

---

HOUSE BILL 1880

---

State of Washington

52nd Legislature

1991 Regular Session

By Representatives Cole, Brumsickle, Peery, Riley, Paris, Jacobsen, May, Betrozoff and Rasmussen; by request of Superintendent of Public Instruction.

Read first time February 13, 1991. Referred to Committee on Education.

1 AN ACT Relating to school bus replacement for public school  
2 districts; amending RCW 28A.160.200; adding new sections to chapter  
3 28A.160 RCW; and providing an effective date.

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

5 **Sec. 1.** RCW 28A.160.200 and 1990 c 33 s 146 are each amended to  
6 read as follows:

7 (1) The superintendent of public instruction shall allocate state  
8 funds for the purpose of supporting, in whole or in part, the purchase  
9 of new school buses to replace school buses owned by school districts  
10 or educational service districts. The superintendent shall require  
11 that state funds allocated for bus replacement be applied only to the  
12 purchase of new school buses, except as provided in section 2 of this  
13 1991 act, and shall require that each school bus purchased in whole or  
14 in part with state funds result in removal from service of an eligible  
15 school bus. Each school bus eligible for replacement in whole or in

1 part with state funds shall be owned by a school district or  
2 educational service district, be beyond the useful life as established  
3 by the superintendent, and have a valid school bus operating permit  
4 issued by the superintendent.

5 (2) The superintendent may adopt rules necessary to implement a  
6 school bus fleet replacement program designed to maintain a state-wide  
7 school bus fleet that meets contemporary standards for school bus  
8 design and manufacture.

9 (3) The superintendent shall determine ((the vehicle acquisition))  
10 school district or educational service district allocations for  
11 replacement of school buses in the following manner:

12 ~~((1) By May 1st of each year, the superintendent shall develop~~  
13 ~~preliminary categories of student transportation vehicles to ensure~~  
14 ~~adequate student transportation fleets for districts. The~~  
15 ~~superintendent shall take into consideration the types of vehicles~~  
16 ~~purchased by individual school districts in the state. The categories~~  
17 ~~shall include, but not be limited to, variables such as vehicle~~  
18 ~~capacity, type of chassis, type of fuel, engine and body type, special~~  
19 ~~equipment, and life of vehicle. The categories shall be developed in~~  
20 ~~conjunction with the local districts and shall be applicable to the~~  
21 ~~following school year. The categories shall be designed to produce~~  
22 ~~minimum long range operating costs, including costs of equipment and~~  
23 ~~all costs incurred in operating the vehicles. Each category~~  
24 ~~description shall include the estimated state-determined purchase~~  
25 ~~price, which shall be based on the actual costs of the vehicles~~  
26 ~~purchased for that comparable category in the state during the~~  
27 ~~preceding twelve months and the anticipated market price for the next~~  
28 ~~school fiscal year. By June 15th of each year, the superintendent~~  
29 ~~shall notify districts of the preliminary vehicle categories and state-~~  
30 ~~determined purchase price for the ensuing school year. By October 15th~~

1 of each year, the superintendent shall finalize the categories and the  
2 associated state-determined purchase price and shall notify districts  
3 of any changes. While it is the responsibility of each district to  
4 select each student transportation vehicle to be purchased by the  
5 district, each district shall be paid a sum based only on the amount of  
6 the state-determined purchase price and inflation as recognized by the  
7 reimbursement schedule established in this section as set by the  
8 superintendent for the category of vehicle purchased.

9 (2) The superintendent shall develop a reimbursement schedule to  
10 pay districts for the cost of student transportation vehicles purchased  
11 after September 1, 1982. The accumulated value of the payments and the  
12 potential investment return thereon shall be designed to be equal to  
13 the replacement value of the vehicle less its salvage value at the end  
14 of its anticipated lifetime. The superintendent shall revise at least  
15 annually the reimbursement payments based on the current and  
16 anticipated future cost of comparable categories of transportation  
17 equipment. Reimbursements to school districts for approved  
18 transportation equipment shall be placed in a separate vehicle  
19 transportation fund established for each school district under RCW  
20 28A.160.130. However, educational service districts providing student  
21 transportation services pursuant to RCW 28A.310.180(4) and receiving  
22 moneys generated pursuant to this section shall establish and maintain  
23 a separate vehicle transportation account in the educational service  
24 district's general expense fund for the purposes and subject to the  
25 conditions under RCW 28A.160.130 and 28A.320.300.

26 (3) To the extent possible, districts shall operate vehicles  
27 acquired under this section not less than the number of years or useful  
28 lifetime now, or hereafter, assigned to the class of vehicles by the  
29 superintendent. School districts shall properly maintain the  
30 transportation equipment acquired under the provisions of this section,

1 in accordance with rules established by the office of the  
2 superintendent of public instruction. If a district fails to follow  
3 generally accepted standards of maintenance and operation, the  
4 superintendent of public instruction shall penalize the district by  
5 deducting from future reimbursements under this section an amount equal  
6 to the original cost of the vehicle multiplied by the fraction of the  
7 useful lifetime or miles the vehicle failed to operate.

8 (4) The superintendent shall annually develop a depreciation  
9 schedule to recognize the cost of depreciation to districts contracting  
10 with private carriers for student transportation. Payments on this  
11 schedule shall be a straight line depreciation based on the original  
12 cost of the appropriate category of vehicle.))

