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HOUSE BILL 1808

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State of Washington

67th Legislature

2022 Regular Session

By Representatives Stonier and MacEwen

Prefiled 01/06/22.

1 AN ACT Relating to pupil transportation funding; amending RCW  
2 28A.160.170, 28A.160.180, 28A.160.192, and 28A.160.193; adding a new  
3 section to chapter 28A.160 RCW; adding a new section to chapter  
4 28A.320 RCW; and providing effective dates.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 28A.160.170 and 2021 c 234 s 3 are each amended to  
7 read as follows:

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

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

14 ~~((1))~~ (a) (i) The number of eligible students transported to and  
15 from school as provided for in RCW 28A.160.150, along with  
16 identification of stop locations and school locations, and ~~((b))~~  
17 (ii) the number of miles driven for pupil transportation services as  
18 authorized in RCW 28A.160.150 the previous school year; and

19 ~~((2))~~ (b) Other operational data and descriptions as required  
20 by the superintendent to determine allocation requirements for each  
21 district. The superintendent shall require that districts separate

1 the costs of operating the program for the transportation of eligible  
2 students to and from school as defined by RCW 28A.160.160(3), non-to-  
3 and-from-school pupil transportation costs, and costs to provide  
4 expanded services under RCW 28A.160.185(1) in the annual financial  
5 statement. The cost, quantity, and type of all fuel purchased by  
6 school districts for use in to-and-from-school transportation shall  
7 be included in the annual financial statement.

8 ~~((Each district shall submit the information required in this  
9 section on a timely basis as a condition of the continuing receipt of  
10 school transportation moneys.))~~

11 (2) Monthly, a report of allowable transportation expenditures  
12 for special passengers as defined by the superintendent of public  
13 instruction. Special passengers include, but are not limited to,  
14 students eligible and receiving special education that require  
15 transportation as a related service of their individualized education  
16 program, homeless students requiring transportation under the  
17 McKinney-Vento act, reauthorized as Title X, Part C, of the no child  
18 left behind act, P.L. 107-110, in January 2002, and foster students  
19 receiving transportation as required under section 1112 (c) (5) (B) of  
20 the every student succeeds act, P.L. 114-95 excluding excess costs  
21 covered by state or local child welfare agencies.

22 **Sec. 2.** RCW 28A.160.180 and 2009 c 548 s 307 are each amended to  
23 read as follows:

24 Each district's annual student transportation allocation shall be  
25 determined by the superintendent of public instruction in the  
26 following manner:

27 (1) The superintendent shall annually calculate the  
28 transportation allocation for those services provided for in RCW  
29 28A.160.150. The allocation formula may be adjusted to include such  
30 additional differential factors as basic ~~((and special))~~ passenger  
31 counts as defined by the superintendent of public instruction,  
32 average distance to school, and number of locations served.

33 (2) The allocation shall be based on ~~((a))~~:

34 (a) A regression analysis of the number of basic ~~((and special))~~  
35 students transported and as many other site characteristics that are  
36 identified as being statistically significant; and

37 (b) Reimbursement of allowable transportation expenditures for  
38 special passengers as defined by the superintendent of public  
39 instruction and reported under RCW 28A.160.170(2).

1 (3) The transportation allocation for transporting students in  
2 district-owned passenger cars, as defined in RCW 46.04.382, pursuant  
3 to RCW 28A.160.010 for services provided for in RCW 28A.160.150 if a  
4 school district deems it advisable to use such vehicles after the  
5 school district board of directors has considered the safety of the  
6 students being transported as well as the economy of utilizing a  
7 district-owned passenger car in lieu of a school bus is the private  
8 vehicle reimbursement rate in effect on September 1st of each school  
9 year. Students transported in district-owned passenger cars must be  
10 included in the corresponding basic or special passenger counts.

11 (4) Prior to June 1st of each year the superintendent shall  
12 submit to the office of financial management, and the education and  
13 fiscal committees of the legislature, a report outlining the  
14 methodology and rationale used in determining the statistical  
15 coefficients for each site characteristic used to determine the  
16 allocation for the following year.

17 **Sec. 3.** RCW 28A.160.192 and 2011 1st sp.s. c 27 s 3 are each  
18 amended to read as follows:

19 (1) The superintendent of public instruction shall (~~(phase in the~~  
20 ~~implementation of)~~) maintain the distribution formula under this  
21 chapter for allocating state funds to school districts for the  
22 transportation of students to and from school. (~~(The phase in shall~~  
23 ~~begin no later than the 2011-2013 biennium and be fully implemented~~  
24 ~~by the 2013-2015 biennium.)~~)

25 (a) The formula must be developed and revised on an ongoing basis  
26 using the major cost factors in student transportation, including  
27 basic (~~(and special)~~) student loads, school district land area,  
28 average distance to school, roadway miles, and number of locations  
29 served. Factors must include all those site characteristics that are  
30 statistically significant after analysis of the data required by the  
31 revised reporting process.

