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SUBSTITUTE SENATE BILL 5581

State of Washington 67th Legislature 2022 Regular Session

By Senate Ways & Means (originally sponsored by Senators Wellman, Nobles, Conway, Das, Nguyen, Saldaña, and C. Wilson)

READ FIRST TIME 02/07/22.

- 1 AN ACT Relating to pupil transportation allocations; amending RCW
- 2 28A.160.117, 28A.160.150, 28A.160.160, 28A.160.170, 28A.160.180, and
- 3 28A.160.190; and adding a new section to chapter 28A.160 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 28A.160.117 and 2009 c 548 s 310 are each amended to read as follows:
 - (1) The superintendent of public instruction shall encourage efficient use of state resources by providing a linear programming process that compares school district transportation operations. If a school district's operation is calculated to be less than ninety percent efficient, the regional transportation coordinators shall provide an individual review to determine what measures are available to the school district to improve efficiency. The evaluation shall include such measures as:
 - (a) Efficient routing of buses;
- 16 (b) Efficient use of vehicle capacity; and
- 17 (c) Reasonable controls on compensation costs.
- 18 (2) The superintendent shall submit to the fiscal and education 19 committees of the legislature no later than December 1st of each year 20 a report summarizing the efficiency reviews and the resulting changes

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implemented by school districts in response to the recommendations of the regional transportation coordinators.

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- 3 (3) (a) Beginning in the 2023-24 school year and each year thereafter, if a school district's reimbursement amount for serving 4 distinct passenger categories under RCW 28A.160.180(2)(a), divided by 5 6 the number of distinct passenger students served, exceeds 105 percent of the average per-pupil reimbursement amount attributable to 7 students within distinct passenger categories in similarly 8 geographically sized school districts, the state auditor must conduct 9 10 a review of the school district's transportation expenditures for distinct passenger categories to ensure the expenditures are 11 12 reasonable and attributable to serving qualifying students. This review must be included in the state auditor's regular audits of 13 school districts. The office of the superintendent of public 14 instruction must adopt rules to categorize school districts of 15 similar geographic size and notify the state auditor when a review is 16 17 required under this subsection.
- 18 <u>(b) For purposes of this subsection (3) "distinct passenger</u>
 19 categories" has the same meaning as provided in RCW 28A.160.160.
- 20 **Sec. 2.** RCW 28A.160.150 and 2009 c 548 s 304 are each amended to 21 read as follows:

Funds allocated for transportation costs, except for provided for transportation and transportation services to and from school shall be in addition to the basic education allocation. The distribution formula developed in RCW 28A.160.150 through 28A.160.180 shall be for allocation purposes only and shall not be construed as mandating specific levels of pupil transportation services by local districts. Operating costs as determined under RCW 28A.160.150 through 28A.160.180 shall be funded at one hundred percent or as close thereto as reasonably possible for transportation of from eligible student to and school defined in RCW as 28A.160.160($(\frac{(3)}{(3)})$) $\underline{(4)}$. In addition, funding shall be provided for transportation services for students living within the walk area as determined under RCW 28A.160.160($(\frac{(5)}{})$) <u>(6)</u>.

35 **Sec. 3.** RCW 28A.160.160 and 2009 c 548 s 305 are each amended to 36 read as follows:

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1 For purposes of RCW 28A.160.150 through 28A.160.190, except where the context shall clearly indicate otherwise, the 2 following 3 definitions apply:

(1) "Distinct passenger categories" includes the following:

