

## Chapter 492

## (House Bill 1255)

AN ACT concerning

**School Bus Purchasing Transition – Zero-Emission Vehicle Requirement  
Vehicles – Grant Program and Fund**

FOR the purpose of ~~requiring, beginning on a certain date, that each school bus purchased by a county board of education be a zero-emission vehicle; requiring, beginning on a certain date, that each school bus purchased by a certain person for use under a certain contract with a county board be a zero-emission vehicle; defining a certain term; and generally relating to school bus purchases~~ requiring the Department of the Environment and the Department of Transportation to jointly provide technical assistance to certain entities on certain matters; establishing the Zero-Emission Vehicle School Bus Transition Grant Program; providing for the purpose of the Program; requiring the Department of the Environment, in consultation with the State Department of Education, to implement and administer the Program; providing for the funding of the Program; authorizing the Department of the Environment to adopt certain regulations; establishing the Zero-Emission Vehicle School Bus Transition Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring the Department of the Environment, in consultation with the State Department of Education, to administer the Fund; requiring the State Treasurer to hold the Fund and the Comptroller to account for the Fund; specifying the contents of the Fund; specifying the purpose for which the Fund may be used; requiring interest earnings of the Fund to be credited to the Fund; exempting the Fund from a certain provision of law requiring interest earnings on State money to accrue to the General Fund of the State; defining certain terms; and generally relating to transitioning to school buses that are zero-emission vehicles.

~~BY adding to~~~~Article – Education~~~~Section 7-810~~~~Annotated Code of Maryland~~~~(2018 Replacement Volume and 2018 Supplement)~~

BY adding to

Article – EnvironmentSection 2-1501 through 2-1504 to be under the new subtitle “Subtitle 15.  
Zero-Emission Vehicle School Buses”Annotated Code of Maryland(2013 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, without amendments,

Article – State Finance and ProcurementSection 6-226(a)(2)(i)

Annotated Code of Maryland  
(2015 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, with amendments,  
Article – State Finance and Procurement  
Section 6–226(a)(2)(ii)112. and 113.  
Annotated Code of Maryland  
(2015 Replacement Volume and 2018 Supplement)

BY adding to  
Article – State Finance and Procurement  
Section 6–226(a)(2)(ii)114.  
Annotated Code of Maryland  
(2015 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, without amendments,  
 Article – Transportation  
 Section 23–206.4(a)  
 Annotated Code of Maryland  
 (2012 Replacement Volume and 2018 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
 That the Laws of Maryland read as follows:

**Article – ~~Education~~ Environment**

**SUBTITLE 15. ZERO-EMISSION VEHICLE SCHOOL BUSES.**

~~7–810. 2–1501.~~

**(A) IN THIS SECTION, SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.**

**(B) “FUND” MEANS THE ZERO-EMISSION VEHICLE SCHOOL BUS TRANSITION FUND.**

**(C) “PROGRAM” MEANS THE ZERO-EMISSION VEHICLE SCHOOL BUS TRANSITION GRANT PROGRAM.**

**(D) “~~ZERO-EMISSION~~ ZERO-EMISSION VEHICLE” HAS THE MEANING STATED IN § 23–206.4 OF THE TRANSPORTATION ARTICLE.**

**~~(B) BEGINNING OCTOBER 1, 2022, EACH SCHOOL BUS PURCHASED BY A COUNTY BOARD MUST BE A ZERO-EMISSION VEHICLE.~~**

~~(C) BEGINNING OCTOBER 1, 2025, EACH SCHOOL BUS PURCHASED BY A PERSON FOR USE UNDER A CONTRACT WITH A COUNTY BOARD TO PROVIDE TRANSPORTATION SERVICES MUST BE A ZERO-EMISSION VEHICLE.~~

2-1502.

THE DEPARTMENT AND THE DEPARTMENT OF TRANSPORTATION JOINTLY SHALL PROVIDE TECHNICAL ASSISTANCE TO COUNTY BOARDS OF EDUCATION AND ENTITIES THAT CONTRACT WITH COUNTY BOARDS TO PROVIDE TRANSPORTATION SERVICES FOR TRANSITIONING TO THE USE OF SCHOOL BUSES THAT ARE ZERO-EMISSION VEHICLES THROUGHOUT THE STATE.

