
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2025 - 2026 Regular Session

AB 1111 (Soria) - Pupil transportation: schoolbuses: zero-emission vehicles: scrapping

Version: July 22, 2025

Urgency: No

Hearing Date: August 18, 2025

Policy Vote: ED. 6 - 0, E.Q. 8 - 0

Mandate: No

Consultant: Lenin Del Castillo

Bill Summary: The bill allows a recipient of a grant under the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) to avoid scrapping a non-zero emission schoolbus under specified conditions.

Fiscal Impact: The California Air Resources Board estimates one-time General Fund costs of approximately \$838,000 and ongoing General Fund costs of about \$1.3 million for 6.5 positions to support increased workload under the existing HVIP program. This estimate assumes that CARB would need to cancel existing program applications, establish an updated incentive program to incorporate the bill's requirements, relaunch the application process and enter into new project agreements with applicants. However, the bill's actual costs are likely to be lower to the extent that existing staff associated with the HVIP program can absorb some of these activities. Additionally, the implementing legislation for the schoolbus voucher program within the HVIP authorized up to \$10 million to support CARB's administrative costs for the program.

Background: Existing law requires, commencing January 1, 2035, 100% of all newly purchased or contracted schoolbuses by a local educational agency (LEA) to be zero-emission vehicles (ZEVs), where feasible.

Existing law authorizes an LEA to request a one-time extension of up to five years if ZEV operation is not feasible due to both terrain and route constraints, subject to review and approval by CARB, in consultation with the California Department of Education (CDE) and the Energy Commission. The law allows a "frontier" LEA—defined as serving fewer than 600 average daily attendance (ADA) or operating in a county with fewer than 10 persons per square mile—to request up to five annual extensions beginning in 2040, with the final extension expiring no later than January 1, 2045.

Existing law establishes the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project which provides grants to LEAs for ZEV schoolbus purchases and infrastructure. \$375 million was appropriated in 2023–24 for bus purchases and \$125 million for charging infrastructure, with funding available for encumbrance through June 30, 2029. (AB 181 Committee on Budget, Section 121 of Chapter 52, Statutes of 2022, as amended)

Existing law requires LEAs receiving HVIP funding to scrap replaced internal combustion schoolbuses within 24 months of delivery of the replacement vehicle, with an exception for buses that are no more than 25 years old and are transferred to another LEA eligible for a ZEV extension.

Proposed Law: This bill permits the limited reuse of replaced fossil-fuel schoolbuses instead of mandatory scrapping, if both of the following apply: the bus is no more than 25 years old at the time of ZEV delivery and ownership is transferred to an LEA that is eligible for an extension.

This bill requires LEAs that request an extension to demonstrate that their daily schoolbus routes cannot feasibly be served by available ZEV technology.

Related Legislation: AB 579 (Ting, Chapter 445, Statutes of 2023) requires that in 2035, 100 percent of an LEA's newly purchased or contracted schoolbuses must be ZE, where feasible. CARB may grant extensions if an LEA determines a ZE schoolbus is not feasible due to both terrain and route constraints.

Staff Comments: Current law requires schoolbuses replaced through the state's HVIP program to be scrapped within 24 months to prevent continued use of older, polluting vehicles. This bill would provide an exception to the scrapping requirement and allow LEAs to transfer buses that are under 25 years old to another LEA that qualifies for an extension. This change is intended to help districts that are struggling to procure usable vehicles in the interim, but it would also prolong the operational life of older buses. CARB indicates that 726 buses could remain in circulation under this provision. According to the author, "In 2023, the Legislature passed and the Governor signed into law California's mandate to convert its school buses to zero-emission vehicles by 2035. This new requirement recognized that some areas of the state faced barriers to implementation that required more consideration such as terrain and route constraints in rural areas and gave more time for compliance to accommodate these areas. Unfortunately, not all barriers to the implementation of this requirement were given full consideration at the time of its passage.

"School districts, especially those in rural areas, attempting to prepare for the 2035 deadline have encountered serious limitations in existing electrical infrastructure to support needed charging stations and concerns regarding the capacity of local firefighters to deal with burning electric vehicle batteries. Additionally, the pending zero-emission requirement has led school bus manufacturers to wind down diesel bus production, making it difficult if not impossible for districts that qualify for a longer implementation period to find busses to operate during that extra time. AB 1111 seeks to give districts both additional time to meet California's new zero emission standards, a more robust consideration of which districts are not ready due to limited electrical infrastructure or fire protection and allows school districts making the switch to zero emission busses early to furnish their still functional decommissioned busses to districts unable to make the switch at this time. This will ensure a smoother transition to zero-emission buses for California's schools and reduce disruptions in school transportation services for California's students."

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