

**SENATE BILL REPORT**

**ESHB 1880**

**AS OF APRIL 5, 1991**

**Brief Description:** Authorizing the replacement of school buses.

**SPONSORS:** House Committee on Education (originally sponsored by Representatives Cole, Brumsickle, Peery, Riley, Paris, Jacobsen, May, Betrozoff and Rasmussen; by request of Superintendent of Public Instruction).

**HOUSE COMMITTEE ON EDUCATION**

**HOUSE COMMITTEE ON APPROPRIATIONS**

**SENATE COMMITTEE ON EDUCATION**

**Staff:** Susan Mosborg (786-7439)

**Hearing Dates:** April 5, 1991

**BACKGROUND:**

The statewide school bus fleet includes more than 5,600 district-owned buses. Approximately 2,100 of these buses do not meet the federal safety standards adopted in April 1977. These 1977 standards required significant improvements in school bus construction designed to protect bus occupants. According to the Office of the Superintendent of Public Instruction (SPI), an additional 1,500 of the district-owned buses are beyond their normal life expectancy, resulting in annual costs of \$10 - \$15 million for extraordinary avoidable repairs.

Under the current system of state funding, school districts are required to front-fund the purchase of school buses. The state then reimburses the school district based on a depreciation schedule. Under this system, a district must first raise the funds for the new bus, which often requires the voters to approve a transportation levy. Passing these bus levies is often difficult.

**SUMMARY:**

The current reimbursement/depreciation model for state funding of school buses is changed to a model based on having the state "front-fund" the purchase of new buses. Provisions apply only to the replacement of aging and obsolete buses, not to the purchase of "growth" buses.

The Superintendent of Public Instruction shall allocate, with funds appropriated by the Legislature, state funds for the purchase of new buses to replace buses owned by school

districts or Educational Service Districts (ESDs). For each bus purchased with state funds, an old bus must be retired. Districts must give priority to replacing buses manufactured before April 1, 1977. The specifications of both the retired bus and its replacement must be reported to SPI. SPI shall revoke the operating permit of each retired bus.

A process is established for determining the amount of state funds districts may spend on replacement buses. Each year, SPI shall establish specifications for a few categories of basic buses state funding is designed to cover. The specifications shall be developed with the assistance of school district representatives and shall be structured to stimulate competition among vendors.

SPI shall then arrange one or more voluntary school bus purchase pools for each category of basic bus. Participating districts will receive a bid for the basic bus. Each participating district may also solicit bids for any additional features it would like, but must pay for them with local funds. Districts not participating in school bus purchase pools may purchase any bus from any vendor but shall receive state funds at the basic rate negotiated by the applicable purchase pool.

SPI shall make full payment to the district for an authorized bus purchase when the bus is delivered.

For each of the next four years, school districts may use up to 40 percent of their school bus replacement funding credits to liquidate debt incurred in past school bus purchases.

Each year, SPI shall also develop a depreciation schedule for payments to districts that contract with private carriers for student transportation.

If the bill is not funded in the budget, the bill is null and void.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** available

**Effective Date:** September 1, 1992