

117TH CONGRESS
1ST SESSION

S. 506

To establish the Clean School Bus Grant Program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 1, 2021

Ms. CORTEZ MASTO (for herself and Mrs. MURRAY) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To establish the Clean School Bus Grant Program, and
for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Clean School Bus Act
5 of 2021”.

6 **SEC. 2. CLEAN SCHOOL BUS GRANT PROGRAM.**

7 (a) DEFINITIONS.—In this section:

8 (1) ELECTRIC SCHOOL BUS.—The term “elec-
9 tric school bus” means a school bus that is pro-
10 pelled—

(A) to a significant extent by an electric motor that—

(i) draws electricity from a battery; and

(ii) is capable of being recharged from an external source of electricity;

(B) by any necessary components or equipment required to facilitate electric school bus operations; or

(C) by 1 or more hydrogen fuel cells.

(2) ELIGIBLE ENTITY.—The term “eligible entity” means—

(A) 1 or more local, regional, or State governmental entities, including a local educational agency, responsible for—

(i) providing school bus service to 1 or more local educational agencies; or

(ii) purchasing school buses for use by 1 or more local educational agencies;

(B) 1 or more contracting entities that provide school bus service to 1 or more local educational agencies;

(C) a nonprofit school transportation association that provides school bus service to 1 or more local educational agencies; or

1 (D) a tribally controlled school (as defined
2 in section 5212 of the Tribally Controlled
3 Schools Act of 1988 (25 U.S.C. 2511)).

4 (3) FUEL CELL.—The term “fuel cell” has the
5 meaning given the term in section 803 of the Energy
6 Policy Act of 2005 (42 U.S.C. 16152).

7 (4) LOCAL EDUCATIONAL AGENCY.—The term
8 “local educational agency” has the meaning given
9 the term in section 8101 of the Elementary and Sec-
10 ondary Education Act of 1965 (20 U.S.C. 7801).

11 (5) PROGRAM.—The term “program” means
12 the Clean School Bus Grant Program established
13 under subsection (b)(1).

14 (6) SCHOOL BUS.—The term “school bus” has
15 the meaning given the term “schoolbus” in section
16 30125(a) of title 49, United States Code.

17 (7) SCRAP.—

18 (A) IN GENERAL.—The term “scrap”
19 means, with respect to a school bus engine re-
20 placed using funds awarded under the program,
21 to recycle, crush, shred, or otherwise disable the
22 engine within such period and in such manner
23 as determined by the Secretary.

24 (B) EXCLUSION.—The term “scrap” does
25 not include selling, leasing, exchanging, or oth-

1 erwise disposing of an engine described in sub-
 2 paragraph (A) for use in another motor vehicle
 3 in any location.

4 (8) SECRETARY.—The term “Secretary” means
 5 the Secretary of Energy.

6 (9) STATE.—The term “State” means—

7 (A) each of the several States of the
 8 United States;

9 (B) the District of Columbia; and

10 (C) the Commonwealth of Puerto Rico.

11 (b) CLEAN SCHOOL BUS GRANT PROGRAM.—

12 (1) ESTABLISHMENT.—The Secretary shall es-
 13 tablish in the Office of Energy Efficiency and Re-
 14 newable Energy of the Department of Energy a pro-
 15 gram, to be known as the “Clean School Bus Grant
 16 Program”, for awarding grants on a competitive
 17 basis to eligible entities for the replacement of cer-
 18 tain existing school buses.

19 (2) APPLICATIONS.—To be eligible to receive a
 20 grant under the program, an eligible entity shall
 21 submit to the Secretary an application at such time,
 22 in such manner, and containing such information as
 23 the Secretary shall require, including—

24 (A) a certification that no public work or
 25 service normally performed by a public em-

1 ployee will be privatized or subcontracted in
 2 carrying out a project under the grant; and

3 (B) to ensure a fair assessment of total
 4 workforce impact, a detailed accounting of the
 5 workforce of the eligible entity at the time of
 6 application, including—

7 (i) the number of employees, orga-
 8 nized by salary;

9 (ii) the bargaining unit status of each
 10 employee;

11 (iii) the full- or part-time status of
 12 each employee; and

13 (iv) the job title of each employee.

14 (3) PRIORITY OF GRANT APPLICATIONS.—

15 (A) IN GENERAL.—The Secretary shall
 16 give priority to eligible entities—

17 (i) that have significant aging, ineffi-
 18 cient, or high emission bus fleets that need
 19 improvement;

20 (ii)(I) that serve a high percentage of
 21 students from low-income families, as de-
 22 termined by the Secretary using data from
 23 the Small Area Income and Poverty Esti-
 24 mates Program of the Bureau of the Cen-
 25 sus; and

(II) with a participating local educational agency designated with a school district locale code of 41, 42, or 43, as determined by the National Center for Education Statistics in consultation with the Bureau of the Census; or

(iii) that propose projects that will most reduce emissions, as described in subparagraph (B).

