

LFC Requester:	LFC
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Click all that apply:

Original	<input checked="" type="checkbox"/>	Amendment	<input type="checkbox"/>	Date	<u>2024-01-16</u>
Correction	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Bill No:	<u>HB75</u>

Sponsor:	<u>Sariñana, Debra M.</u>	Agency Name and Code	<u>NMHED</u>
Short	<u>ELECTRIC SCHOOL</u>	Number:	<u></u>
Title:	<u>BUSES</u>	Person Writing	<u>Hoehne, Gerald</u>
		Phone:	<u>5054768434</u> Email <u>gerald.hoehne@hed.n</u>

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
200.0	300.0	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY23	FY24	FY25		

N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

BILL SUMMARY

HB75 is an act which provides school districts the option to replace school buses with electric or zero-emission alternative fuel school buses. This will allow school districts to enter into agreements for the use of their electric school buses as electrical energy storage for providing grid service or for use by schools.

HB75 also tasks the Board of Regents of New Mexico State University (NMSU) with conducting a statewide study on the feasibility and costs for each school district to transition to electric school buses and with providing a report detailing the necessary steps and costs for each school district to transition to electric schools buses.

HB75 also makes an appropriation.

Section one relates to the Public Education Department (PED) and requires the establishment of a systematic program for the purchase of necessary school bus transportation equipment, adds new language providing school districts the option to replace a school bus with an electric or zero-emission alternative fuel school bus, establishes a system for the use of contractor-owned buses by school districts or state-chartered charter schools, and adds language that the department shall provide a school district with no less funding per bus than it would provide for a diesel school bus replacement if a school district chooses to replace a school bus with an electric or zero-emission alternative fuel school bus. Section one also adds language noting that

if sufficient school bus replacement funds are available, the department may provide additional funding for an electric or a zero-emission alternative fuel school bus and related charging infrastructure.

Section two relates to PED and creates new material on electric school bus alternative uses and superintendent agreements. This section authorizes the use of electric school buses owned, leased, or purchased by the state to be used as electrical energy storage when not in use by the school district for the transportation of students. This section outlines the process the superintendent of the school district would follow in order to utilize electric school buses as electrical energy storage.

Section three requires completion of a statewide study and report by the Board of Regents of NMSU on the feasibility and requisite actions, costs, and infrastructure for each school district to transition to electric school buses.

Section four provides four hundred thousand dollars (\$400,000) from the General Fund to the Board of Regents of NMSU for expenditure in FY24 and FY25 to conduct the study and prepare the report as called for in section three of the act. One hundred thousand dollars (\$100,000) is appropriated from the General Fund to PED for expenditure in FY25 for the state transportation division to develop expertise on electric buses, charging stations, related infrastructure, and electrical changes; to share this expertise with school districts; and to assist school districts with federal grant applications for electric school buses, charging stations, related infrastructure, and electrical changes.

Any unexpended or unencumbered balance remaining at the end of FY25 shall revert to the General Fund.

FISCAL IMPLICATIONS

HB75 appropriates four hundred thousand dollars (\$400,000) from the General Fund to the Board of Regents of New Mexico State University (NMSU) for expenditure in FY24 and FY25 to conduct the study and prepare the report as called for in section three of the act. One hundred thousand dollars (\$100,000) is appropriated from the General Fund to the Public Education Department (PED) for expenditure in FY25 for the state transportation division to develop expertise on electric buses, charging stations, related infrastructure and electrical changes; to share this expertise with school districts; and to assist school districts with federal grant applications for electric school buses, charging stations, related infrastructure, and electrical changes.

Any unexpended or unencumbered balance remaining at the end of FY25 shall revert to the General Fund.

The New Mexico Higher Education Department (NMHED) has not completed an analysis of the costs associated with completing this study.

NMSU has two experts who could conduct the study and prepare the report.

SIGNIFICANT ISSUES

N/A

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

The New Mexico Higher Education Department (NMHED) is not directly affected by this legislation.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The New Mexico Higher Education Department (NMHED) is not directly affected by this legislation.

AMENDMENTS

N/A