

# STATE OF NEW YORK

5408

2025-2026 Regular Sessions

## IN SENATE

February 21, 2025

Introduced by Sens. HARCKHAM, KRUEGER, MAY, RAMOS -- read twice and ordered printed, and when printed to be committed to the Committee on Education

AN ACT to amend the education law, in relation to administration of certain funds for zero-emission school buses and supporting infrastructure

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

1 Section 1. The education law is amended by adding a new section 3639  
2 to read as follows:

3 § 3639. Administration of funds for zero-emission school buses and  
4 supporting infrastructure. 1. As used in this section, the following  
5 terms shall have the following meanings:

6 (a) "Contractor" shall mean the entity that sells an approved eligible  
7 vehicle to the vehicle purchaser and meets the following criteria:

8 (i) Be any of the following types of entities:

9 (1) A truck or bus dealership that has a written agreement with a  
10 medium and/or heavy-duty vehicle original equipment manufacturer, and  
11 sells or leases complete eligible vehicles to fleets or vehicle owner-  
12 operators.

13 (2) An original equipment manufacturer that builds and sells or leases  
14 complete eligible vehicles directly to fleets or vehicle owner-ope-  
15 rators.

16 (3) A bus upfit/retrofit manufacturer that has a written agreement  
17 with a medium or heavy-duty original equipment manufacturer, and upfits,  
18 retrofits, or performs final equipment installations on those new  
19 replacement or repowered vehicles and sells or leases the completed  
20 eligible vehicle to a leasing company, fleet or vehicle owner-operator.

21 (4) A retrofit kit company that produces and installs the kits on  
22 existing vehicles, such as a battery electric vehicle kit on an existing  
23 diesel-powered vehicle.

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

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1 (ii) Have a valid business license for the past two years; and  
2 (iii) Be the entity that sells or leases the fully assembled and  
3 completed new eligible vehicle or repowered vehicle.

4 (b) "Eligible vehicle" shall mean an electric vehicle that meets all  
5 NYSERDA's rules and requirements.

6 (c) "Original equipment manufacturer" or "OEM" shall mean the manufac-  
7 turer that builds or assembles, at a minimum, the completed drivetrain  
8 and chassis for an eligible vehicle.

9 (d) "Upfit/retrofit manufacturer" shall mean a manufacturer that  
10 installs equipment on a truck or bus rolling chassis purchased from an  
11 OEM. The upfit/retrofit manufacturer shall bear full responsibility  
12 under federal law for any vehicle defects and is responsible for certi-  
13 fying the vehicle meets all applicable federal safety standards.

14 (e) "Supplier" shall mean a company that sells vehicles or component  
15 parts of vehicles to an original equipment manufacturer or an  
16 upfit/retrofit manufacturer.

17 (f) "New York jobs plan" shall mean a component of the documentation  
18 submitted during the eligibility application process and shall be used  
19 to determine certain plus-ups and deductions from the base incentive  
20 amount. The New York jobs plan refers to the information submitted by  
21 the contractor, its supplier, and its major supplier which states the  
22 minimum number of jobs; proposed wages, benefits, investment in train-  
23 ing; targeted hiring plans for displaced workers and individuals facing  
24 barriers to employment for jobs created or retained in New York; lifecy-  
25 cle emissions analysis; use of recycled content; plans to maximize reuse  
26 and recycling of battery; and use of recycled or responsibly mined  
27 minerals.

28 (g) "Disadvantaged communities" shall have the same meaning as defined  
29 by section 75-0101 of the environmental conservation law.

30 (h) "Displaced workers" shall mean workers who have lost their jobs in  
31 the previous five years due to lack of business, a reduction in force,  
32 or other economic, nondisciplinary reason related to a pandemic or to  
33 the transition from the fossil fuel industry to renewable energy or  
34 electric transportation, and who has not been able to secure a compar-  
35 ably compensated position.

36 (i) "Responsible mineral sourcing" shall mean original equipment  
37 manufacturer procurement practices for components and raw materials that  
38 enable the original equipment manufacturer to accurately assess and  
39 report the social and environmental impact of mined minerals used in the  
40 production of the vehicle, and in which the original equipment manufac-  
41 turer takes active steps to improve the social and environmental impact  
42 of the mined minerals used in the production of the vehicle by ensuring  
43 that any mined minerals used in the vehicle conform to the highest  
44 possible standards of social responsibility, including free, prior, and  
45 informed consent, human rights, labor rights, worker and community  
46 health and safety, conflict involvement, community engagement and  
47 consultation, and cultural heritage, and environmental responsibility,  
48 including water management, air quality, greenhouse gas emissions, noise  
49 management, protection of ecosystems and biodiversity, and management of  
50 toxins including mercury and cyanide. Whenever available, standards and  
51 evaluations shall conform to those of the initiative for responsible  
52 mining assurance.

53 (j) "NYSERDA" means the New York state energy research and development  
54 authority.

