

Transportation Committee JOINT FAVORABLE REPORT

Bill No: SB-416 / [Bill Status](#) / [Public Hearing Testimony](#)

Title: AN ACT CONCERNING TRANSPORTATION SYSTEM MODERNIZATION.

Vote Date: 3/16/26

Vote Action: JFS to the Floor

PH Date: 3/9/2026

File No.:

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SPONSORS OF BILL:

Transportation Committee

REASONS FOR BILL:

To upgrade Connecticut's transportation infrastructure in order to reduce emissions and incentivize cleaner modes of transit.

SUBSTITUTE LANGUAGE (IF APPLICABLE):

The Substitute language removes the provision making used electric vehicle rebate eligibility based on selling price instead of MSRP as this type of specific criteria can very quickly fall out of step with the market. Further, it makes sure that any biodiesel requirements do not void any existing manufacturer's warranties.

RESPONSE FROM ADMINISTRATION/AGENCY:

Katie Dykes, Commissioner, Department of Energy & Environmental Protection:

The Department supports various provisions of the bill but proposes a few changes:

The Connecticut Hydrogen and Electric Automobile Purchase Rebate (CHEAPR)

Section 1 proposes changes to the CHEAPR program allowing rebates for used electric vehicles plug-in hybrid electric vehicle and fuel cell electric vehicles up to 7 years old. DEEP prefers not to see very specific criteria for the CHEAPR program in statute. The criteria can become out of step with market realities due to the changes in pricing and availability. We urge establishing statutory goals and directives, Establishing MSRP caps and not targeting luxury vehicles. DEEP supports removing EV ownership barriers especially for LMI residents. LMI participation in CHEAPR has increased 433% over the past three years.

The seven-year cap may have unintended consequences that could be harmful to consumers. Our concerns are the challenge inherent in tracking vehicle eligibility as used vehicle prices

vary based on factors like accident history. The second challenge is over-incentive high-end used EV; s for some residents withing Environmental Justice communities.

Consider incorporating the language proposed in section 3 of House Bill 5131 to make the necessary changes to the CHEAPR program.

Clean School Buses:

Section 4 revises the goal of 100% zero emission school buses by 2030 to a revised goal of 90% by 2040. We support alleviating school district concerns with the impending deadline of 100% zero emission school buses. The change is critical as the federal government's support is uncertain under the current administration. Critical gap funding in Connecticut has been able to encourage participation in the Clean School Bus program. The Connecticut Green Bank has awarded over \$5.3 million serving five projects, included busses serving CTECS campuses, as well as DEEP working to put 165 electric school buses and 157 chargers into service. Because we have been working with districts to implement these projects, changes have occurred in the federal landscape, we support the amendment of 22a-201d to support municipalities, school districts and transportation providers a broader range of funding and financing support. DEEP prefers the language a part of House Bill 5153 from the Environment committee.

NATURE AND SOURCES OF SUPPORT:

Jean Cronin, Executive Director of the Connecticut School Transportation Association:

Our companies operate more than 10,000 school buses and student transportation. Section 4 seeks to address the current mandated timeframe for school districts to replace their fleets. As stated now the law requires all school buses in environmental justice communities to have 100% of their fleet electrified by January 1, 2030. The other school districts need to be electric or alternative fuel by January 1, 2035, and then all electric by 2040. No municipality will be able to comply with the all-electric deadline. The bill extends the timelines for distressed municipalities, but these deadlines may still not be realistic. The bus mandates for distressed municipalities should be moved to 10% by July 1, 2030, 50% by July 2035 and 90% by July 1, 2040. The problem is funding, infrastructure, and power resources. A diesel-powered Type 1 bus is \$135,000 and the cost of a Type 1 electric bus is \$400,000 and this does not include a charging station that costs \$20,000. That puts the cost at \$420,000.

CT Green Bank is helpful in navigating the electric school bus mandate by identifying available state and federal funding. They have also identified the steps needed to prepare for electrification. Although Section 5 has the State Bond Commission allocating up to \$40 million as a grant program this no way is near the amount of money to subsidize the purchase of 10,000 buses. COSTA supports extending the timeframes but do not believe these dates allow municipalities enough time to achieve these goals.

