MEMORANDUM IN SUPPORT OF
S.5268 (Kennedy)/A.6754 (Fahy)
In Relation to Allowing for Reimbursement of School Districts for the Purchase or Lease of Electric School Buses

February 2022

The Alliance for Clean Energy New York (ACE NY) supports S.5268 (Kennedy)/A.6754 (Fahy) and urges its immediate passage. The bill would amend the education law providing financial incentives to school for the purchase or lease of electric school buses, and allow electric vehicle (EV) charging equipment and electricity charging costs to be a reimbursable transportation expense.

In New York State, the largest source of pollution that causes global climate change is transportation. Diesel emissions from buses are a major contributor to local air pollution, adversely impacting human health particularly in low income and communities of color.¹ More than 10% of school buses in our country are registered in New York State, and they transport over 2 million children per day.² The reduction of transportation emissions through electrification is crucial to improving air quality and children’s health, and reducing greenhouse gas emissions as required under New York’s climate law. The Climate Leadership and Community Protection Act requires the state to limit greenhouse gas emissions by 40% by 2030 and 85% by 2050.

This bill would provide incentives based on the level of financial aid that a school district received in the previous fiscal year, with higher incentives going to higher need school districts. Furthermore, the legislation would also offer a sales tax exemption on the purchase of school buses by private transportation companies that lease buses to school districts, and grants an extension of the allowed lease term from 5 to 10 years. These incentives are designed to accelerate the adoption of electric buses especially for schools in disadvantaged communities. Moreover, in addition to reducing greenhouse gases and harmful air pollutants, electric buses are cheaper to maintain over the long run. This bill will also help achieve New York’s commitment under the joint Multi-State Medium- and Heavy-Duty Memorandum of Understanding³ to work collaboratively to ensure that 100% of all new medium- and heavy-duty sales be zero-emission vehicles (ZEV) by 2050, with an interim target of 30% ZEV sales in these categories by 2030.

For the above reasons, the Alliance for Clean Energy New York supports this legislation. For more information, contact Deb Peck Kelleher, Director of Policy Analysis & Operations, at (c) 518-698-3211. All of ACE NY’s memos on legislation are available at https://www.aceny.org/legislative-updates.