

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: J. Stuart Adams

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, electricity, or other
47 available alternatives as dictated by emerging technologies.

48 (b) "Blended biodiesel" means fuel:

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

51 (ii) that meets ASTM D7467 standards.

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

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

55 (e) "Closed crankcase ventilation filter" means an emissions control device:

56 (i) designed to control emissions from crankcase blow-by aerosols; and

- 57 (ii) verified by the United States Environmental Protection Agency.
- 58 (f) "CNG" means compressed natural gas.
- 59 (g) "Diesel oxidation catalyst" means an emissions control device:
- 60 (i) designed to reduce emissions from diesel engines; and
- 61 (ii) verified by the United States Environmental Protection Agency.
- 62 (h) "Nonattainment area" means an area designated by the United States Environmental
- 63 Protection Agency as nonattainment under the federal Clean Air Act, 42 U.S.C. Sec. 7420, for
- 64 any national ambient air quality standard.
- 65 (2) The board may award a grant to a school district or charter school to:
- 66 (a) replace a school bus manufactured before 2002 with a new school bus that uses
- 67 alternative fuel or clean diesel fuel;
- 68 (b) install an alternative fuel fueling station:
- 69 (i) for a school bus that uses alternative fuel; and
- 70 (ii) that may be accessed by a governmental entity or the public to fuel an alternative
- 71 fuel vehicle; or
- 72 (c) retrofit a bus shop to service and maintain a school bus that uses alternative fuel.
- 73 (3) The board shall make rules:
- 74 (a) establishing procedures for applying for and awarding a grant;
- 75 (b) specifying criteria for selecting a grant recipient consistent with the requirements of
- 76 Subsection (5);
- 77 (c) requiring reporting of grant money expenditures and evidence that a new school bus
- 78 purchased with grant money has replaced a school bus manufactured before 2002;
- 79 (d) requiring a grant recipient to provide matching funds in an amount that is greater
- 80 than or equal to the amount of a grant received under this section;
- 81 (e) requiring a grant recipient to ensure that a replaced school bus is removed from
- 82 service as provided in Subsection (4); and
- 83 (f) requiring a grant recipient to expend the grant within two years of receiving the
- 84 grant.
- 85 (4) A grant recipient shall remove a replaced school bus from service by:
- 86 (a) selling the replaced school bus through a state-approved bidding process to a
- 87 non-public person located outside of the state;

88 (b) selling the replaced school bus through a state-approved bidding process to a public
89 or private person within or outside of the state if:

90 (i) the bus is retrofitted to have:

91 (A) a diesel oxidation catalyst; and

92 (B) a closed crankcase ventilation filter; and

93 (ii) the person purchasing or receiving the replaced school bus does not intend to use
94 the bus for regular travel within a nonattainment area; or

95 (c) selling the replaced school bus to a metal recycling facility for fair market scrap
96 value if:

97 (i) the replaced school bus is inoperable or made inoperable; and

98 (ii) selling the replaced school bus for fair market scrap value would generate more
99 money than selling the replaced school bus as described in Subsection (4)(a) or (4)(b).

100 (5) The board shall specify criteria for selecting a grant recipient in consultation with
101 the Division of Air Quality, including the following criteria:

102 (a) fuel savings;

103 (b) the emissions reduction, estimated local air-shed, or environmental improvement
104 over the remaining estimated useful life of a school bus that is removed from service as
105 provided in Subsection (4);

106 (c) the amount of matching funds provided;

107 (d) the number and capacity of alternative fuel fueling stations installed; and

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

110 (6) The board shall appoint a committee that includes representatives of school
111 districts, charter schools, and the board to review grant applications and make
112 recommendations to the board for the award of grants that meet the requirements of this section
113 and rules adopted under Subsection (3).

114 (7) Through the state superintendent of public instruction, the board shall facilitate
115 training for bus drivers and bus shop technicians on the operation and maintenance of a school
116 bus that uses alternative fuel.

117 (8) On or before November 1, 2015, the board shall submit a report to the Public
118 Education Appropriations Subcommittee that:

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

121 **Section 2. Appropriation.**

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

127	<u>To State Board of Education - Utah State Office of Education - Initiative Programs</u>	
128	<u>From Education Fund, One-time</u>	<u>\$20,000,000</u>

129 Schedule of Programs:

130	<u>Contracts and Grants - Clean Fuel School</u>	
131	<u>Buses and Infrastructure</u>	<u>\$20,000,000</u>

132 The Legislature intends that the State Board of Education expend the \$20,000,000
133 appropriated for Contracts and Grants - Clean Fuel School Buses and Infrastructure Program to
134 award grants to school districts and charter schools for new school buses, alternative fuel
135 fueling stations, and bus shop retrofits pursuant to Section [53A-17a-127.5](#).

136 **Section 3. Effective date.**

- 137 (1) Except as provided in Subsection (2), this bill takes effect on May 12, 2015.
- 138 (2) Section 2, Appropriation, takes effect on July 1, 2015.