Sara Harari, Director of Innovation, Ct Green Bank:

Over the last two years we have been focused on identifying particle pathways to help Connecticut achieve the Clean Air Act requirements. We have worked closely with the Connecticut Department of Energy and Environmental Protection. As federal funding opportunities became available, we worked with DEEP grants and Green Bank capital to fill remaining funding gaps. Access to capital is only part of the challenge. Many school districts lack the technical resources and need support understanding which buses would for their routes. The Public Utilities Regulatory Authority (PURA) has designated us as the statewide provider of Fleet Advisory Services for school bus fleets. We work to analyze:

- Existing Vehicles and fleet composition
- Daily routes and mileage requirements
- School bus depot locations and site electrical capacity
- Infrastructure needs for charging equipment.

We have collaborated with the Connecticut Association of School Business Officials, The Connecticut Association of Boards of Education and the Connecticut Association of Public-School Superintendents. Thru these discussions a consensus has emerged around a shared objective ensuring that school bus electrification be both effective and attainable for school's districts and the operators that serve them. Section 4 reflects that while Section 5 address the funding. Connecticut has an opportunity to improve air quality for students, support municipal transportation systems and align with the state's clean energy and public health goals by electrifying school buses.

Christopher Tranberg, Superintendent, Branford Public Schools:

Branford Public Schools supports the long-term goal of cleaner student transportation. Our district is currently on track to operate a full electric bus fleet beginning in 2026. This has required careful planning, major infrastructure investments and federal grant funding. As the legislature considers revisions, I encourage consideration of how districts absorbed early costs and invested early in zero-emission transportation. Cleaner student transportation is an important investment.

Jeffery Sousa, Superintendent, New Hartford Public Schools:

As the superintendent of a small rural school district one of the most essential and expensive operational responsibility is student transportation. It is not feasible or reliable in our rural environment to build and sustain electric only bus transportation. I am concerned with the life cycle and ability to function in colder temperatures of their electric batteries. I encourage the committee to support bills that modernize transportation infrastructure and equipment.

Matthew Conway, Jr, Superintendent of Schools, Derby Public Schools:

School districts share the goal do reducing emissions and supporting cleaner transportation options for students. Districts across Connecticut have made significant progress toward cleaner fleets by transitioning form diesel to alternative fuels such a propane. Derby is classified as a distressed municipality, and though the bill seeks to prioritize these municipalities, in reality these same communities have the least ability to absorb large new capital costs. Many transportation providers have invested in propane fueling infrastructure and cleaner alternative-fuel fleets. The financial impact of fleet electrification is significant for municipalities. I suggest the general assembly consider adopting elements of HB 5470 which allows for a more gradual transition.

Barry Kresch, President, EV Club of Ct:

I am offering testimony on the CHEPER EV rebate program. EV incentive has not performed well. Consumers tend to be used cars and this indicates the unrealized utility of the incentive. One thing that is not addressed is if a vehicle is not eligible when new is it not eligible when used. This is a necessary restriction and if a vehicle was not eligible when new three should be no other restrictions. The fleet incentive program though around for 5 years has never been actioned and can we afford the fleet incentive program Included in my testimony is information of Battery Degradation.

Theresa Lumas, Jennifer Byars, Regional School District #5:

Connecticut's school districts are committed partners in advancing the environmental goals of the state. This bill provides a more realistic pathway to achieving our goals with fleet replacement cycles and aligning electrification timelines.

Jennifer Mellitt, Director of Business and Finance, Southington Public Schools:

I support the Section 4 revisions to Section 22-201D (lines 73-77) revising the definition from environmental justice community to distressed municipality. It clearly identifies which districts need comply with zero emissions busses. We have New Britain Transportation for our services, and we oppose and have concerns about lines 107-111 requiring the use of biodiesel blend of 20% beginning October 2, 2026. Our 2026-2027 budget has already been developed and our transportation contract includes the cost of diesel fuel. We have concern about the performance of biodiesel in cold weather, storage, availability, and cost. We need the state or federal government to provide grants if this mandate is to be implemented.

Fran Rabinowitz, Executive Director, Connecticut Association of Public-School Superintendent:

CAPSS supports the state's efforts to improve environmental sustainability and reduce emissions. As this policy moves forward, we need continued attention to funding deployment, infrastructure readies, and operational feasibility. This will ensure school districts can successfully meet these goals.

Sue Gander, Director, U.S. Transportation, World Resources Institute:

We support the bill with reservations:

We support:

- Decoupling state bond funding from federal grant programs

- Incorporation financing tools and partnerships

We have reservation about:

- Replacing "environmental justice community" with distressed municipality"

- Reducing the statewide fleet transition requirement from 100% to 90% zero emission school buses on or after 2040

- Requiring biodiesel blends as an interim fuel

There are several provisions in the bill that helps Connecticut accelerate these benefits by improving how the state supports school districts and deploys funding for electric buses. There are several raises reservations that could unintentionally weaken the existing school bus transition framework. The state already has biofuel blending requirements for home heating oil and there is not sufficient fueling infrastructure in the state with one private B20 fueling station.

