \$13,000,000 for grants for new school buses pursuant to Section
110 53A-17a-127.5; and

111 (2) up to \$7,000,000 for grants for alternative fuel fueling stations and bus shop
112 retrofits pursuant to Section 53A-17a-127.5.

113 **Section 3. Effective date.**

114 (1) Except as provided in Subsection (2), this bill takes effect on May 12, 2015.

115 (2) Section 2, Appropriation, takes effect on July 1, 2015.