2-1503.

(A) THERE IS A ZERO-EMISSION VEHICLE SCHOOL BUS TRANSITION GRANT PROGRAM IN THE STATE.

(B) THE PURPOSE OF THE PROGRAM IS TO PROVIDE GRANTS TO COUNTY BOARDS OF EDUCATION AND ENTITIES THAT CONTRACT WITH COUNTY BOARDS TO PROVIDE TRANSPORTATION SERVICES TO:

(1) PURCHASE SCHOOL BUSES THAT ARE ZERO-EMISSION VEHICLES;

(2) INSTALL ELECTRIC VEHICLE INFRASTRUCTURE FOR CHARGING SCHOOL BUSES THAT ARE ZERO-EMISSION VEHICLES;

(3) ENGAGE IN PLANNING FOR A TRANSITION TO USING SCHOOL BUSES THAT ARE ZERO-EMISSION VEHICLES; AND

(4) FUND PILOT PROGRAMS TO EXPERIMENT WITH A TRANSITION TO SCHOOL BUSES THAT ARE ZERO-EMISSION VEHICLES.

(C) THE DEPARTMENT, IN CONSULTATION WITH THE STATE DEPARTMENT OF EDUCATION, SHALL IMPLEMENT AND ADMINISTER THE PROGRAM.

(D) (1) IF THE DEPARTMENT RECEIVES ANY FUNDS AS A RESULT OF A LEGAL SETTLEMENT THAT ARE EARMARKED FOR THE PURPOSE OF TRANSITIONING TO SCHOOL BUSES THAT ARE ZERO-EMISSION VEHICLES, THE FUNDS SHALL BE MADE AVAILABLE TO AWARD GRANTS IN ACCORDANCE WITH THIS SECTION.

(2) IN ADDITION TO ANY FUNDING PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION, FUNDING FOR THE PROGRAM CONSISTS OF:

(I) MONEY APPROPRIATED IN THE STATE BUDGET FOR THE PROGRAM; AND

(II) ANY ADDITIONAL MONEY MADE AVAILABLE TO THE PROGRAM FROM ANY PRIVATE OR PUBLIC SOURCES.

(E) THE DEPARTMENT MAY ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

2-1504.

(A) THERE IS A ZERO-EMISSION VEHICLE SCHOOL BUS TRANSITION FUND.

(B) THE PURPOSE OF THE FUND IS TO PROVIDE FUNDING FOR THE PROGRAM.

(C) THE DEPARTMENT, IN CONSULTATION WITH THE STATE DEPARTMENT OF EDUCATION, SHALL ADMINISTER THE FUND.

(D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

(E) THE FUND CONSISTS OF:

(1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

(2) INTEREST EARNINGS OF THE FUND;

(3) DONATIONS;

(4) MONEY DERIVED FROM LEGAL SETTLEMENTS EARMARKED FOR THE PURPOSE OF TRANSITIONING TO SCHOOL BUSES THAT ARE ZERO-EMISSION VEHICLES; AND

(5) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

(F) THE FUND MAY BE USED ONLY FOR THE PROGRAM.

**(G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

**(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.**

**(H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.**

**(I) MONEY EXPENDED FROM THE FUND FOR THE PROGRAM IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR THE PROGRAM.**

**Article – State Finance and Procurement**

6–226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

112. the Pretrial Services Program Grant Fund; [and]

113. the Veteran Employment and Transition Success Fund;

AND

114. THE ZERO-EMISSION VEHICLE SCHOOL BUS TRANSITION FUND.

**Article – Transportation**

23–206.4.

(a) In this section, “zero-emission vehicle” means any vehicle that:

(1) Is determined by the Secretary to be of a type that does not produce any tailpipe or evaporative emissions; and

(2) Has not been altered from the manufacturer’s original specifications.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2019.

**Approved by the Governor, May 13, 2019.**