Aaron Goode, Friends of the Farmington Canal:

It is critically important for projects such as the development of Bus Rapid Transit in New Haven but the definitions (project located in heavily congested areas) in lines 53-56 cause confusion and environmental justice communities is an obscure outdated and has little to do with environmental justice. I would strongly recommend the Transportation Committee work with the Environment Committee to create a more useful and effective definition of "environmental justice communities".

Charles Rotheberger, Director of Government Relations, Save the Sound:

Transitioning school bus fleets to electric vehicles is critical for the health of our communities. We are disappointed to see the transitioning being slowed but recognize the likelihood of less

federal support. Electric busses are no longer a novelty technology. We encourage steady progress to transition our fleets to improve air quality and public health.

Jake Albert, Vice President, Albert Bros. Inc:

As a fifth-generation metal recycling company we rely significantly on the ability to transport metal materials via rail freight. Without a reliable freight rail service more trucks will be on the road with more pollution. We appreciate any efforts of the state to provide additional resources to the private and public sectors to improve rail facilities. I would be honored to serve in a volunteer capacity on the "working group."

Connecticut Association of Boards of Education:

Many of our members have concerns about the 2030 deadline and support the change in timeline for compliance. It is more realistic for a school district's annual budget, and for planning future budgets. Phasing implementation deadlines from 2030, 2035, 2040 for school districts will help plan out the first routes to utilize the zero-emissions buses and allow for changes to planned next steps. We will work to secure the \$40 million in bond funds that have been dedicated to this mandated state program.

Francis Pickering, Executive Director, Western Connecticut Council of Governments:

We have comments on the electric vehicle rebate provisions but support several provisions that address important transportation system needs particularly traffic signal modernization, school bus electrification timelines and freight rail utilization. We suggest establishing a working group with a broader focus on freight mobility.

Louis Dubuque, Vice President, National Waste & Recycling Association:

Rail transportation is an important part of the waste and recycling system and many of our member companies utilize rail to move municipal solid waste from transfer stations to regional disposal facilities. Sections 6 and 7 establishes a working group to examine policies and incentives and recognizes the value of the existing system. The working group takes a practical and collaborative approach by bringing together representatives from state agencies, municipalities, freight rail carriers and the waste recycling industry to ensure continued support while strengthening the infrastructure of the regions waste management system.

Connecticut Association of School Business Officials.

The current timeline of this bill is unattainable for many reasons but the main being lack of funding and infrastructure. Our organization works closely with CT Greenbank to educate our membership on the necessary steps to make the transition. Very few school districts own their own school buses, and this bill requires districts to partner with their vendors and property owners. The language authorization of \$40 million of bonding require it to be allocated and deployed. Additional funding is needed in state grants, or this bill will be an unfunded mandate. In lines 107-111 is of concern because most districts have already locked in diesel and oil pricing for the next school year. Using Biodiesel does not make sense because we are a cold weather state and the fuel at the terminals will get into the 20's and the only alternative to winterize a B20 blend is with kerosene.

Randall Collins, Associate Director of Public Policy, CCM:

Mandating the transition of 90% of school buses with zero-emission by 2040 will imposed a significant unfunded mandate upon towns and cities. Connecticut specific examples show a cost of \$375,000– \$420,000 per bus vs. \$100,000 - \$150,000 for a new diesel bus. Additional

costs can add \$20,000 - \$50,000 on average. Not many towns can afford this when they are struggling to meet basic education costs. We support the goals, but the legislature needs to provide the funding to achieve these goals.

Connecticut Railroad Association:

We thank the Transportation for raising this bill particularly Sections 6 & 7. For years we have worked through the Rail Freight Infrastructure Program both in stat-leased and privately owned railroads. As the number of freight rail customers grows there is a need to assist businesses in improving their access to local rail service providers. The creation of the interstate highway led to a decline in freight rail but today freight rail operations have persisted with seven active railroads providing reliable and efficient commercial freight service. We look forward to participating in the working group and sharing our perspectives and ideas about how to strengthen our commercial rail freight network. We have included what we think are some of the issues to be considered.

Peter Cyr, Program Manager, Clean Transportation Communities of Southern CT:

CTC is particularly supportive of lines 112-126, lines 113-142,107-111 and naming electric school buses al allowable providers of energy storage in statue. These help to reduce costs for local school districts and make the state's clean transportation benchmarks more attainable.