(B) MOST EMISSIONS-REDUCING PROJECTS DESCRIBED.—The projects that will most reduce emissions referred to in subparagraph (A)(iii) are projects that—

(i) will replace the most polluting diesel school buses with the cleanest running electric school buses, as indicated by—

(I) the age of the school buses to be replaced;

(II) the emissions control technologies on the school buses to be replaced;

(III) the annual vehicle miles traveled by the school buses to be replaced;

1 (IV) the source of electricity or
2 hydrogen used to power the electric
3 school buses; and

4 (V) any other factors the Sec-
5 retary determines to be relevant; or

6 (ii) will complement the use of grant
7 funds through other activities that—

8 (I) will enable broader deploy-
9 ment of electric vehicles, such as se-
10 curing additional sources of funding
11 through public-private partnerships
12 with utilities, grants from other enti-
13 ties, or issuance of school bonds; or

14 (II) will achieve further reduc-
15 tions in emissions, such as installing
16 solar panels as part of recharging in-
17 frastructure to power electric school
18 buses purchased with grant funds.

19 (C) ADDITIONAL CRITERIA FOR CONSIDER-
20 ATION.—With respect to eligible entities seeking
21 a grant to purchase electric school buses under
22 the program, the Secretary may consider, in ad-
23 dition to the information included in the appli-
24 cation submitted under paragraph (2)—

(i) whether the grant will benefit students in a region that is in nonattainment of a national ambient air quality standard under section 109 of the Clean Air Act (42 U.S.C. 7409);

(ii) whether the eligible entity, or whether the local educational agency that would be served by the eligible entity, has taken other action to reduce emissions during the transportation of students, such as instituting a no-idling policy; and

(iii) whether the eligible entity serves geographic locations with potential barriers to the use of an electric school bus, including—

(I) significant weather events;

and

(II) distance challenges and limitations.

(4) USE OF SCHOOL BUS FLEET.—Each electric school bus acquired or leased with funds provided under the program—

(A) shall be operated as part of the school bus fleet for which the grant was made for not less than 5 years;

1 (B) shall be maintained, operated, and
 2 charged according to manufacturer rec-
 3 ommendations or State requirements; and

4 (C) may not be manufactured or retro-
 5 fitted with, or otherwise have installed, a power
 6 unit or other technology that creates air pollu-
 7 tion within the school bus, such as an unvented
 8 diesel passenger heater.

9 (5) GRANT AWARDS.—

10 (A) IN GENERAL.—The Secretary may use
 11 funds made available to carry out the pro-
 12 gram—

13 (i) to award grants for—

14 (I) the replacement of existing
 15 diesel school bus fleets with electric
 16 school buses;

17 (II) the implementation of re-
 18 charging infrastructure or other infra-
 19 structure, including renewable energy
 20 generation infrastructure, needed to
 21 charge or maintain electric school
 22 buses;

23 (III) workforce development and
 24 training, to support the maintenance,

1 charging, and operations of electric
2 school buses; and

3 (IV) planning and technical ac-
4 tivities to support the adoption and
5 implementation of electric school
6 buses; and

7 (ii) to develop resources to inform, en-
8 courage, and support eligible entities in ap-
9 plying for and fulfilling the requirements
10 of grants awarded under the program, in-
11 cluding materials to support the workforce
12 development and training described in
13 clause (i)(III) and the planning and tech-
14 nical activities described in clause (i)(IV).

15 (B) REQUIREMENTS.—In order to receive
16 a grant under the program, the Secretary
17 shall—

18 (i) require that grant recipients—

19 (I) replace diesel school buses
20 with electric school buses;

21 (II)(aa) not later than 1 year
22 after receiving the electric school bus
23 purchased using a grant under the
24 program, scrap the diesel engine of
25 the school bus being replaced; or

1 (bb) receive a waiver under para-
2 graph (6);

3 (III) do not, as a result of receiv-
4 ing the grant—

5 (aa) lay off, transfer, or de-
6 mote any current employee; or

7 (bb) reduce the salary or
8 benefits of any current employee
9 or worsen the conditions of work
10 of any current employee; and

11 (IV) provide current employees
12 with training to effectively operate,
13 maintain, or otherwise adapt to new
14 technologies relating to electric school
15 buses; and

16 (ii) permit grant recipients to receive
17 and retain any funds or benefits received
18 from—

19 (I) scrapping a diesel engine;

20 (II) transferring or repurposing a
21 diesel school bus as authorized under
22 a waiver under paragraph (6); and

23 (III) the resale or reuse of other
24 parts of a school bus replaced using
25 grant funds.

