
Appropriations Committee

HB 1808

Brief Description: Concerning pupil transportation funding.

Sponsors: Representatives Stonier, MacEwen, Dolan, Leavitt, Johnson, J., Callan, Santos, Shewmake, Wylie, Bergquist, Pollet, Harris-Talley and Kloba.

Brief Summary of Bill

- Requires school districts to report transportation expenditures monthly for special passengers, including students that are homeless, in foster care, or receiving special education, beginning in the 2022-23 school year.
- Requires the Office of Superintendent of Public Instruction (OSPI) to reimburse all reported special passenger costs monthly beginning in the 2023-24 school year and excludes those costs from the calculation of formula-based transportation allocations.
- Requires the OSPI to provide an analysis of school districts' 2023-24 transportation costs and allocations to the Legislature by January 1, 2025.
- Requires the State Auditor's Office to review special passenger costs in school districts that exceed 105 percent of the state average cost per special passenger.

Hearing Date: 1/17/22

Staff: James Mackison (786-7104).

Background:

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

State Funding Formulas for Pupil Transportation.

The state's statutory program of basic education includes transportation to and from school for eligible students, including transportation of students for special education services and between schools and learning centers.

To provide transportation allocations to school districts, the Office of the Superintendent of Public Instruction (OSPI) uses the Student Transportation Allocation Reporting System (STARS), which is a regression formula that uses prior year expenditures, student passenger counts, and district characteristics to calculate the expected costs of to and from transportation. The STARS formula result is then compared to the district's allowable transportation expenditures from the prior year. The school district receives the lesser of the two calculated amounts, plus any compensation adjustments provided in the operating budget.

Counts of basic and special program passengers are used in the STARS formula. Special program passengers include students in special education, bilingual programs, highly capable programs, homeless programs, and other program students transported by school bus or by district car route.

Transportation Alternate Funding Grant Program.

The Transportation Alternate Funding Grant Program provides grant awards to school districts in addition to the STARS formula allocation. As part of the award process for the grants, the OSPI must review school districts' efficiency ratings, key performance indicators, and other characteristics, such as unique geographic constraints, low enrollment, geographic density of students, the percentage of students served under the McKinney-Vento Act from outside the district, or whether a district is a non-high district.

Federal Requirements for Homeless and Foster Student Transportation.

Federal laws include requirements for student transportation of homeless students and students in foster care, including transportation to and from a student's school of origin upon request and when it is in the child's best interest.

The federal McKinney-Vento Homeless Education Assistance Act (McKinney-Vento Act) defines "homeless children and youths" to mean individuals who lack a fixed, regular, and adequate nighttime residence. Under the McKinney-Vento Act, homeless children are entitled to receive transportation comparable to what is available to non-homeless students.

The federal Every Student Succeeds Act includes requirements for school districts to develop procedures that address how transportation to the schools of origin for children in foster care will be provided, arranged, and funded.

In cases where a student is living outside the school district where a school of origin is located, multiple school districts and child welfare agencies may coordinate in determining a method of transportation and arrangements to share costs.

Summary of Bill:

Beginning in the 2022-23 school year, school districts must report allowable transportation expenditures for special passengers monthly. Special passengers include, but are not limited to:

- special education students that require transportation as a related service of their Individualized Education Program;
- homeless students requiring transportation under the McKinney-Vento Act; and
- foster students receiving transportation as required under the Every Student Succeeds Act, excluding excess costs covered by state or local child welfare agencies.

Beginning in the 2023-24 school year, the Superintendent of Public Instruction must distribute monthly allocations to reimburse school districts for special passenger expenditures. Reimbursements through December of a school year are based on special passenger expenditures reported for the prior year, and allocations are adjusted each month thereafter based on current year reported expenditures so that districts receive allocations for all reimbursable costs within a school year.

Reimbursable special passenger costs are removed from the STARS regression formula. References to the phase-in period of the transportation distribution that no longer apply to the STARS regression formula or special passenger reimbursements are removed.

If a school district's reimbursable costs exceed 105 percent of the state average reimbursable cost per student, the state auditor must review the transportation costs to ensure they are necessary and reasonable costs attributable to transporting students.

The Transportation Alternate Funding Grant Program is revised to remove the percentage of students outside the district served under the McKinney-Vento Act from the review process for awards.

The OSPI must provide an analysis of school district transportation costs and allocations for the 2023-24 school year by January 1, 2025. The analysis must include the mileage, ridership, and costs for each district, disaggregated by the following groups: students with disabilities, students who are homeless, students in foster care, and all other students transported to and from school. The Legislature intends to use this data to inform its future discussions on revising the student transportation allocation model to be more predictable and transparent.

Appropriation: None.

Fiscal Note: Requested on January 10, 2022.

Effective Date: Section 1 of the bill takes effect September 1, 2022. Sections 2 through 6 take effect September 1, 2023.