

Zero Pollution School Buses (HB 2945) + MHD Programs

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Why Do Zero Pollution School Buses Matter?

- Saves Districts \$\$\$: Total cost of ownership getting closer and closer to parity
- Diesel air pollution: Young minds & lungs
- Supports broader electrification goals
- Emergency response: Increases resilience in the system
- Job Creation + Grow Cleantech Sector

State of Play

- 200+ Electric School Buses on roads or soon to be
- Beaverton School District: A national leader in ESB adoption
- School buses = great target for electrification. Fixed mileage + routes, long charge times
 - Hydrogen potential in the future
- Increases resiliency: Lake Oswego + Hood River Microgrids



HB 2945, -1

- Removes percentage targets
- Still requires districts to purchase zero emission school buses when total cost of ownership is equal to or cheaper than a fossil fuel powered vehicle
- Creates robust exemption process
- Creates and funds (GF) electric school bus fund and technical assistance programs

Feature	Original HB 2945	HB 2945 -1 Amendment
% Adoption Targets	Yes, fixed timelines	✗ Removed
Cost Parity Requirement (TCO)	Yes	✓ Retained & clarified
Flexibility/Exemptions	Limited	✓ Expanded, case-by-case
Equity (Disadvantaged focus)	40% funding set-aside	✗ Not included explicitly
Advisory Committee	No	✓ Added
Technical Assistance	Yes	✓ Retained
Funding	\$20M (buses), \$3M (assistance)	✓ Same amounts

HB 2945 -1 Next Steps

- Engage stakeholders on -1
- Refine funding models
- Continue conversation re: MHD zero emission vehicle funding in the 2025 package: rebates + charging needs

MHD ZEV Rebate Program

- Helps decrease purchase price of zero emission trucks, capitalize on private sector capture of TCO savings
- Funded through one time state and federal allocations
- Needs dedicate annual funding source
- Based on OCVRP demand, will be oversubscribed
- **\$30M / Year funding need**

Rebate Amounts OAR 340-270-0610

GVWR (lbs.)	Vehicle Class	Incentive Amount
8,501 – 10,000	Class 2b	\$2,500
10,001 – 14,000	Class 3	\$45,000
14,001 – 16,000	Class 4	\$60,000
16,001 – 19,500	Class 5	\$60,000
19,501 – 26,000	Class 6	\$85,000
26,001 – 33,000	Class 7	\$85,000
33,001 +	Class 8	\$120,000

Oregon Zero Emission Fueling Program

- Helps fund private / public MHD charging infrastructure.
- Funding a 25 birth MHD fast charging station in Salem, technical grants in Malheur and Wasco counties— even a ski groomer charger at Meadows
- **Oversubscribed, \$10M / year funding need**



How to Pay for it All

Exploring Possibilities:

- Revolving loan fund
- Delivery fee on non-essential Consumer Purchases
- Combine on with other framework revenue sources

Total Cost of Ownership + Revolving Loan Fund: A Flywheel

- If Oregon waits five years until electric school buses reach total cost of ownership parity with diesel, the state only needs to cover the smaller incremental upfront cost
- A \$100 million (\$20M/year) revolving loan fund that covers half the incremental cost (with school districts repaying the other half) could finance over half of Oregon's 5,000 school buses up front.
- As loans are repaid and the fund revolves, it could finance the full statewide transition to electric buses over time—without needing additional state funding.

Thank you!

