

SHB 1248 - H AMD 786

By Representative Stonier

WITHDRAWN 02/08/2024

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
32 contract for health care benefit rates (cockle rates), published

1 annually by the health care authority, for the school employees'
2 benefits board program for school employees; and

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

9 (b) All pupil transportation service contracts entered into or
10 modified after the effective date of this section must include a
11 detailed explanation of any contract cost increase by year,
12 expenditure type, and amount, including any increases in cost that
13 result from providing the benefits required under this section.

14 (3) As used in this section:

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

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

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

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

30 ~~((2))~~ (c) "Pupil transportation services contract" means a
31 contract for the operation of privately owned or school district
32 owned school buses, and the services of drivers or operators,
33 management and supervisory personnel, and their support personnel
34 such as secretaries, dispatchers, and mechanics, or any combination
35 thereof, to provide students with transportation to and from school
36 on a regular basis; and

37 ~~((3))~~ (d) "School bus" means a motor vehicle as defined in RCW
38 46.04.521 and under the rules of the superintendent of public
39 instruction.

1 NEW SECTION. **Sec. 3.** A new section is added to chapter 28A.160

2 RCW to read as follows:

3 (1) A school district that experiences an increase in costs to a
4 pupil transportation services contract as compared to prior year
5 contract costs as a result of the provisions in RCW 28A.160.140 is
6 eligible for supplemental transportation allocations as described in
7 this section.

8 (2) Beginning September 1, 2024, school districts that provide
9 pupil transportation through a contract with a nongovernmental entity
10 under RCW 28A.160.140 must annually provide the office of the
11 superintendent of public instruction with the following information:

12 (a) A breakdown of the total contract cost increase, including a
13 detailed explanation of the increase by expenditure type
14 demonstrating dollar equivalency as required in RCW
15 28A.160.140(2)(a)(i) and percentage equivalency as required in RCW
16 28A.160.140(2)(a)(ii), as defined by the office of the superintendent
17 of public instruction, and amount;

18 (b) A breakdown of cost from the contractor that shows the cost
19 to provide health care and pension benefits to employees prior to the
20 effective date of this section and the cost to provide health care
21 and pension benefits to employees after the implementation of
22 benefits as described in RCW 28A.160.140;

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

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

35 (4) Subject to the availability of amounts appropriated for this
36 specific purpose, the office of the superintendent of public
37 instruction must reimburse a school district for the increased cost
38 that is directly attributable to increased benefits as required under
39 this act, using the following formula: The total contract cost
40 increase, less any amounts not attributable to benefits required

1 under RCW 28A.160.140, less the amount the allocation was increased
2 based on the actual cost increase through the transportation funding
3 formula."

4 Correct the title.

EFFECT: (1) Removes provisions requiring transportation safety net awards for special passengers and amending the transportation alternate funding grant program.

(2) Revises requirements of contracts for pupil transportation services, including:

(a) Changes health benefit requirement from sufficient funds specifically for the contracting employer to provide employees with a health benefits contribution equal to the school employees' benefit board (SEBB) to a contribution equal to the employer payment dollar amount in effect for the first year of the contract for health care benefit rates for the SEBB.

(b) Changes requirement for employer retirement contributions equivalent to state plans to an amount equivalent to the salaries of the employees of the contractor multiplied by the employer normal cost contribution rate determined under the entry age cost method for the school employees' retirement system.

(c) Changes term of "employees of the contractor" to "employees" and revises definition of an eligible employee to include a bus, van, or shuttle driver, monitor, mechanic, or dispatcher.

(d) Replaces one-time supplemental allocations of \$200 per employee working more than 630 hours, per month for districts that experience higher costs under the new contract requirements with a reimbursement subject to funding provided specifically for increased costs. Additional reporting requirements for contracting districts are included to show the dollar equivalency for health care and retirement benefits as provided by this act.

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