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- (a) Students who require special transportation services as 6 documented in an approved individualized education program under 7 chapter 28A.155 RCW;
 - (b) Students who meet the definition of homeless where transportation is required by the McKinney-Vento act or other federal requirements;
 - (c) Students who are in foster care where transportation is required outside of the normal school district boundary.
 - (2) "Eligible student" means any student served by the transportation program of a school district or compensated for individual transportation arrangements authorized by RCW 28A.160.030 whose route stop is outside the walk area for a student's school, except if the student to be transported is disabled under 28A.155.020 and is either not ambulatory or not capable of protecting his or her own welfare while traveling to or from the school or agency where special education services are provided, in which case no mileage distance restriction applies.
- $((\frac{2}{2}))$ "Superintendent" means the superintendent of public 22 23 instruction.
 - $((\frac{3}{3}))$ <u>(4)</u> "To and from school" means the transportation of students, including those listed in the distinct passenger categories as defined in this section, for the following purposes:
 - (a) Transportation to and from route stops and schools;
 - (b) Transportation to and from schools pursuant to interdistrict agreement pursuant to RCW 28A.335.160;
 - Transportation of students between schools and learning centers for instruction specifically required by statute; ((and))
 - (d) Transportation of students with disabilities to and from schools and agencies for special education services.

Academic extended day transportation for the instructional program of basic education under RCW 28A.150.220 shall be considered part of transportation of students "to and from school" for the purposes of this section. Transportation for field trips may not be considered part of transportation of students "to and from school" under this section.

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((4)) (5) "Transportation services" for students living within the walk area includes the coordination of walk-to-school programs, the funding of crossing guards, and matching funds for local and state transportation projects intended to mitigate hazardous walking conditions. Priority for transportation services shall be given to students in grades kindergarten through five.

 $((\frac{(5)}{)})$ <u>(6)</u> As used in this section, "walk area" means that area around a school with an adequate roadway configuration to provide students access to school with a walking distance of less than one mile. Mileage must be measured along the shortest roadway or maintained public walkway where hazardous conditions do not exist. The hazardous conditions must be documented by a process established in rule by the superintendent of public instruction and must include roadway, environmental, and social conditions. Each elementary school shall identify walk routes within the walk area.

Sec. 4. RCW 28A.160.170 and 2021 c 234 s 3 are each amended to read as follows:

Each district shall submit ((three)) the following reports on a timely basis as a condition of the continuing receipt of school transportation moneys:

(1) Three times each year to the superintendent of public instruction during October, February, and May of each year a report containing the following:

 $((\frac{(1)}{(1)}))$ (a) (i) The number of eligible students transported to and from school as provided for in RCW 28A.160.150, along with identification of stop locations and school locations, and $((\frac{(b)}{(b)}))$ (ii) the number of miles driven for pupil transportation services as authorized in RCW 28A.160.150 the previous school year; ((and

(2))) (b) Other operational data and descriptions as required by the superintendent to determine allocation requirements for each district. The superintendent shall require that districts separate the costs of operating the program for the transportation of eligible students to and from school as defined by RCW 28A.160.160(((3))) (4), non-to-and-from-school pupil transportation costs, and costs to provide expanded services under RCW 28A.160.185(1) in the annual financial statement. The cost, quantity, and type of all fuel purchased by school districts for use in to-and-from-school transportation shall be included in the annual financial statement((\div

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Each district shall submit the information required in this section on a timely basis as a condition of the continuing receipt of school transportation moneys));

- (2) Monthly, a report of allowable transportation expenditures for students included in the definition of distinct passenger categories as defined in RCW 28A.160.160. The data submitted in the 2022-23 school year must be used to determine the allocation model for the 2023-24 school year. The data submitted in the 2023-24 school year and thereafter must be used for reimbursement of actual costs as provided in RCW 28A.160.180. The superintendent of public instruction must adopt accounting and reporting rules necessary to implement this section. Rules established by the superintendent of public instruction may streamline reporting requirements for small school districts to account for their unique needs.
- **Sec. 5.** RCW 28A.160.180 and 2009 c 548 s 307 are each amended to read as follows:
- 17 <u>(1)</u> Each district's annual student transportation allocation 18 shall be determined by the superintendent of public instruction in 19 the following manner:
 - (((1))) <u>(a)</u> The superintendent shall annually calculate the transportation allocation for those services provided for in RCW 28A.160.150. The allocation formula may be adjusted to include such additional differential factors as basic and special passenger counts as defined by the superintendent of public instruction, average distance to school, and number of locations served.
 - $((\frac{(2)}{(2)}))$ (b) The allocation shall be based on a regression analysis of the number of basic and special students transported and as many other site characteristics that are identified as being statistically significant.
 - (((3))) (c) The transportation allocation for transporting students in district-owned passenger cars, as defined in RCW 46.04.382, pursuant to RCW 28A.160.010 for services provided for in RCW 28A.160.150 if a school district deems it advisable to use such vehicles after the school district board of directors has considered the safety of the students being transported as well as the economy of utilizing a district-owned passenger car in lieu of a school bus is the private vehicle reimbursement rate in effect on September 1st of each school year. Students transported in district-owned passenger

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cars must be included in the corresponding basic or special passenger counts.