32 (b) The formula must allocate funds to school districts based on  
33 the average predicted costs of transporting students to and from  
34 school, using a regression analysis. Only factors that are  
35 statistically significant shall be used in the regression analysis.  
36 Employee compensation costs included in the allowable transportation  
37 expenditures used for the purpose of establishing each school  
38 district's independent variable in the regression analysis shall be  
39 limited to the base salary or hourly wage rates, fringe benefit

1 rates, and applicable health care rates provided in the omnibus  
2 appropriations act.

3 ~~((During the phase-in period, funding))~~ Funding provided to  
4 school districts for student transportation operations shall be  
5 distributed on the following basis:

6 (a) Annually, each school district shall receive the lesser of  
7 the previous school year's pupil transportation operations  
8 allocation, or the total of allowable pupil transportation  
9 expenditures identified on the previous school year's final  
10 expenditure report to the state plus district indirect expenses using  
11 the federal restricted indirect rate as calculated in the district  
12 annual financial report;

13 (b) Annually, the amount identified in (a) of this subsection  
14 shall be adjusted for any budgeted increases provided in the omnibus  
15 appropriations act for salaries or fringe benefits;

16 ~~((Annually, any funds appropriated by the legislature in  
17 excess of the maintenance level funding amount for student  
18 transportation shall be distributed among school districts on a  
19 prorated basis using the difference between the amount identified in  
20 (a) adjusted by (b) of this subsection and the amount determined  
21 under the formula in RCW 28A.160.180; and~~

22 ~~(d))~~ Allocations provided to recognize the cost of depreciation  
23 to districts contracting with private carriers for student  
24 transportation and expenditures eligible for reimbursement under RCW  
25 28A.160.180(2)(b) shall be deducted from the allowable transportation  
26 expenditures in (a) of this subsection; and

27 (d) Allocations for reimbursable transportation expenditures  
28 under RCW 28A.160.180(2)(b) must be provided monthly. Allocations  
29 from September to December of a school year under this subsection  
30 (2)(d) must be based on expenditures reported under RCW  
31 28A.160.170(2) for the prior school year. Allocations after December  
32 must be adjusted based on monthly reports under RCW 28A.160.170(2) in  
33 the current school year so that districts receive allocations for all  
34 reimbursable transportation expenditures under RCW 28A.160.180(2)(b)  
35 within a school year.

36 **Sec. 4.** RCW 28A.160.193 and 2018 c 266 s 103 are each amended to  
37 read as follows:

1 (1) Subject to the availability of amounts appropriated for this  
2 specific purpose, a transportation alternate funding grant program is  
3 created.

4 (2) As part of the award process for the grants, the  
5 superintendent of public instruction must include a review of the  
6 school district's efficiency rating, key performance indicators, and  
7 local school district characteristics such as unique geographic  
8 constraints, low enrollment, geographic density of students, (~~the~~  
9 ~~percentage of students served under the McKinney-Vento homeless~~  
10 ~~assistance act from outside the district,~~) or whether the district  
11 is a nonhigh district.

12 NEW SECTION. **Sec. 5.** A new section is added to chapter 28A.160  
13 RCW to read as follows:

14 By January 1, 2025, the office of the superintendent of public  
15 instruction will provide an analysis of school district  
16 transportation costs and allocations following the 2023-24 school  
17 year to the education and fiscal committees of the house of  
18 representatives and senate. This analysis will include the mileage,  
19 ridership, and costs for each district, disaggregated by the  
20 following student demographic categories: (1) Students requiring  
21 special transportation due to a properly formed and approved  
22 individualized education plan; (2) students requiring special  
23 transportation due to requirements of the McKinney-Vento act or other  
24 federal program; (3) students requiring special transportation due to  
25 a foster care placement out of their regular school boundary; and (4)  
26 all other students provided student transportation to and from  
27 school. The legislature intends this data to inform their future  
28 discussions on revising the overall student transportation allocation  
29 model to a more transparent and predictable funding model.

30 NEW SECTION. **Sec. 6.** A new section is added to chapter 28A.320  
31 RCW to read as follows:

32 Beginning in the 2023-24 school year and each year thereafter,  
33 for any district where the reimbursement of costs under RCW  
34 28A.160.180(2)(b) exceeds 105 percent of the state average per  
35 special passenger, the state auditor shall include in their regular  
36 audits of school districts a review of transportation costs to ensure  
37 they are necessary and reasonable costs attributable to special

1 passengers as defined by the superintendent of public instruction and  
2 reported under RCW 28A.160.170(2).

3 NEW SECTION. **Sec. 7.** Section 1 of this act takes effect  
4 September 1, 2022.

5 NEW SECTION. **Sec. 8.** Sections 2 through 6 of this act take  
6 effect September 1, 2023.

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