55 2. (a) NYSERDA, in consultation with the office of general services  
56 and the department, shall be authorized to develop and administer an

1 incentive program for the distribution of the five hundred million  
2 dollars allocated for the costs associated with the purchase or conver-  
3 sion to zero-emission school buses and supporting infrastructure as set  
4 forth in paragraph h of subdivision one of section 58-0703 of the envi-  
5 ronmental conservation law.

6 (b) NYSERDA shall establish guidelines governing the qualifications of  
7 eligible vehicles and shall consider prospective vehicle contractor's  
8 experience, financial capability and responsibility, and past perform-  
9 ance, including performance on meeting New York jobs plan commitments.

10 3. (a) NYSERDA shall develop procedures for determining the incentive  
11 amounts for eligible vehicles. As part of the eligibility qualification  
12 process, NYSERDA shall require prospective contractors to submit New  
13 York jobs plan information for itself as well as their suppliers. If a  
14 contractor is a truck or bus dealership that has a written agreement  
15 with a medium and/or heavy-duty vehicle original equipment manufacturer,  
16 then the contractor shall submit New York jobs plan information from the  
17 original equipment manufacturer. At a minimum, the New York jobs plan  
18 shall require prospective contractors and their suppliers to provide the  
19 following information:

20 (i) The minimum number of full-time equivalent permanent jobs in  
21 production occupations to be retained and created per ten vehicle sales;

22 (ii) The minimum wage levels by job classification;

23 (iii) The minimum amounts that will be paid for fringe benefits by job  
24 classification;

25 (iv) The minimum amounts that will be paid for worker training by job  
26 classification;

27 (v) Information on recruitment and training programs targeted specif-  
28 ically towards individuals facing barriers to employment, displaced  
29 workers and workers in disadvantaged communities;

30 (vi) Information on what steps have been taken and will be taken to  
31 implement the workforce development report required by paragraph (c) of  
32 subdivision five of section thirty six hundred thirty-eight of this  
33 part, with respect to training and retraining of existing vehicle  
34 purchaser employees;

35 (vii) Lifecycle emissions analysis of vehicle;

36 (viii) The minimum percent total values of recycled content in chas-  
37 sis, body, battery, and motor along with the total value of each of  
38 these components;

39 (ix) A plan to maximize reuse and recycling of traction battery at end  
40 of use in vehicles; and

41 (x) A plan to purchase motors manufactured using recycled (first  
42 priority) or responsibly-mined (second priority) copper and batteries  
43 using recycled or responsibly-mined lithium, nickel, and cobalt, accord-  
44 ing to the standards and assessments established by the initiative for  
45 responsible mining assurance.

46 (b) Upon certification of an eligible vehicle, such New York jobs plan  
47 information shall be incorporated as a material term of the contract.

48 4. To determine the incentive amount for each eligible vehicle, NYSER-  
49 DA shall score the contractor's and its suppliers' New York jobs plan  
50 commitments from zero to one hundred according to a formula which  
51 includes comparative assessments of:

52 (a) Economic benefits: fifty percent. The product of full-time equiv-  
53 alent positions created or retained at each classification and the  
54 square of each classification's total compensation, wages plus monetary  
55 fringe benefits.

1 (b) Workforce development: ten percent. The total amount of investment  
2 in worker training for employees of the OEM over the twelve month period  
3 prior to final delivery of the vehicle.

4 (c) Inclusion: fifteen percent. A qualitative evaluation of the OEM's  
5 recruiting and training programs targeted specifically towards individ-  
6 uals facing barriers to employment and displaced workers.

7 (d) Environmental sustainability: twenty-five percent. An integrated  
8 evaluation of sustainable manufacturing practices, including the follow-  
9 ing factors:

10 (i) Lifecycle emissions analysis: twenty-five percent,

11 (ii) Commitments for percent of total value of recycled content in  
12 chassis, body, battery, and motor: twenty-five percent,

13 (iii) Qualitative evaluation of plan to maximize reuse and recycling  
14 of traction battery: twenty-five percent, and

15 (iv) Qualitative evaluation of plan for responsible sourcing of motor  
16 and battery minerals and/or reducing mineral use in the vehicle: twen-  
17 ty-five percent.

18 (e) New York's regional employment benefits: up to ten percent bonus  
19 points.

20 5. (a) Contractors shall be required to provide quarterly reports to  
21 NYSERDA for the first year after contract award and then annually after  
22 that. Reports shall detail progress and compliance with their New York  
23 jobs plan commitments and the commitments of their suppliers on forms  
24 provided by NYSERDA. If any such report indicates a failure to comply  
25 with their New York jobs plan commitments, NYSERDA shall notify the  
26 contractors of their noncompliance and the time frame within which  
27 compliance must be met. Failure to comply with their commitments within  
28 the given time frame shall result in forfeiture of the entire value of  
29 the voucher.

30 (b) NYSERDA shall publish New York jobs plan commitments and reports  
31 to the NYSERDA public website. New York jobs plans shall be published  
32 within two weeks of vehicle certification. Quarterly reports shall be  
33 published within two weeks of receipt by NYSERDA.

34 § 2. This act shall take effect immediately.