

# STATE OF NEW YORK

9238--A

## IN ASSEMBLY

February 22, 2024

Introduced by M. of A. WOERNER, CONRAD, TAYLOR, WALSH, THIELE, SAYEGH -- read once and referred to the Committee on Education -- reported and referred to the Committee on Ways and Means -- reported and referred to the Committee on Rules -- Rules Committee discharged, bill amended, ordered reprinted as amended and recommitted to the Committee on Rules

AN ACT to amend the education law and the local finance law, in relation to the period of probable usefulness of zero-emission school buses

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 21-a of section 1604 of the education law, as  
2 amended by section 6 of subpart A of part B of chapter 56 of the laws of  
3 2022, is amended to read as follows:

4 21-a. To lease a motor vehicle or vehicles to be used for the trans-  
5 portation of the children of the district from a school district, board  
6 of cooperative educational services or county vocational education and  
7 extension board or from any other source, under the conditions specified  
8 in this subdivision. No such agreement for the lease of a motor vehicle  
9 or vehicles shall be for a term of more than one school year, provided  
10 that when authorized by a vote of the qualified voters of the district  
11 such lease may have a term of up to five years, or [~~twelve~~] **eight** years  
12 for the lease of zero-emission school buses as defined in section thir-  
13 ty-six hundred thirty-eight of this chapter. Where the trustee or board  
14 of trustees enter into a lease of a motor vehicle or vehicles pursuant  
15 to this subdivision for a term of one school year or less, such trustee  
16 or board shall not be authorized to enter into another lease for the  
17 same or an equivalent replacement vehicle or vehicles, as determined by  
18 the commissioner, without obtaining approval of the qualified voters of  
19 the school district.

20 § 2. Paragraph i of subdivision 25 of section 1709 of the education  
21 law, as amended by section 7 of subpart A of part B of chapter 56 of the  
22 laws of 2022, is amended to read as follows:

23 i. In addition to the authority granted in paragraph e of this subdi-  
24 vision, the board of education shall be authorized to lease a motor  
25 vehicle or vehicles to be used for the transportation of the children of

EXPLANATION--Matter in **italics** (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 the district from sources other than a school district, board of cooper-  
2 ative educational services or county vocational education and extension  
3 board under the conditions specified in this paragraph. No such agree-  
4 ment for the lease of a motor vehicle or vehicles shall be for a term of  
5 more than one school year, provided that when authorized by a vote of  
6 the qualified voters of the district such lease may have a term of up to  
7 five years, or [~~twelve~~] **eight** years for the lease of zero-emission  
8 school buses as defined in section thirty-six hundred thirty-eight of  
9 this chapter. Where the board of education enters a lease of a motor  
10 vehicle or vehicles pursuant to this paragraph for a term of one school  
11 year or less, such board shall not be authorized to enter into another  
12 lease of the same or an equivalent replacement vehicle or vehicles, as  
13 determined by the commissioner, without obtaining approval of the  
14 voters.

15 § 3. Paragraph e of subdivision 7 of section 3602 of the education  
16 law, as amended by section 3 of subpart A of part B of chapter 56 of the  
17 laws of 2022, is amended to read as follows:

18 e. In determining approved transportation capital, debt service and  
19 lease expense for aid payable in the two thousand five--two thousand six  
20 school year and thereafter, the commissioner, after applying the  
21 provisions of paragraph c of this subdivision to such expense, shall  
22 establish an assumed amortization pursuant to this paragraph to deter-  
23 mine the approved capital, debt service and lease expense of the school  
24 district that is aidable in the current year, whether or not the school  
25 district issues debt for such expenditures, subject to any deduction  
26 pursuant to paragraph d of this subdivision. Such assumed amortization  
27 shall be for a period of five years, and for the two thousand twenty-  
28 two--two thousand twenty-three school year and thereafter such assumed  
29 amortization for zero-emission school buses as defined in section thir-  
30 ty-six hundred thirty-eight of this article and related costs pursuant  
31 to paragraph f of subdivision two of section thirty-six hundred twenty-  
32 three-a of this article shall be for a period of [~~twelve~~] **eight** years,  
33 and shall commence twelve months after the school district enters into a  
34 purchase contract or lease of the school bus, charging station, hydrogen  
35 fueling station, or equipment, or a general contract for the  
36 construction, reconstruction, lease or purchase of a transportation  
37 storage facility or site in an amount less than ten thousand dollars.  
38 Such assumed amortization shall provide for equal semiannual payments of  
39 principal and interest based on an assumed interest rate established by  
40 the commissioner pursuant to this paragraph. By the first day of Septem-  
41 ber of the current year commencing with the two thousand five--two thou-  
42 sand six school year, each school district shall provide to the commis-  
43 sioner in a format prescribed by the commissioner such information as  
44 the commissioner shall require for all capital debt incurred by such  
45 school district during the preceding school year for expenses allowable  
46 pursuant to subdivision two of section thirty-six hundred twenty-three-a  
47 of this article. Based on such reported amortizations and a methodology  
48 prescribed by the commissioner in regulations, the commissioner shall  
49 compute an assumed interest rate that shall equal the average of the  
50 interest rates applied to all such debt issued during the preceding  
51 school year. The assumed interest rate shall be the interest rate of  
52 each such school district applicable to the current year for the  
53 purposes of this paragraph and shall be expressed as a decimal to five  
54 places rounded to the nearest eighth of one-one hundredth.

1 § 4. Subdivision 29-a of paragraph a of section 11.00 of the local  
2 finance law, as amended by section 8 of subpart A of part B of chapter  
3 56 of the laws of 2022, is amended to read as follows:

4 29-a. Transit motor vehicles. The purchase of municipally owned omni-  
5 bus or similar surface transit motor vehicles, ten years; and the  
6 purchase of zero-emission school buses owned by a school district  
7 defined pursuant to paragraph two of section 2.00 of this chapter, a  
8 city school district with a population of more than one hundred twenty-  
9 five thousand inhabitants, or board of cooperative educational services,  
10 [~~twelve~~ eight years.

11 § 5. This act shall take effect on the first of July next succeeding  
12 the date on which it shall have become a law.