

SHB 1248 - H AMD 38

By Representative Stonier

NOT CONSIDERED 01/02/2024

1 Beginning on page 3, at the beginning of line 10, strike all
2 material through the end of the act and insert the following:

3

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

8 (i) An employer health benefits contribution equal to the
9 employer payment dollar amount in effect for the first year of the
10 contract for health care benefit rates (Cockle rates), published
11 annually by the health care authority, for the school employees'
12 benefits board program for school employees; and

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

19 (b) Subsection (2)(a) of this section applies only to pupil
20 transportation service contracts for which the request for proposals
21 begins after the effective date of this section and no earlier than
22 for a contract affecting the 2024-25 school year.

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

1 (3) As used in this section:

2 ~~((1))~~ (a) "Employee" means a bus, van or shuttle driver,
3 monitor, mechanic, or dispatcher who works sufficient compensated
4 hours for the nongovernmental entity performing services on the
5 contract with the school district to meet the eligibility
6 requirements that apply to school employees for benefits in the
7 school employees' retirement system and the school employees'
8 benefits board program;

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

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

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

17 ~~((2))~~ (c) "Pupil transportation services contract" means a
18 contract for the operation of privately owned or school district
19 owned school buses, and the services of drivers or operators,
20 management and supervisory personnel, and their support personnel
21 such as secretaries, dispatchers, and mechanics, or any combination
22 thereof, to provide students with transportation to and from school
23 on a regular basis; and

24 ~~((3))~~ (d) "School bus" means a motor vehicle as defined in RCW
25 46.04.521 and under the rules of the superintendent of public
26 instruction.

27

28 NEW SECTION. Sec. 4. A new section is added to chapter 28A.160
29 RCW to read as follows:

30 (1) A school district that experiences an increase in costs to a
31 pupil transportation services contract as compared to prior year
32 contract costs as a result of the provisions in RCW 28A.160.140 is
33 eligible for supplemental transportation allocations as described in
34 this section.

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

5 (a) A breakdown of the total contract cost increase, including a
6 detailed explanation of the increase by expenditure type
7 demonstrating dollar equivalency as required in RCW 28A.160.140(2)(a)
8 (i) and percentage equivalency as required in RCW 28A.160.140(2)(a)
9 (ii), as defined by the office of the superintendent of public
10 instruction, and amount;

11 (b) A breakdown of cost from the contractor that shows the cost
12 to provide health care and pension benefits to employees prior to
13 the effective date of this section and the cost to provide health
14 care and pension benefits to employees after the implementation of
15 benefits as described in RCW 28A.160.140;

16 (c) The amount of funding received through transportation
17 allocations under RCW 28A.160.150 through 28A.160.192 prior to the
18 implementation of school employee benefits under chapter 41.05 RCW
19 and the amount of funding received through the same transportation
20 allocations for the period immediately following the implementation
21 of school employee benefits under chapter 41.05 RCW, to determine
22 the amount of funding for health care that is already being included
23 in allocations.

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

28 (4) Subject to the availability of amounts appropriated for this
29 specific purpose, the office of the superintendent of public
30 instruction must reimburse a school district for the increased cost
31 that is directly attributable to increased benefits as required
32 under this act, using the following formula: The total contract cost
33 increase, less any amounts not attributable to benefits required
34 under RCW 28A.160.140, less the amount the allocation was increased

1 based on the actual cost increase through the transportation funding
2 formula."

EFFECT:

Revises requirements of contracts for pupil transportation services, including:

Changes the requirement that the bill apply to contracts that are new, renewed, or extended after September 1, 2023 to applying to request for proposals that begins after the effective date of the act and no earlier than contracts for the 2024-25 school year.

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.

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.

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.

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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