

# SENATE BILL REPORT

## SB 5114

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As Reported By Senate Committee On:  
Early Learning & K-12 Education, February 7, 2007  
Ways & Means, March 5, 2007

**Title:** An act relating to student transportation funding.

**Brief Description:** Changing student transportation funding.

**Sponsors:** Senators Rockefeller, Parlette, Eide, Weinstein, Fairley, Keiser, Shin, Kohl-Welles, Murray, McAuliffe, Rasmussen, Kauffman, Kilmer, Franklin and Holmquist.

**Brief History:**

**Committee Activity:** Early Learning & K-12 Education: 1/25/07, 2/07/07 [DPS-WM, DNP]  
Ways & Means: 2/14/07, 3/05/07 [DP2S, DNP].

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### SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

**Majority Report:** That Substitute Senate Bill No. 5114 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators McAuliffe, Chair; Tom, Vice Chair; Brandland, Clements, Eide, Hewitt, Hobbs, Kauffman, Oemig, Rasmussen, Weinstein and Zarelli.

**Minority Report:** Do not pass.

Signed by Senator Holmquist, Ranking Minority Member.

**Staff:** Eric Bratton (786-7438)

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** That Second Substitute Senate Bill No. 5114 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Pridemore, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Brandland, Carrell, Fairley, Hatfield, Hewitt, Hobbs, Keiser, Kohl-Welles, Oemig, Parlette, Rasmussen, Regala, Roach, Schoesler and Tom.

**Minority Report:** Do not pass.

Signed by Senators Honeyford and Rockefeller.

**Staff:** Bryon Moore (786-7726)

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Background:** The current student transportation funding formula provides allocations to districts based on the number of eligible students transported and the weighted radius distances between route stops and schools. Districts receive a state allocation for transportation to and from home and school beyond one radius mile. Additionally, the formula includes an allocation for kindergarten through fifth grade students living within one mile of their school. The state does not provide funding for field trips, extracurricular trips, extended school day take-home trips, or after school activity take-home trips.

The standard student mile is measured as the straight-line distance between bus route stops and school. However, the allocation rate can be adjusted to provide a differential for such factors as distance, passenger load, students with disabilities, or the need for special types of vehicles. The net result of these factors is a state funding formula for student transportation that incorporates a weighted student mile.

**Summary of Bill:** Bill as referred to committee not considered.

**Summary of Proposed Substitute As Heard In Committee (Early Learning & K-12 Education):** Beginning with the 2007-08 school year, the standard student mile for determining the student transportation allocation must be calculated for each school district using the shortest road mile from the student's home to school. There will be no mile restrictions for students that are disabled or qualify for an exemption due to hazardous walking conditions as determined by local school boards based on rules adopted by the Superintendent of Public Instruction (SPI). Transportation of students to and from school for funding formula purposes will include transportation of students for instructional activities necessary to basic education, federal requirements related to special education or No Child Left Behind, or for homeless children. School districts must separate the costs of transportation "to and from" school from "non to and from" school transportation in their annual financial statements.

The Office of Financial Management (OFM), in consultation with SPI and the Joint Legislative Audit and Review Committee (JLARC), will contract for the development of two options for a student transportation funding methodology that reflects actual costs and builds incentives for an efficient use of resources, and provides school districts with a formula for predictable levels of funding. In developing the two options, OFM and the contractor will consult with the Office of SPI, regional transportation coordinators, school business managers, school administrators, and classified staff. OFM will report to the education and fiscal committees of the Legislature with a detailed description of options and legislation that is required to implement options and any accompanying legislation to implement the funding methodology by December 1, 2008.

**EFFECT OF CHANGES MADE BY RECOMMENDED SUBSTITUTE AS PASSED COMMITTEE (Early Learning & K-12 Education):** Beginning with the 2009-10 school year, an eligible student for pupil transportation funding purposes will be a student whose route stop is more than one mile using the shortest road mile that is the safest route to travel from the student's school. In addition, starting in the 2009-10 school year, students with hazardous walking conditions will be exempt from the mileage restrictions. Starting with the 2007-08 school year, school districts must separate their to and from school costs from their non to and from costs. OFM, in consultation with OSPI and JLARC, will contract for the development of two options for a pupil transportation funding methodology and report to the

Governor and the education and fiscal committees of the Legislature by December 1, 2008. OFM will also ensure that the contractors developing the options have an expertise in school funding methodologies, pupil transportation, and commercial transportation logistics.

**EFFECT OF CHANGES MADE BY RECOMMENDED SECOND SUBSTITUTE AS PASSED COMMITTEE (Ways & Means):** The provisions that would have made the pupil transportation funding formula based on "shortest road mile" rather than "radius mile" beginning with the 2009-10 school year are removed. Also, the provisions that would have created a "hazardous walking condition" component to the funding formula beginning with the 2009-10 school year are removed. The Office of Financial Management report on the new funding formula is required to include an evaluation of the feasibility of having some or all of the pupil transportation program supported by the transportation budget, including utilizing local transit agencies.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed, except for Section 1, which takes effect September 1, 2009, and Section 2, which take effect September 1, 2007.

**Staff Summary of Public Testimony (Early Learning & K-12 Education):** PRO: The pupil transportation funding methodology is outdated. Using a radius mile instead of a road mile to measure to and from school distances does not take into account the dramatic effects of geography. Some students that live within one radius mile of school have to drive several road miles to get there. Under the current model, some school districts, due to the geography of their district, are big losers when it comes to pupil transportation funding. This bill helps to address the inequities in pupil transportation funding across school districts. The job of the OFM is to find ways to implement the JLARC recommendations as opposed to studying the funding methodologies further. Concern was expressed with the immediate implementation of some sections of the bill. Providing funding for students with hazardous walking conditions is very important. Social hazards should be included in the definition of hazardous conditions. By building solid foundations for transportation funding, we can begin to address other funding issues.

**Persons Testifying (Early Learning & K-12 Education):** PRO: Senator Rockefeller, prime sponsor; Ken Kanikeberg, Public School Employees of Washington; Barbara Mertens, Washington Association of School Administrators; Julie Salvi, Office of Financial Management; Michael Green, Nine Mile Falls School District; Mitch Denning, Alliance of Educational Associations; Ron Lee, Washington Association Pupil Transportation and North Kitsap School District; Catherine Ahl, North Kitsap School Board; and Connie Fletcher, Issaquah School District.

**Staff Summary of Public Testimony (Ways & Means):** PRO: Pupil transportation funding is a major issue in nearly all school districts and the lack of state funding has caused the need to use local levy dollars to support the program. This is one area that the Legislature has enough information to take a significant step towards addressing, in advance of dealing with

the larger basic education funding issues over the next several years. Between now and when the development of the new transportation funding formulas are developed, the Legislature should provide some temporary relief by enhancing pupil transportation in the budget.

**Persons Testifying (Ways & Means):** PRO: Senator Rockefeller, prime sponsor; John Eschenbacher, Moses Lake School; Eugene Medina, North Kitsap School District.