

**Assembly Bill No. 579**

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Passed the Assembly September 12, 2023

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*Chief Clerk of the Assembly*

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Passed the Senate September 11, 2023

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2023, at \_\_\_\_\_ o'clock \_\_\_\_M.

\_\_\_\_\_  
*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to add Sections 17927 and 39803.5 to the Education Code, relating to schoolbuses.

## LEGISLATIVE COUNSEL'S DIGEST

AB 579, Ting. Schoolbuses: zero-emission vehicles.

Existing law authorizes state funds, upon appropriation by the Legislature, to be distributed to the Superintendent of Public Instruction for distribution to certain local educational agencies for the purchase of low- or zero-emission schoolbuses that replace, or increase the number of, schoolbuses in the existing schoolbus fleet or for retrofitting existing schoolbuses to achieve reductions in emissions, as specified.

This bill would require, commencing January 1, 2035, 100% of all newly purchased or contracted schoolbuses of a school district, county office of education, or charter school to be zero-emission vehicles, where feasible. The bill would, in order to comply with that requirement, authorize local educational agencies, as defined, to request a one-time extension for a term not to exceed 5 years if a local educational agency determines that the purchase or contracting of a zero-emission schoolbus is not feasible due to both terrain and route constraints, provided that certain conditions are met. The bill would also, commencing January 1, 2040, authorize frontier local educational agencies, as defined, to apply for annual extensions, through January 1, 2045, to that requirement, if the frontier local educational agency determines that the purchase or contracting of a zero-emission schoolbus is not feasible due to both terrain and route constraints, provided that certain conditions are met. To the extent this requirement imposes additional duties on local educational agencies in connection with federally required pupil transportation services that go beyond the requirements in federal law, the bill would impose a state-mandated local program.

Existing law requires a continuing contract for pupil transportation services in school districts or schoolbus lease or rental to not exceed a 5-year term, or for a schoolbus lease or rental contract containing a purchase or cancel option, as specified, not to exceed a 10-year term.

For the furnishing of transportation of pupils in school districts to and from school using schoolbuses that are zero-emission vehicles and for the lease or rental of schoolbuses that are zero-emission vehicles, the bill would extend the term limit to 15 years for a continuing contract and to 20 years for a schoolbus lease or rental contract containing a purchase or cancel option, as specified. The bill also would apply these contracting provisions to county offices of education and charter schools.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

*The people of the State of California do enact as follows:*

SECTION 1. (a) The Legislature finds and declares all of the following:

(1) Of the estimated 24,000 schoolbuses operating in California, about 500 are zero-emission vehicles either in operation or on order.

(2) On September 23, 2020, Governor Gavin Newsom issued Executive Order No. N-79-20, requiring all medium- and heavy-duty vehicles such as trucks and buses to be 100 percent zero-emission vehicles by 2045.

(3) Many schoolbuses have an operational lifetime of 30 years or more. Over 100 schoolbuses in the state are the model year 1988 or older. A diesel bus sold today could be operating past 2050.

(4) Vehicle-to-grid programs have the potential to create additional revenue streams or, at a minimum, operational cost savings, thereby improving the value proposition and shortening the necessary loan terms.

(5) The federal Infrastructure Investment and Jobs Act (Public Law 117-58) directs additional investment in electrifying schoolbuses through a competitive grant program administered by the United States Environmental Protection Agency.

(b) It is the intent of the Legislature to codify a timeline for schoolbus electrification that sets a clear deadline for schoolbus fleet transition.

SEC. 2. Section 17927 is added to the Education Code, immediately following Section 17926, to read:

17927. (a) Commencing January 1, 2035, 100 percent of all newly purchased or contracted schoolbuses of a local educational agency shall be zero-emission vehicles, where feasible.

(b) If a local educational agency determines that the purchase or contracting of a zero-emission schoolbus is not feasible due to both terrain and route constraints, the local educational agency may request a one-time extension for a term not to exceed five years, in order to meet the requirements in subdivision (a), provided that both of the following conditions are met:

(1) The local educational agency can reasonably demonstrate that a daily planned bus route for transporting pupils to and from school cannot be serviced through available zero-emission technology in 2035.

(2) The State Air Resources Board, in consultation with the department and the State Energy Resources Conservation and Development Commission, receives and evaluates a local educational agency's request, and grants a one-time extension based on the local educational agency reasonably demonstrating the condition in paragraph (1).

(c) Commencing January 1, 2040, if a frontier local educational agency determines that the purchase or contracting of a zero-emission schoolbus is not feasible due to both terrain and route constraints, the frontier local educational agency may request annual extensions, with the last extension expiring on January 1, 2045, in order to meet the requirements in subdivision (a), provided that both of the following conditions are met:

(1) The frontier local educational agency can reasonably demonstrate that a daily planned bus route for transporting pupils to and from school cannot be serviced through available zero-emission technology in the period in which the annual waiver is sought.

(2) The State Air Resources Board, in consultation with the department and the State Energy Resources Conservation and Development Commission, receives and evaluates the frontier local educational agency's request, and grants an annual extension

based on the frontier local educational agency reasonably demonstrating the condition in paragraph (1).

(d) For purposes of this section, the following definitions apply:

(1) “Frontier local educational agency” means a local educational agency that meets either of the following conditions:

(A) The total number of pupils in average daily attendance at all of the schools served by the local educational agency is fewer than 600.

(B) Each county in which a school operated by the local educational agency is located has a total population density fewer than 10 persons per square mile.

(2) “Local educational agency” means a school district, county office of education, or charter school.

SEC. 3. Section 39803.5 is added to the Education Code, to read:

39803.5. (a) Notwithstanding Section 39803 or any other law, this section shall apply to the furnishing of transportation of pupils in local educational agencies to and from school using schoolbuses that are zero-emission vehicles and for the lease or rental of schoolbuses that are zero-emission vehicles.

(b) If a continuing contract for the furnishing of transportation of pupils in local educational agencies to and from school is made, it shall be made for a term not to exceed 15 years. A contract is renewable at the option of the local educational agency and the party contracting to provide transportation services, jointly, at the end of the term of the contract. The contract as renewed shall include all of the terms and conditions of the previous contract, including any provisions increasing rates based on increased costs.

(c) A continuing contract may be made for the lease or rental of schoolbuses, not to exceed 15 years, except that if a lease or rental contract provides that the local educational agency may exercise an option either to purchase the buses or to cancel the lease at the end of each annual period during the period of the contract, the contract may be made for a term not to exceed 20 years.

(d) Notwithstanding any other law to the contrary, a continuing contract executed under this section may be negotiated annually within the contract period when economic factors indicate negotiation is necessary to maintain an equitable pricing structure. Renegotiation is subject to the approval of both contracting parties.

(e) Any rental, lease, or lease-purchase of a schoolbus shall comply with all applicable provisions of Article 3 (commencing with Section 17450) of Chapter 4 of Part 10.5 of Division 1 of Title 1.

(f) For purposes of this section, “local educational agency” means a school district, county office of education, or charter school.

(g) This section is effective January 1, 2024.

SEC. 4. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.



Approved \_\_\_\_\_, 2023

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*Governor*