

SSB 5326 - S AMD 1033

By Senator Robinson

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature recognizes that school
4 bus drivers play a crucial role in ensuring students' safe passage to
5 and from school, preventing absences, and extending a positive school
6 climate beyond the classroom. By delivering this essential service,
7 school bus drivers provide a significant time and convenience benefit
8 to thousands of Washington families, remove cars from the road,
9 reduce overall emissions, and increase traffic safety. However, a
10 recent national survey revealed that 94 percent of bus contractors
11 experience driver shortages, with 21 percent reporting their
12 shortages as severe. With this act, the state of Washington intends
13 to encourage the retention of bus drivers who provide vital services
14 to local communities.

15 **Sec. 2.** RCW 28A.160.140 and 1990 c 33 s 140 are each amended to
16 read as follows:

17 (1) As a condition of entering into a pupil transportation
18 services contract with a private nongovernmental entity, each school
19 district shall engage in an open competitive process at least once
20 every five years. This requirement shall not be construed to prohibit
21 a district from entering into a pupil transportation services
22 contract of less than five years in duration with a district option
23 to renew, extend, or terminate the contract, if the district engages
24 in an open competitive process at least once every five years after
25 July 26, 1987.

26 (2)(a) A school district may only enter into a pupil
27 transportation services contract with a nongovernmental entity if
28 that entity provides the following to, or on behalf of, employees who
29 choose to opt in for coverage:

30 (i) An employer health benefits contribution equal to the
31 employer payment dollar amount in effect for the first year of the

1 contract for health care benefit rates (Cockle rates), published
2 annually by the health care authority, for the school employees'
3 benefits board program for school employees; and

4 (ii) An amount equivalent to the salaries of the employees of the
5 private nongovernmental entity multiplied by the employer normal cost
6 contribution rate determined under the entry age cost method for the
7 school employees' retirement system, as published in the most recent
8 actuarial valuation report from the office of the state actuary for
9 the first year of the contract.

10 (b) Subsection (2)(a) of this section applies only to pupil
11 transportation service contracts for which the request for proposals
12 begins after the effective date of this section and no earlier than
13 for a contract affecting the 2023-24 school year.

14 (c) All pupil transportation service contracts entered into or
15 modified after the effective date of this section must include a
16 detailed explanation of any contract cost increase by year,
17 expenditure type, and amount, including any increases in cost that
18 result from providing the benefits required under this section.

19 (3) As used in this section:

20 ~~((1))~~ (a) "Employee" means a bus, van or shuttle driver,
21 monitor, mechanic, or dispatcher who works sufficient compensated
22 hours for the nongovernmental entity performing services on the
23 contract with the school district to meet the eligibility
24 requirements that apply to school employees for benefits in the
25 school employees' retirement system and the school employees'
26 benefits board program;

27 (b) "Open competitive process" means either one of the following,
28 at the choice of the school district:

29 ~~((a))~~ (i) The solicitation of bids or quotations and the award
30 of contracts under RCW 28A.335.190; or

31 ~~((b))~~ (ii) The competitive solicitation of proposals and their
32 evaluation consistent with the process and criteria recommended or
33 required, as the case may be, by the office of financial management
34 for state agency acquisition of personal service contractors;

35 ~~((2))~~ (c) "Pupil transportation services contract" means a
36 contract for the operation of privately owned or school district
37 owned school buses, and the services of drivers or operators,
38 management and supervisory personnel, and their support personnel
39 such as secretaries, dispatchers, and mechanics, or any combination

1 thereof, to provide students with transportation to and from school
2 on a regular basis; and

3 ~~((3))~~ (d) "School bus" means a motor vehicle as defined in RCW
4 46.04.521 and under the rules of the superintendent of public
5 instruction.

6 NEW SECTION. **Sec. 3.** A new section is added to chapter 28A.160
7 RCW to read as follows:

8 (1) A school district that experiences an increase in costs to a
9 pupil transportation services contract as compared to prior year
10 contract costs as a result of the provisions in RCW 28A.160.140 is
11 eligible for supplemental transportation allocations as described in
12 this section.

13 (2) Beginning September 1, 2023, school districts that provide
14 pupil transportation through a contract with a nongovernmental entity
15 under RCW 28A.160.140 must annually provide the office of the
16 superintendent of public instruction with the following information:

17 (a) A breakdown of the total contract cost increase, including a
18 detailed explanation of the increase by expenditure type
19 demonstrating dollar equivalency as required in RCW
20 28A.160.140(2)(a)(i) and percentage equivalency as required in RCW
21 28A.160.140(2)(a)(ii), as defined by the office of the superintendent
22 of public instruction, and amount;

23 (b) A breakdown of cost from the contractor that shows the cost
24 to provide health care and pension benefits to employees prior to the
25 effective date of this section and the cost to provide health care
26 and pension benefits to employees after the implementation of
27 benefits as described in RCW 28A.160.140;

28 (c) The amount of funding received through transportation
29 allocations under RCW 28A.160.150 through 28A.160.192 prior to the
30 implementation of school employee benefits under chapter 41.05 RCW
31 and the amount of funding received through the same transportation
32 allocations for the period immediately following the implementation
33 of school employee benefits under chapter 41.05 RCW, to determine the
34 amount of funding for health care that is already being included in
35 allocations.

36 (3) The office of the superintendent of public instruction may
37 suspend the reporting requirements under subsection (2) of this
38 section on or after September 1, 2027, for districts that do not
39 request supplemental transportation allocations under this section.

1 (4) Subject to the availability of amounts appropriated for this
2 specific purpose, the office of the superintendent of public
3 instruction must reimburse a school district for the increased cost
4 that is directly attributable to increased benefits as required under
5 this act, using the following formula: The total contract cost
6 increase, less any amounts not attributable to benefits required
7 under RCW 28A.160.140, less the amount the allocation was increased
8 based on the actual cost increase through the transportation funding
9 formula."

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10 On page 1, line 1 of the title, after "school" strike the
11 remainder of the title and insert "transportation workers employed by
12 private nongovernmental entities; amending RCW 28A.160.140; adding a
13 new section to chapter 28A.160 RCW; and creating a new section."

EFFECT: Removes the provision that the requirements in this bill go into effect with contracts that are new, renewed, or extended after the effective date of the act and replaces it with a requirement that this be included in a request for proposals that begins after the effective date of this act and no earlier than for a contract affecting the 2023-24 school year.

Provides that the health care contribution is a dollar equivalency that applies to employees that opt in to coverage.

Clarifies that the retirement contribution is a percentage rate based on the normal cost of the system that covers classified employees of a school district based on information published by the Office of the State Actuary multiplied by the employee's salary.

Provides that the health care and retirement rates are those that are in effect for the first year of the transportation service contract.

Provides that reimbursement is subject to funding provided specifically for this purpose.

Provides that the expenditures that must be reported annually to the Office of the Superintendent of Public Instruction must show the dollar equivalency for health care and retirement benefits as provided by this act. Allows the Superintendent of Public Instruction to suspend the reporting requirements in 2027 for districts that opt not to receive supplemental transportation allocations. Removes a requirement that the Superintendent of Public Instruction adopt rules when determining costs that are eligible for reimbursement.

Limits the definition of an eligible employee to include a bus, van or shuttle driver, monitor, mechanic, or dispatcher.

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