SENATE BILL REPORT SB 5128

As of January 15, 2021

Title: An act relating to student transportation funding during a local, state, or national emergency.

Brief Description: Concerning student transportation funding during a local, state, or national emergency.

Sponsors: Senators Wellman, Wilson, C., Conway, Dhingra, Hunt, Keiser, Lovelett, Nguyen and Saldaña.

Brief History:

Committee Activity: Early Learning & K-12 Education: 1/15/21.

Brief Summary of Bill

- Provides an alternative student transportation allocation formula and allows expanded transportation services when a school district is providing remote instruction during certain local, state, and national emergencies.
- Allows school districts to apply for additional funding if they exceed their allocation amount due to providing expanded services.
- Allows the Office of the Superintendent of Public Instruction to use student transportation data from prior reporting periods to calculate transportation allocations immediately following an emergency.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Staff: Alexandra Fairfortune (786-7416)

Background: Student Transportation. The state's program of basic education includes transportation for some students to and from school, including transportation to learning

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centers and special education services. Students are eligible for transportation if they live beyond a one-mile walk area from the school or have a qualifying disability.

<u>Transportation Allocations.</u> The Office of the Superintendent of Public Instruction (OSPI) calculates each school district's transportation allocation using the Student Transportation Allocation Reporting System (STARS). The STARS model uses a regression analysis of student ridership numbers and district characteristics to calculate an allocation amount, which is adjusted for certain qualifying factors. This STARS allocation amount is then compared to the district's transportation expenditures from the prior year. The school district receives the lesser of the two calculated amounts, plus salary and benefit allocations as appropriated by the Legislature.

OSPI must notify districts of their student transportation allocation before January 15th. Allocation payments made from September through January may be based on the prior school year's ridership report.

Governor Proclamation. On August 26, 2020, Governor Inslee signed Proclamation 20-70, which authorized school districts to spend transportation allocations on an expanded list of permissible activities. These activities include delivering learning materials, meals, and technology solutions to students in their remote learning locations, as well as transporting students to and from learning centers or other agencies where educational and support services are provided. School districts must track and document the specific time and use of drivers and buses to deliver these tools and services.

Summary of Bill: A number of provisions are implemented if a school or school district is providing full remote or partial remote instruction due to a local, state, or national emergency that makes full in-person instruction dangerous to the health or safety of the students and staff.

<u>Transportation Allocations</u>. The school district's annual student transportation allocation is 70 percent of the district's estimated allocation for that school year assuming full in-person instruction, rather than the amount the district would receive under the traditional allocation formula. If the final allowable expenditures for student transportation operations are less than the amount allocated, OSPI must recover the difference.

<u>Expanded Transportation Services.</u> The school district may use student transportation allocations to provide expanded services to students, regardless of whether those students would qualify as eligible students. The allowable expanded services include:

- delivery of educational services necessary to provide students with the opportunity to
 equitably access educational services during the period of remote instruction,
 including the transportation of materials, hardware, and other supports that assist
 students in accessing remote instruction, Internet connectivity, or the curriculum;
- delivery of meals to students; and
- providing for the transportation of students to and from learning centers or other

agencies where educational and support services are being provided during remote instruction, including providing payment to allow students to use public transit to access such services.

Districts must maximize efficiencies when delivering services to students. Districts must also track expanded service expenditures by a separate accounting code and report the data to OSPI.

Additional Funding. The district may be eligible for additional transportation funding if, as a result of providing expanded services, the district's total transportation expenditures exceed 70 percent of its budgeted allocation. To be eligible, the district must report the amount of the overexpenditure and the specific activities or services that created the overexpenditure. If the amount of overexpenditures exceed the amount appropriated for this purpose, OSPI must prorate each district's submission proportionately.

<u>Emergency Resolved.</u> When an emergency is resolved, OSPI may use the student transportation data from the last reporting period in which the school district provided full in-person instruction to calculate transportation allocations. This data may only be used until the subsequent reporting period when updated ridership data is available.

Appropriation: The bill contains a section or sections to limit implementation to the availability of amounts appropriated for that specific purpose.

Fiscal Note: Requested on January 11, 2021.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony: PRO: The transportation formula is based on ridership, but as of March there was no ridership. Instead, buses have been delivering meals and materials for education. School districts do not know how to budget for this situation. While the state can not send out the same amount of funding as though there was no change, the districts do need to have a sense of stability. A 70 percent funding model aligns with operational shifts, and early action by February would address the short-term revenue shortfall challenges that have occurred this year. This will add clarification in statute that aligns with the Governor's emergency proclamation. Expanding allowable uses to include the delivery of meals is also essential for getting nutritious meals for students and takes pressure off struggling nutrition budgets.

OTHER: Transportation is the backbone of daily operations. The state should pay for all documented permissible expenditures. Hybrid and distance learning is very costly, as it requires more bus drivers and fuel to reach more students. Costs are running very close to the 70 percent estimate already, and many districts are planning to bring students back,

which would result in expenditures exceeding that 70 percent threshold. The language should specifically provide that fixed costs are included. The funding formula and safety net need to prioritize safety over efficiency. In some districts, students have been in-person all year, so those districts should be able to opt out.

Persons Testifying: PRO: Senator Lisa Wellman, Prime Sponsor; Sandy Hayes, Washington State School Directors' Association; Steven Webb, Vancouver Public Schools and Evergreen School District; Christina Wong, Northwest Harvest; Maddy Thompson, Governor's Office; Jim Kowalkowski, Davenport Schools and Rural Education Center; Troy Nichols, Capital Region ESD 113; Teena Barnes, North Thurston Public Schools.

OTHER: Lorrell Noahr, Washington Education Association; Carolyn Brotherton, American Federation of Teachers Washington; Sally McLean, Federal Way Public Schools; Rick Chisa, Public School Employees of Washington; Paul Clark, Colton School District/EWQSC; Christian Dube, IUOE 302; Carolyn Logue, Washington State Student Transportation; Greg Newman, First Student; Jacob Iverson, Harlows School Bus Service, Inc.; Tom Seigel, Bethel School District.

Persons Signed In To Testify But Not Testifying: No one.

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