

STATE OF NEW YORK

4748

2025-2026 Regular Sessions

IN SENATE

February 12, 2025

Introduced by Sens. BORRELLO, ASHBY, HELMING, OBERACKER, RHOADS, ROLISON, TEDISCO, WALCZYK, WEBER, WEIK -- read twice and ordered printed, and when printed to be committed to the Committee on Education

AN ACT to amend the education law, the local finance law and the environmental conservation law, in relation to removing references related to the electric school bus mandate; to repeal certain provisions of the education law, the local finance law, the public authorities law and the environmental conservation law relating to electric buses; and authorizing a study by the New York state energy research and development authority to determine the feasibility of converting school buses to zero-emission vehicles

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

1 Section 1. Section 3638 of the education law is REPEALED.
2 § 2. Paragraph f of subdivision 2 of section 3623-a of the education
3 law is REPEALED.
4 § 3. Paragraph e of subdivision 7 of section 3602 of the education
5 law, as amended by chapter 563 of the laws of 2024, is amended to read
6 as follows:
7 e. In determining approved transportation capital, debt service and
8 lease expense for aid payable in the two thousand five--two thousand six
9 school year and thereafter, the commissioner, after applying the
10 provisions of paragraph c of this subdivision to such expense, shall
11 establish an assumed amortization pursuant to this paragraph to deter-
12 mine the approved capital, debt service and lease expense of the school
13 district that is aidable in the current year, whether or not the school
14 district issues debt for such expenditures, subject to any deduction
15 pursuant to paragraph d of this subdivision. Such assumed amortization
16 shall be for a period of five years, [~~and for the two thousand twenty-~~
17 ~~two--two thousand twenty-three school year and thereafter such assumed~~
18 ~~amortization for zero-emission school buses as defined in section thir-~~

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

LBD09322-01-5

1 ~~ty six hundred thirty eight of this article and related costs pursuant~~
2 ~~to paragraph f of subdivision two of section thirty six hundred twenty~~
3 ~~three-a of this article shall be for a period of eight years,~~] and shall
4 commence twelve months after the school district enters into a purchase
5 contract or lease of the school bus[, ~~charging station, hydrogen fueling~~
6 ~~station~~], or equipment, or a general contract for the construction,
7 reconstruction, lease or purchase of a transportation storage facility
8 or site in an amount less than ten thousand dollars. Such assumed amor-
9 tization shall provide for equal semiannual payments of principal and
10 interest based on an assumed interest rate established by the commis-
11 sioner pursuant to this paragraph. By the first day of September of the
12 current year commencing with the two thousand five--two thousand six
13 school year, each school district shall provide to the commissioner in a
14 format prescribed by the commissioner such information as the commis-
15 sioner shall require for all capital debt incurred by such school
16 district during the preceding school year for expenses allowable pursu-
17 ant to subdivision two of section thirty-six hundred twenty-three-a of
18 this article. Based on such reported amortizations and a methodology
19 prescribed by the commissioner in regulations, the commissioner shall
20 compute an assumed interest rate that shall equal the average of the
21 interest rates applied to all such debt issued during the preceding
22 school year. The assumed interest rate shall be the interest rate of
23 each such school district applicable to the current year for the
24 purposes of this paragraph and shall be expressed as a decimal to five
25 places rounded to the nearest eighth of one-one hundredth.

26 § 4. Subparagraph 7 of paragraph e of subdivision 1 of section 3623-a
27 of the education law, as amended by section 4 of subpart A of part B of
28 chapter 56 of the laws of 2022, is amended to read as follows:

29 (7) fuel, oil, tires, chains, maintenance and repairs for school
30 buses[, ~~provided that for purposes of this article, fuel shall include~~
31 ~~electricity used to charge or hydrogen used to refuel zero-emission~~
32 ~~school buses for the aidable transportation of pupils, but shall not~~
33 ~~include electricity or hydrogen used for other purposes~~];

34 § 5. Subdivision 29 of paragraph a of section 11.00 of the local
35 finance law is REPEALED.

