

NY School Bus Incentive Program (NYSBIP) Cheat Sheet

Voucher applications for electric school buses will be accepted beginning November 29th, 2023, on a first-come, first-served basis. Here's what you need to know.

The content provided here draws directly from the New York State Energy Research and Development Authority's (NYSERDA) [New York School Bus Incentive Program \(NYSBIP\) Implementation Manual](#). Please refer to the manual for official details.

NYSBIP Overview

In April 2022, the New York State (NYS) Legislature passed a statewide zero-emission school bus mandate that was signed by Governor Hochul. All new school bus purchases must be zero-emission starting in 2027, with the entire state's school bus fleet reaching zero-emission by 2035. This will result in fleet operational savings and improved air quality by reducing harmful vehicle emissions and will benefit the health of students, drivers and communities. In November 2022, voters across NYS overwhelmingly voted for the [Clean Air, Clean Water and Green Jobs Environmental Bond Act](#) (Bond Act) which designated \$500 million in funding to support this transition to zero-emission school buses. NYSERDA established the NY School Bus Incentive Program (NYSBIP) to assist in the implementation of the mandate.

NYSBIP is a statewide voucher incentive program for zero-emission school buses (electric and hydrogen fuel cell) and associated charging and fueling infrastructure. **\$100 million of the Bond Act funding will be made available** in an initial round of funding for new or repowered electric school buses (ESBs) and charging infrastructure. **Voucher applications for buses will be accepted beginning November 29th, 2023, on a first-come, first-served basis** so districts should start on their applications with their bus dealers right away!

NYSBIP Summary

Application Period: The NYSBIP voucher application portal opens for fleet owners (and dealers supporting fleet owner applications) on November 29th, 2023, and applications are accepted on a first-come, first-served basis. If a voucher is approved, it must be redeemed within 15 months of that approval. Fleet owners may apply for additional vouchers after two years if funding remains. See [NYSERDA's NYSBIP webpage](#) for program information, dates and documents.

Eligible Applicants: Fleet owners are eligible to apply. Ownership is defined as:

- “New York State public school districts or other public entities that provide pupil transportation services;” ¹
- “Third-party Operators under contract with a New York State public school district” ² to “operate school buses and/or associated charging infrastructure on behalf of the school district for pupil transportation purposes.” ³

¹ [NYSBIP Implementation Manual](#), pg. 23

² [NYSBIP Implementation Manual](#), pg. 23

³ [NYSBIP Implementation Manual](#), pg. 5

NYSBIP Program Process:



Notes:

a - [NYSBIP Eligible ESB List](#)

b - Paid in full is total vehicle cost minus the voucher amount

c - Vehicle Usage Reports include but are not limited to odometer readings, amount of electricity used for battery charging, vehicle operator feedback, and maintenance and repair information including vehicle down time

The Base Voucher: This voucher amount is intended to cover a large percentage of the incremental cost of a new or repowered zero-emission school bus (compared to a similar new diesel-fueled vehicle). Funding levels are determined by the type of bus as indicated below.

School Bus Type	Percentage of Incremental Cost Covered	Base Voucher Dollar Amount
New Type A (NTA)	60%	\$114,000
New Type C (NTC)	60%	\$147,000
New Type D (NTD)	60%	\$156,000
Repowered Type A (RTA)	75%	\$105,000
Repowered Type C (RTC)	75%	\$135,000

Source: NYSERDA's [Program Implementation Manual \(updated September 2023\)](#)

Two Voucher Bonuses are available to increase voucher amounts (table below) by meeting the following additional criteria:

1. **Buses serve a Priority District** – Priority districts include High Need/Resource Capacity districts and districts that serve Disadvantaged Communities (defined as school districts with 40% or more of the total population living within a disadvantaged community). See NYSERDA's [Priority Districts List](#) for all districts with priority status.
2. **Vehicle scrappage** – Vehicle being replaced and scrapped must 1) be owned by the entity listed as the Purchaser, 2) be an in-service school bus operating in the state during two of the three previous years, 3) have 2,500 or more miles of service in the last year, and 4) have an engine that is at least seven years older than the application year. For instance, if applying in 2023, the bus must be model year 2016 or older. The scrapped bus can be replaced with the same school

bus type or a smaller type, but not a larger type. For instance, a Type C bus may be scrapped to receive a Type A or Type C, but not a Type D. Vehicle may be scrapped “between the date of voucher approval up to 21 days after vehicle delivery.”⁴

Scraping must include verifiably rendering the ICE (internal combustion engine) bus inoperable by 1) “cutting a three-inch hole in the engine block”⁵ and 2) “disabling the chassis by cutting the vehicle’s frame rails completely in half.”⁶

Two Complementary Equipment Add-Ons are available for specialized equipment installed on the vehicles. The amounts (table below) are intended to help cover additional expenses associated with certain vehicle modifications.

1. **Vehicle to Grid (V2G) Technology** – For vehicles with V2G capability “an additional 5% of the incremental cost will be applied to the base voucher.”⁷ NYSERDA indicates V2G status on the [eligible vehicles list](#).
2. **Wheelchair Accessibility** – For vehicles that are wheelchair accessible “an additional \$8,000 will be added to the base voucher amount”.⁸ Repowers are not eligible for this add-on.