1 (C) GRANT AMOUNTS.—

2 (i) MAXIMUM AMOUNT.—For each eli-
 3 gible entity that submits an application
 4 under paragraph (2), the maximum
 5 amount of a grant under the program is
 6 \$2,000,000.

7 (ii) AMOUNTS FOR PURCHASE OF
 8 ELECTRIC SCHOOL BUSES.—

9 (I) IN GENERAL.—For any grant
 10 under the program, the amount of
 11 funds awarded for the purchase of an
 12 electric school bus shall not exceed
 13 110 percent of the amount equal to
 14 the difference between—

15 (aa) the cost of an electric
 16 school bus; and

17 (bb) the cost of a diesel
 18 school bus.

19 (II) DETERMINATION OF COST
 20 OF SCHOOL BUSES.—In determining
 21 the amount of funds under subclause
 22 (I), the Secretary may determine the
 23 cost of a school bus for the purpose of
 24 calculating the marginal cost under
 25 that subclause through—

1 (aa) a competitive solicita-
 2 tion process for the manufacture
 3 of the school bus;

4 (bb) a cooperative purchase
 5 agreement permitted by the laws
 6 of the State in which the grant
 7 recipient is located; or

8 (cc) another method that the
 9 Secretary determines to be ap-
 10 propriate.

11 (iii) AMOUNTS FOR SUPPORTING AC-
 12 TIVITIES.—For any grant under the pro-
 13 gram, the amount of funds awarded for
 14 the purposes described in subclauses (II)
 15 through (IV) of subparagraph (A)(i), or
 16 other purposes related to those subclauses,
 17 as determined by the Secretary, shall not
 18 exceed \$600,000.

19 (D) BUY AMERICA.—

20 (i) IN GENERAL.—Except as provided
 21 in clause (ii), any electric school bus pur-
 22 chased using funds awarded under the pro-
 23 gram shall comply with the requirements
 24 described in section 5323(j) of title 49,
 25 United States Code.

1 (ii) EXCEPTIONS.—

2 (I) WAIVER.—The Secretary may
3 provide any waiver to the require-
4 ments described in clause (i) in the
5 same manner and to the same extent
6 as the Secretary of Transportation
7 may provide a waiver under section
8 5323(j)(2) of title 49, United States
9 Code.

10 (II) PERCENTAGE OF COMPO-
11 NENTS AND SUBCOMPONENTS.—The
12 Secretary may grant a waiver in ac-
13 cordance with section 5323(j)(2)(C) of
14 title 49, United States Code, when a
15 grant recipient procures an electric
16 school bus using funds awarded under
17 the program for which the cost of
18 components and subcomponents pro-
19 duced in the United States, for fiscal
20 year 2022 and each fiscal year there-
21 after, is more than 70 percent of the
22 cost of all components of the school
23 bus.

1 (6) WAIVER.—On request of a grant recipient,
2 the Secretary may grant a waiver under paragraph
3 (5)(B)(i)(II)(bb) to authorize a grant recipient—

4 (A) to transfer a diesel school bus replaced
5 using grant funds under the program under an
6 agreement—

7 (i) between—

8 (I) the grant recipient; and

9 (II) an entity described in sub-
10 section (a)(2) that serves an area that
11 is in attainment of national ambient
12 air quality standards under the Clean
13 Air Act (42 U.S.C. 7401 et seq.);

14 (ii) that provides that—

15 (I) not later than 1 year after the
16 transfer subject to the agreement, the
17 entity receiving a school bus from the
18 grant recipient will scrap a number of
19 diesel engines of school buses that is
20 equal to the number of school buses
21 being received; and

22 (II) any diesel engines described
23 in subclause (I) are older and more
24 polluting than the diesel engines in
25 the school buses being received; and

1 (iii) provided to the Secretary; or

2 (B) to delay the requirement under para-
3 graph (5)(B)(i)(II)(aa) for not more than 3
4 years after receiving the school bus purchased
5 using a grant under the program for the pur-
6 pose of using the school bus being replaced for
7 a use determined by the Secretary to be appro-
8 priate.

9 (7) DEPLOYMENT AND DISTRIBUTION.—In car-
10 rying out the program, the Secretary shall, to the
11 maximum extent practicable—

12 (A) achieve nationwide deployment of elec-
13 tric school buses through the program; and

14 (B) ensure a broad geographic distribution
15 of grant awards, with no State receiving more
16 than 15 percent of the grant funding made
17 available to carry out the program for each fis-
18 cal year.