36 § 6. Subdivision 21-a of section 1604 of the education law, as amended
37 by chapter 563 of the laws of 2024, is amended to read as follows:

38 21-a. To lease a motor vehicle or vehicles to be used for the trans-
39 portation of the children of the district from a school district, board
40 of cooperative educational services or county vocational education and
41 extension board or from any other source, under the conditions specified
42 in this subdivision. No such agreement for the lease of a motor vehicle
43 or vehicles shall be for a term of more than one school year, provided
44 that when authorized by a vote of the qualified voters of the district
45 such lease may have a term of up to five years[, ~~or eight years for the~~
46 ~~lease of zero-emission school buses as defined in section thirty six~~
47 ~~hundred thirty eight of this chapter~~]. Where the trustee or board of
48 trustees enter into a lease of a motor vehicle or vehicles pursuant to
49 this subdivision for a term of one school year or less, such trustee or
50 board shall not be authorized to enter into another lease for the same
51 or an equivalent replacement vehicle or vehicles, as determined by the
52 commissioner, without obtaining approval of the qualified voters of the
53 school district.

54 § 7. Paragraph i of subdivision 25 of section 1709 of the education
55 law, as amended by chapter 563 of the laws of 2024, is amended to read
56 as follows:

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

17 § 8. Subdivision 29-a of paragraph a of section 11.00 of the local
18 finance law, as amended by chapter 563 of the laws of 2024, is amended
19 to read as follows:

20 29-a. Transit motor vehicles. The purchase of municipally owned omni-
21 bus or similar surface transit motor vehicles, ten years~~[, and the
22 purchase of zero-emission school buses owned by a school district
23 defined pursuant to paragraph two of section 2.00 of this chapter, a
24 city school district with a population of more than one hundred twenty-
25 five thousand inhabitants, or board of cooperative educational services,
26 eight years]~~.

27 § 9. Subdivisions 22 and 23 of section 1854 of the public authorities
28 law are REPEALED.

29 § 10. Section 1884 of the public authorities law is REPEALED.

30 § 11. Section 58-0701 of the environmental conservation law, as
31 amended by section 7 of part 00 of chapter 58 of the laws of 2022, is
32 amended to read as follows:

33 § 58-0701. Allocation of moneys.

34 Of the moneys received by the state from the sale of bonds pursuant to
35 the environmental bond act of 2022, up to one billion five hundred
36 million dollars (\$1,500,000,000) shall be made available for disburse-
37 ments for climate change mitigation projects developed pursuant to
38 section 58-0703 of this title. Not less than four hundred million
39 dollars (\$400,000,000) of this amount shall be available for green
40 buildings projects, not less than one hundred million dollars
41 (\$100,000,000) for climate adaptation and mitigation projects pursuant
42 to paragraph c of subdivision one of section 58-0703 of this title, not
43 less than two hundred million dollars (\$200,000,000) shall be available
44 for disbursement to reduce or eliminate water pollution or air pollution
45 affecting disadvantaged communities pursuant to paragraphs f and g of
46 subdivision one of section 58-0703 of this title~~[, and not less than
47 five hundred million dollars (\$500,000,000) for costs associated with
48 the purchase of or conversion to zero-emission school buses and support-
49 ing infrastructure as set forth in paragraph h of subdivision one of
50 section 58-0703 of this title]~~.

51 § 12. Paragraph h of subdivision 1 of section 58-0703 of the environ-
52 mental conservation law is REPEALED.

53 § 13. 1. The New York state energy research and development authority
54 (NYSERDA) is hereby directed to study and make recommendations on the
55 feasibility of converting school buses in the state of New York to zero-
56 emission vehicles.

1 2. Such study shall include, but not be limited to:

2 (a) analysis of the feasibility of conversion in rural, suburban, or
3 urban school districts;

4 (b) the costs of supporting the necessary infrastructure for zero-em-
5 ission school buses; and

6 (c) the costs of upgrading or replacing conventional school busses
7 with zero-emission school buses.

8 3. Within one year after the effective date of this act, NYSERDA shall
9 submit a report of the findings and recommendations pursuant to this act
10 to the governor, the temporary president of the senate, the minority
11 leader of the senate, the speaker of the assembly, the minority leader
12 of the assembly, and the chairs and ranking members of the senate and
13 assembly committees on health and shall post such report on NYSERDA's
14 website.

15 § 14. This act shall take effect immediately; provided, however, that:

16 (a) section three of this act shall take effect on the same date and
17 in the same manner as section 3 of chapter 563 of the laws of 2024,
18 takes effect;

19 (b) section six of this act shall take effect on the same date and in
20 the same manner as section 1 of chapter 563 of the laws of 2024, takes
21 effect;

22 (c) section seven of this act shall take effect on the same date and
23 in the same manner as section 2 of chapter 563 of the laws of 2024,
24 takes effect; and

25 (d) section eight of this act shall take effect on the same date and
26 in the same manner as section 4 of chapter 563 of the laws of 2024,
27 takes effect.