13 (a) The superintendent shall establish school bus bid  
14 specifications eligible for state funding support, and optional school  
15 bus bid specifications that may be selected and funded by local school  
16 districts. School bus bid specifications shall be developed in concert  
17 with representatives of school districts and shall be structured to  
18 stimulate competition among vendors.

19 (b) The superintendent shall annually review eligible school buses  
20 and determine the number of school buses each school district is  
21 entitled to purchase with state funding during each fiscal year.  
22 School district annual entitlement to state-funded school bus  
23 replacement shall be the lesser of: (i) Bus replacement credit earned;  
24 or (ii) the number of eligible school buses. As used in this section,  
25 "bus replacement credit earned" means the whole number of buses without  
26 regard to partial remainder of the sum of each fraction that one year  
27 is to the scheduled life of each school bus owned by school districts  
28 or educational service districts. Bus replacement credit earned but  
29 not used in a fiscal year and each partial remainder shall carry  
30 forward to the succeeding fiscal year.

1       (c) The superintendent shall annually announce bus replacement  
2 entitlement for each school district. Each school district shall  
3 notify the superintendent of each eligible school bus the school  
4 district has selected for replacement, along with general descriptive  
5 characteristics of the bus to be purchased as its replacement. School  
6 districts shall be required to give first priority to eligible school  
7 buses manufactured before April 1, 1977.

8       (d) The superintendent or his or her designee shall sponsor  
9 voluntary bus purchase bid pools throughout the state. The formation  
10 of sponsored bid pools shall be determined by the locations of  
11 districts electing to participate and the numbers of buses with common  
12 bid characteristics.

13       (e) The superintendent or his or her designee shall announce  
14 locations and times of sponsored bid pools where school districts may  
15 convene for the purposes of finalizing school bus bid specifications  
16 and issuing calls for bids. School districts shall be required to  
17 waive their right of cancellation or withdrawal from commitments  
18 expressed or implied in sponsored pooled calls for bids.

19       (f) School districts participating in bus purchase bid pools  
20 sponsored by the superintendent may replace an eligible school bus with  
21 a school bus of similar or different type, capacity, or other  
22 characteristic, however state funding shall be limited to the accepted  
23 bid price obtained for eligible specifications of a bus of similar  
24 characteristics to the bus being replaced or actual purchase cost of  
25 eligible specifications, whichever is less. Districts not  
26 participating in bus purchase bid pooling sponsored by the  
27 superintendent shall have each eligible school bus replacement purchase  
28 funded as if such purchase were made through the bid pool sponsored by  
29 the superintendent and made available to the district for replacement  
30 of the eligible school bus.

1       (g) The superintendent shall make one payment of all state funds  
2 due for each eligible school bus replaced, which payment shall be made  
3 on notice of delivery and acceptance of the bus by the purchasing  
4 school district.

5       NEW SECTION.   **Sec. 2.**   A new section is added to chapter 28A.160  
6 RCW to read as follows:

7       The superintendent may make payments to school districts pursuant  
8 to RCW 28A.160.200, in lieu of the purchase of new school buses, for  
9 the purpose of liquidating indebtedness incurred for the purchase of  
10 school buses entered into before the effective date of this section.  
11 However, amounts paid in lieu of purchase of buses shall not exceed  
12 forty percent of the school district's bus replacement credit earned  
13 for the year, and payments in lieu of purchase of school buses shall  
14 not continue longer than four years from the effective date of this  
15 section. School districts electing to receive state funds to liquidate  
16 prior school bus indebtedness in lieu of the purchase of school buses  
17 shall submit to the superintendent, for approval, a plan that includes  
18 schedules of debt retirement and new bus purchases. Payments to school  
19 districts for approved transportation equipment shall be placed in a  
20 separate transportation vehicle fund established for each school  
21 district under RCW 28A.160.130. However, educational service districts  
22 providing student transportation services pursuant to RCW  
23 28A.310.180(4) and receiving moneys generated pursuant to this section  
24 shall establish and maintain a separate vehicle transportation account  
25 in the educational service district's general expense fund for the  
26 purposes and subject to the conditions under RCW 28A.160.130 and  
27 28A.320.300.

1        NEW SECTION.    **Sec. 3.**    A new section is added to chapter 28A.160  
2    RCW to read as follows:

3        The superintendent shall annually develop a depreciation schedule  
4    to recognize the cost of school bus depreciation to districts that  
5    contract with private carriers for student transportation.

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

8        The superintendent shall revoke the operating permit for each  
9    school bus replaced in whole or in part with state funds, and shall  
10   ensure that no operating permit is reissued for such school bus.

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

13       Sections 2 through 4 of this act supersede all prior  
14   responsibilities of the state to provide school bus replacement or  
15   depreciation payments to school districts for school bus purchases as  
16   of the effective date of this section.

17       NEW SECTION.    **Sec. 6.**        If any provision of this act or its  
18   application to any person or circumstance is held invalid, the  
19   remainder of the act or the application of the provision to other  
20   persons or circumstances is not affected.

21       NEW SECTION.    **Sec. 7.**        This act shall take effect September 1,  
22   1991.