School Bus Type	Priority District Bonus Amount	Scrapage Bonus Amount	V2G Complementary Add-On Amount	Wheelchair Complementary Add-On Amount
NTA	\$28,500	\$47,500	\$9,500	\$8,000
NTC	\$36,750	\$61,250	\$12,250	\$8,000
NTD	\$39,000	\$65,000	\$13,000	\$8,000
RTA	\$21,000	N/A	\$7,000	N/A
RTC	\$27,000	N/A	\$9,000	N/A

Source: NYSERDA’s [Program Implementation Manual \(updated September 2023\)](#)

Eligible School Buses: Eligible vehicles for purchase “must be a Class 3-8 Battery Electric Vehicle (BEV) or Fuel Cell Electric Vehicle (FCEV). Personal passenger vehicles are not eligible for program funding.”⁹ Only vehicles purchased from a program-approved Dealer are eligible. Please see the [NYSBIP Eligible ESB List](#). With the exception of repowered vehicles, all eligible vehicles have to be new with a model year no older than one year. For instance, a vehicle purchased in calendar year 2023 must be model year 2022, 2023, or 2024. Used vehicles are ineligible, including those used by entities for demonstration purposes, and vehicles cannot have been previously registered or delivered prior to the Dealer’s voucher

⁴ [NYSBIP Implementation Manual](#), pg. 17

⁵ [NYSBIP Implementation Manual](#), pg. 12

⁶ [NYSBIP Implementation Manual](#), pg. 12

⁷ [NYSBIP Implementation Manual](#), pg. 13

⁸ [NYSBIP Implementation Manual](#), pg. 13

⁹ [NYSBIP Implementation Manual](#), pg. 18

application. Scrappage is not required as part of NYSBIP. “Program funding may not be used to pay for the purchase or installation of fuel-fired heaters, although these may be installed at Purchaser’s expense.”¹⁰ See [NYSERDA’s Program Implementation Manual \(updated September 2023\)](#) for all program rules and eligibility requirements.

Vehicle Caps: To distribute this opportunity across all school districts, there will be vehicle caps per applicant. These caps may be lifted “once efforts to reach every school district have been made.”¹¹ Vehicle caps are outlined below, and fleet owners may apply within the first two years of NYSBIP. After two years, fleet owners may apply for additional vehicles as funding allows.

School District-Owned or Third-Party Owned Fleets:

- Each Non-Priority School District or Third-Party Operator (for each Non-Priority District with which they contract) can apply for six vehicles or 6% of their fleet, whichever is greater.
 - For instance, a School District with 200 buses can apply for up to 12 vehicles (6% of their fleet). A School District with 50 buses can apply for up to 6 vehicles (greater than 6% of their fleet).
- Priority School Districts or Third-Party Operators (for each Priority District with which they contract) can apply for 10 vehicles or 10% of their fleet, whichever is greater.
- School Districts or Third-Party Operators that complete an approved fleet transition plan can apply for an additional four vehicles or 4% of their fleet, whichever is greater.
 - Plan must demonstrate “utility engagement for infrastructure design and a timeline for receiving buses.”¹²
 - More information on fleet transition planning and funding for fleet advisory services to develop a fleet transition plan can be found in NYSERDA’s [Electric School Bus Roadmap](#).

Stacking: NYSBIP vouchers may be combined with select other public incentives including, but not limited to, the Inflation Reduction Act (IRA) Tax Credits, [EPA’s Clean School Bus Program funding](#), and utility “Make-Ready” programs, for example the [Medium- and Heavy-Duty Make-Ready Pilot Program](#). The total incentive amount cannot “exceed 100% of the value of the vehicle and/or charging infrastructure.”¹³

Program Contacts:

- The Voucher Help Center (VHC) is available to answer questions about the program:
Phone: 866-595-7917, Email: NYSBIP@energycenter.org
- Hannah Abdoo, Project Manager:
Phone: (518) 862-1090, Email: Hannah.Abdoo@nyserda.ny.gov
- Send an email to schoolbus@nyserda.ny.gov for more information

See [NYSERDA’s NYSBIP webpage](#) for program information, dates, and documents.

¹⁰ [NYSBIP Implementation Manual](#), pg. 18

¹¹ [NYSBIP Implementation Manual](#), pg. 14

¹² [NYSBIP Implementation Manual](#), pg. 14

¹³ [NYSBIP Implementation Manual](#), pg. 8

Additional WRI Resources for NYSBIP Applicants

WRI's [Electric School Bus Initiative](#) is working to accelerate the electrification of the U.S. school bus fleet. We have free support and resources available to help school districts interested in ESBs, including:

- [Office hours](#) with our staff to answer districts' questions about ESB funding and adoption.
- [Step-by-step guide](#) to help districts at every stage of fleet electrification.
- [Market study and buyer's guide](#) with comprehensive information on ESBs available in the U.S.
- [Request for proposal \(RFP\) template](#) to guide districts' procurement of ESBs and chargers.
- [Power Planner](#) to help districts start coordinating with their utility on ESB deployment.
- [Sign up](#) to receive future updates from the Electric School Bus Initiative!