

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 Section 3638 of the education law is REPEALED.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3 law is REPEALED.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.

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~~ty six hundred thirty-eight of this article and related costs pursuant to paragraph f of subdivision two of section thirty-six hundred twenty-three-a of this article shall be for a period of eight years,~~] and shall commence twelve months after the school district enters into a purchase contract or lease of the school bus[, ~~charging station, hydrogen fueling station~~], or equipment, or a general contract for the construction, reconstruction, lease or purchase of a transportation storage facility or site in an amount less than ten thousand dollars. Such assumed amortization shall provide for equal semiannual payments of principal and interest based on an assumed interest rate established by the commissioner pursuant to this paragraph. By the first day of September of the current year commencing with the two thousand five--two thousand six school year, each school district shall provide to the commissioner in a format prescribed by the commissioner such information as the commissioner shall require for all capital debt incurred by such school district during the preceding school year for expenses allowable pursuant to subdivision two of section thirty-six hundred twenty-three-a of this article. Based on such reported amortizations and a methodology prescribed by the commissioner in regulations, the commissioner shall compute an assumed interest rate that shall equal the average of the interest rates applied to all such debt issued during the preceding school year. The assumed interest rate shall be the interest rate of each such school district applicable to the current year for the purposes of this paragraph and shall be expressed as a decimal to five places rounded to the nearest eighth of one-one hundredth.

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

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

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

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

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

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

i. In addition to the authority granted in paragraph e of this subdivision, the board of education shall be authorized to lease a motor vehicle or vehicles to be used for the transportation of the children of the district from sources other than a school district, board of cooperative educational services or county vocational education and extension board under the conditions specified in this paragraph. No such agreement for the lease of a motor vehicle or vehicles shall be for a term of more than one school year, provided that when authorized by a vote of the qualified voters of the district such lease may have a term of up to five years~~[, or eight years for the lease of zero-emission school buses as defined in section thirty six hundred thirty eight of this chapter]~~.

Where the board of education enters a lease of a motor vehicle or vehicles pursuant to this paragraph for a term of one school year or less, such board shall not be authorized to enter into another lease of the same or an equivalent replacement vehicle or vehicles, as determined by the commissioner, without obtaining approval of the voters.

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

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

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

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

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

§ 58-0701. Allocation of moneys.

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

§ 12. Paragraph h of subdivision 1 of section 58-0703 of the environmental conservation law is REPEALED.

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