- ((4)) (d) Prior to June 1st of each year the superintendent shall submit to the office of financial management, and the education and fiscal committees of the legislature, a report outlining the methodology and rationale used in determining the statistical coefficients for each site characteristic used to determine the allocation for the following year.
- (2) Beginning in the 2023-24 school year, each school district's annual student transportation allocation shall be determined by the superintendent of public instruction in the following manner:
- (a) The superintendent must reimburse school districts for 100 percent of the transportation expenditures reported under RCW 28A.160.170(2) attributable to serving students in distinct passenger categories.
- (b) The superintendent shall annually calculate the transportation allocation for those services provided for in RCW 28A.160.150, excluding any services reimbursed in (a) of this subsection. The allocation formula may be adjusted to include such additional differential factors as passenger counts as defined by the superintendent of public instruction, average distance to school, and number of locations served.
- (c) The allocation shall be based on a regression analysis of the number of students transported and as many other site characteristics that are identified as being statistically significant.
- (d) The transportation allocation for transporting students in district-owned passenger cars, as defined in RCW 46.04.382, pursuant to RCW 28A.160.010 for services provided for in RCW 28A.160.150 if a school district deems it advisable to use such vehicles after the school district board of directors has considered the safety of the students being transported as well as the economy of utilizing a district-owned passenger car in lieu of a school bus is the private vehicle reimbursement rate in effect on September 1st of each school year. Students transported in district-owned passenger cars must be included in the corresponding basic or special passenger counts.
- (e) Prior to June 1st of each year, the superintendent shall submit to the office of financial management and the education and fiscal committees of the legislature, a report outlining the methodology and rationale used in determining the statistical

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- 1 <u>coefficients for each site characteristic used to determine the</u> 2 <u>allocation for the following year.</u>
- **Sec. 6.** RCW 28A.160.190 and 2009 c 548 s 308 are each amended to 4 read as follows:

- ((The)) (1) Beginning in the 2023-24 school year, the superintendent of public instruction shall reimburse school districts on a monthly basis for 100 percent of the transportation expenditures attributable to serving students in distinct passenger categories, as reported under RCW 28A.160.170(2). Districts must submit claims for reimbursement monthly, on a schedule determined by the superintendent of public instruction that is consistent with the methods used to reimburse school districts for costs in other reimbursement-based categorical programs.
 - (2) (a) For all other transportation allocations not included in subsection (1) of this section, the superintendent shall notify districts of their student transportation allocation before January 15th. The superintendent shall recalculate and prorate the district's allocation for the transportation of pupils to and from school.
- (b) The superintendent shall make the student transportation allocation in accordance with the apportionment payment schedule in RCW 28A.510.250. Such allocation payments may be based on the prior school year's ridership report for payments to be made in September, October, November, December, and January.
- NEW SECTION. Sec. 7. A new section is added to chapter 28A.160 RCW to read as follows:

By January 1, 2025, the office of the superintendent of public instruction must provide an analysis of school district transportation costs and allocations following the 2023-24 school year to the education and fiscal committees of the legislature. This analysis must include the mileage, ridership, and costs for each district, disaggregated by the following student demographic categories: (1) Students requiring special transportation due to a properly formed and approved individualized education program; (2) students requiring special transportation due to requirements of the McKinney-Vento act or other federal program; (3) students requiring special transportation due to a foster care placement out of their regular school district boundary; and (4) all other students transported to and from school. The legislature intends to use this

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- 1 data to inform their future discussions on revising the overall
- 2 student transportation allocation model to a more transparent and
- 3 predictable funding model.

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