19 (8) ANNUAL REPORTING.—

20 (A) DATA RELEASE.—The Secretary shall
21 make available to the public on the website of
22 the Department of Energy a downloadable elec-
23 tronic database of information with respect to
24 each grant made under the program, includ-
25 ing—

1 (i) the name and location of the grant
2 recipient;

3 (ii) the school district served by the
4 grant recipient, if the grant recipient is not
5 a school district;

6 (iii) the criteria that the grant recipi-
7 ent met under subparagraphs (B) and (C)
8 of paragraph (3), if any;

9 (iv) the grant amount, including a de-
10 scription of the amounts of the grant used
11 for—

12 (I) the purchase of electric school
13 buses;

14 (II) the purchase of infrastruc-
15 ture;

16 (III) workforce development;

17 (IV) the purchase of hydrogen or
18 electricity; and

19 (V) any other purpose;

20 (v) with respect to an electric school
21 bus purchased using a grant under the
22 program, the number, make and model,
23 year of make, cost, estimated annual vehi-
24 cle miles to be traveled, and estimated
25 number of students to be transported per

1 day, as provided by the eligible entity
2 awarded the grant;

3 (vi) with respect to a school bus re-
4 placed using a grant under the program,
5 the number, make and model, year of
6 make, fuel type, annual vehicle miles trav-
7 eled, and the average number of students
8 transported per day, as provided by the eli-
9 gible entity awarded the grant;

10 (vii) whether the grant recipient re-
11 ceived a waiver under paragraph (6) and,
12 if the grant recipient received such a waiv-
13 er, with respect to a school bus scrapped
14 by the receiving entity described in para-
15 graph (6)(A), the number, make and
16 model, year of make, fuel type, type of
17 school bus, annual vehicle miles traveled,
18 and the average number of students trans-
19 ported per day, as provided by the eligible
20 entity awarded the grant;

21 (viii) an estimate of the local air pol-
22 lution emissions and global greenhouse gas
23 emissions avoided as a result of the grant;
24 and

1 (ix) any other data determined by the
2 Secretary to enable an analysis of the use
3 and impact of grants under the program.

4 (B) REPORT TO CONGRESS.—Not later
5 than January 31 of each year, the Secretary
6 shall submit to Congress and make available on
7 the website of the Department of Energy a re-
8 port that describes—

9 (i) the grant applications received
10 under the program, including a summary
11 of the grant applications meeting the cri-
12 teria described in subparagraphs (B) and
13 (C) of paragraph (3), if any;

14 (ii) the grants awarded under the pro-
15 gram, including a summary of the data de-
16 scribed in subparagraph (A);

17 (iii) the effect of the receipt of the
18 grant on students, schools, local commu-
19 nities, industry, and the workforce;

20 (iv) the impact of the awarded grants
21 on local air pollution and greenhouse gas
22 emissions; and

23 (v) any other information determined
24 by the Secretary to enable Congress to un-

derstand the implementation, outcomes,
and effectiveness of the program.

(C) REPORT ON BUY AMERICA WAIVERS.—

Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Secretary shall submit a report describing any waiver granted under paragraph (5)(D)(ii)(I) during the preceding year to—

(i) the Committee on Environment
and Public Works of the Senate;

(ii) the Committee on Energy and
Natural Resources of the Senate;

(iii) the Committee on Appropriations
of the Senate;

(iv) the Committee on Transportation
and Infrastructure of the House of Representatives;

(v) the Committee on Energy and
Commerce of the House of Representatives;
and

(vi) the Committee on Appropriations
of the House of Representatives.

(c) EDUCATION.—

(1) IN GENERAL.—Not later than 90 days after funds are appropriated to carry out the Program,

1 the Secretary shall develop an education outreach
2 campaign to promote and explain the program.

3 (2) COORDINATION WITH STAKEHOLDERS.—

4 The outreach campaign under this subsection shall
5 be designed and conducted in conjunction with na-
6 tional school bus transportation associations, edu-
7 cators, local educational agencies, school bus drivers,
8 school bus leasing or contracting operators, the
9 school bus manufacturing and supply industries, and
10 other stakeholders.

11 (3) COMPONENTS.—The outreach campaign
12 under this subsection shall—

13 (A) inform eligible entities of the process
14 of applying for grants;

15 (B) describe the available technologies and
16 the benefits of the technologies;

17 (C) explain the benefits of participating in
18 the program;

19 (D) facilitate the sharing of best practices
20 and lessons learned among grant recipients and
21 between grant recipients and eligible entities;
22 and

23 (E) include, as appropriate, information
24 from the annual reports required under sub-
25 section (b)(8).

1 (d) COST SHARING.—The Secretary shall not require
2 cost sharing for any project carried out using a grant
3 awarded under the program.

4 (e) AUTHORIZATION OF APPROPRIATIONS.—There is
5 authorized to be appropriated to the Secretary to carry
6 out the program \$200,000,000 for each of fiscal years
7 2022 through 2027, to remain available until expended.

○