Jeremy Schulik, Deputy Director of Clean Transportation Communities of Southern Connecticut:

As a nonprofit that facilitates clean transportation projects in New Haven, Middlesex and New London Counties we support the bill. From the Rebate+Used portion of CHEAPR and the cap to prevent new luxury EVs from being incentivized. We do think the eligibility model proposal should be extended to seven years old. Most affordable used EVs tend to be older soliciting rebates to newer EVs does not provide discounts to the LMI customers that would need them the most. On a technical note: Section 1 subsection (4) we think it important to add a sentence stipulating that all vehicles under the proposed umbrella be eligible.

Howard Pincus, President Naugatuck Railroad Company:

Economic assistance in providing rail connections is vital to getting that material out of trucks and on to rail cars. Creating a working group increases the incentives and the use of freight rail transportation. Railroad freight transportation is having a resurgence due to environmental and traffic factors. Connectivity is a key issue because many rail freight users do not have direct sidetrack connections. The working group will make recommendations to increase the utilization of freight rail for the transportation of municipal solid waste (MSW).

T. Michael Morrissey, Director of GOVT Affairs, Alternative Fuels Coalition of Connecticut:

As an active member of our state's three Clean Cities Coalitions and a Division of the Federal Department of Energy we encourage the committee to eliminate 10 percent constraint and allow for the purchase beyond the year 2040. This will allow for a more practical and affordable way to deploy low and zero emission buses in Connecticut.

Samuel Gold, Executive Director, Lower Connecticut River Valley Council of Governments:

We see from our public transit fleets, electrical capacity to charge vehicles is a major limitation to switch from hydrocarbon fuel school buses to those powered by electricity. Electric buses

cannot be charged at any time of the day, and they need to coordinate with Eversource to ensure there is capacity for charging. We need to improve the efficient use of school buses and maybe adapt the technology that runs our micro transit system. We should be discussing freight planning with CT DO being involved.

Sean Corvino also submitted testimony in support of the bill:

NATURE AND SOURCES OF OPPOSITION:

Rachel Briggs, Staff Attorney, Conservation Law Foundation:

CLF opposes and supports Section 4 of the bill. CLF opposes changing "environmental justice community" to "distressed municipality" it creates confusion as those developed in PURA's recent docket are focused on environmental justice communities. Focusing on electrifying vehicles is essential. We oppose the weakening the deadlines for school bus electrification, while sympathetic to the challenges of electrifying school bus fleets waking as back is not the answer. We also do not support the proposed biodiesel requirement as written.

Sonia Green, Chairperson, Woodstock Board of Education:

As currently written the bill needs financial support for the purchase and implementation of electric school buses and B20 biodiesel by October 1, 2026. I appreciate the effort to delay the implementation the bill does not go far enough to address the financial realities facing school districts and municipalities across the state. School buses that operate on diesel fuel experiences operational challenges when temperatures fall below 20 degrees Fahrenheit. This bill would require districts to add kerosene to their fuel supply to ensure reliable vehicle operation in cold weather. Consider revisions to provide meaningful financial support for school districts and municipalities.

Michael Grove, Assistant Superintendent, Meriden Public Schools:

I support the modernized timelines but urge the removal of the biodiesel requirement and that the transition to electric fleets is supported by state funding.

Stephanie Levin, Director of Business Services, Somers, Public Schools:

Somers has begun work on becoming educated about zero emission school buses. Our two main concerns are the expense as well as the infrastructure updates required. We would support allowing the town to develop a plan by 2035 with a phase-in approach. This allows the district and town to create a multi-year planned transition. We anticipate due to the lack of funding the local taxpayer will incur the majority of the burden. We oppose the proposed mandate on the required use of biodiesel blend. We have already signed our fuel contract and to break that contract would more than double our fuel expenders.

Tracy Cyr, Manager, Dime Oil Co:

School buses can never be truly zero emissions as even electric ones are supplied by power created through sources which include fossil fuels such as natural gas. This bill does not reduce emissions just changes it. On page 5 section e that calls for a carrier to have a school bus with a biodiesel blend of at least twenty percent biodiesels. Biodiesel feedstock has an average cloud point around 40-50 degrees above zero. B20 will not function, and equipment failure will happen without adding kerosene and many terminals may not be prepared to handle the demand. Who is paying for this mandate that will cost cities and towns millions. Many

municipalities and boards of education have already locked in their fuel cost for the July 2036-June 2027 year.

One person submitted in opposition anonymously.

Reported by: Pamela Bianca

Date: 3/26/26