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HOUSE BILL 1355

State of Washington 54th Legislature 1995 Regular Session

By Representatives Brumsickle, Cole and Wolfe; by request of Office of Financial Management

Read first time 01/23/95. Referred to Committee on Education.

- 1 AN ACT Relating to school bus acquisitions; amending RCW
- 2 28A.160.200 and 43.19.637; adding a new section to chapter 28A.160 RCW;
- 3 creating a new section; providing an effective date; and declaring an
- 4 emergency.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** It is the intent of the legislature to
- 7 establish a state contract using a sealed competitive process for the
- 8 purchase of student transportation vehicles (school buses). The goals
- 9 of this process are:
- 10 (1) To reduce the cost of school bus purchases by promoting
- 11 competition among school bus vendors and by purchasing in volume; and
- 12 (2) To establish state-supported purchase prices for school buses
- 13 purchased by school districts and educational service districts.
- 14 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 28A.160
- 15 RCW to read as follows:
- 16 The superintendent of public instruction shall administer a sealed
- 17 competitive process for the purchase of student transportation vehicles

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- 1 (school buses) in accordance with the provisions of chapter 43.19 RCW 2 as follows:
- 3 (1) The superintendent shall annually review school bus purchasing 4 needs and estimate the number of school buses to be purchased by 5 districts during the school year.
- (2) The superintendent shall establish a minimum number of school 6 7 bus categories considering the capacity and type of vehicles necessary 8 for operation of typical Washington school districts. The 9 superintendent shall establish competitive specifications for each 10 category. Competitive specifications shall meet federal motor vehicle safety standards and minimum state specifications for school buses as 11 established in rules adopted by the superintendent of public 12 13 instruction. Competitive specifications shall also identify options in addition to the minimum specifications. Unless provided in rules 14 adopted by the superintendent of public instruction, all options shall 15 be at district expense and shall not be included in the state-supported 16 purchase price. The superintendent of public instruction shall meet at 17 least annually with districts to review school bus categories and 18 19 competitive specifications.
- (3) After establishing school bus categories and competitive 20 specifications, the superintendent of public instruction shall notify 21 districts and shall solicit district commitments for school bus 22 purchases from the state contract. The superintendent of public 23 24 instruction shall secure commitments for purchases of at least thirty 25 percent of all estimated school bus purchases and at least fifteen 26 percent of estimated school bus purchases in each category for the 27 school year.
- (4) After securing commitments for purchases, the superintendent 28 shall solicit bids or proposals from school bus vendors and select the 29 30 lowest responsible bid that meets the needs of the state for each school bus category. The superintendent shall facilitate payments to 31 the vendors by districts and delivery of school buses to districts. 32 The selected contract price shall be used by the superintendent of 33 34 public instruction as the state-supported price for reimbursement under 35 RCW 28A.160.200.
- 36 (5) If a district does not fulfill a commitment to purchase from 37 the state contract, the superintendent shall reduce the district's 38 state transportation vehicle reimbursement allocations by twenty-five 39 percent of the amount of the unfulfilled purchase commitment.

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- 1 (6) The superintendent of public instruction shall adopt rules 2 necessary to implement requirements of this section consistent with the 3 intent of section 1, chapter . . ., Laws of 1995 (section 1 of this 4 act).
- 5 (7) As used in this section and RCW 28A.160.200, "districts" means 6 school districts and educational service districts.
- 7 (8) Student transportation vehicles purchased under this section 8 are exempt from the requirements of RCW 43.19.637.
- 9 **Sec. 3.** RCW 28A.160.200 and 1990 c 33 s 146 are each amended to 10 read as follows:
- 11 The superintendent shall ((determine the vehicle acquisition 12 allocation in the following manner:)) reimburse school districts and 13 educational service districts for student transportation vehicle 14 (school bus) purchases as provided in this section.

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(1) ((By May 1st of each year, the superintendent shall develop preliminary categories of student transportation vehicles to ensure adequate student transportation fleets for districts. The superintendent shall take into consideration the types of vehicles purchased by individual school districts in the state. The categories shall include, but not be limited to, variables such as vehicle capacity, type of chassis, type of fuel, engine and body type, special equipment, and life of vehicle. The categories shall be developed in conjunction with the local districts and shall be applicable to the following school year. The categories shall be designed to produce minimum long-range operating costs, including costs of equipment and all costs incurred in operating the vehicles. Each category description shall include the estimated state-determined purchase price, which shall be based on the actual costs of the vehicles purchased for that comparable category in the state during the preceding twelve months and the anticipated market price for the next school fiscal year. By June 15th of each year, the superintendent shall notify districts of the preliminary vehicle categories and statedetermined purchase price for the ensuing school year. By October 15th of each year, the superintendent shall finalize the categories and the associated state-determined purchase price and shall notify districts of any changes. While)) It is the responsibility of each district to select <u>and pay for</u> each student transportation vehicle ((to be)) purchased by the district((, each district shall be paid a sum)). Any

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district may purchase vehicles from the state contract established under section 2 of this act, however, purchase commitments made before the state contract shall be given first priority.

4 (2) The superintendent shall reimburse districts based ((only)) on the ((amount of the state-determined)) category of vehicle, anticipated 5 lifetime of vehicles of this category, and state-supported purchase 6 7 price ((and)) for the category plus inflation as recognized by the 8 reimbursement schedule established in this section as set by the 9 superintendent ((for the category of vehicle purchased)). Categories 10 and state-supported purchase prices of vehicles shall be those used in the state sealed competitive process defined in section 2 of this act. 11 12 $((\frac{2}{2}))$ The superintendent shall develop a reimbursement schedule to pay districts for the cost of student transportation 13 14 vehicles purchased after September 1, 1982. The accumulated value of 15 the payments and the potential investment return thereon shall be 16 designed to be equal to the replacement ((value)) cost of the vehicle less its salvage value at the end of its anticipated lifetime. 17 superintendent shall revise at least annually the reimbursement 18 19 payments based on the current and anticipated future cost of comparable 20 categories of transportation equipment. Reimbursements to school districts for approved transportation equipment shall be placed in a 21 separate ((vehicle)) transportation vehicle fund established for each 22 school district under RCW 28A.160.130. However, educational service 23 24 districts providing student transportation services pursuant to RCW 25 28A.310.180(4) and receiving moneys generated pursuant to this section shall establish and maintain a separate ((vehicle)) transportation 26 vehicle account in the educational service district's general expense 27 28 fund for the purposes and subject to the conditions under RCW 29 28A.160.130 and 28A.320.300.

(((3))) (4) In the 1995-96 school year and each year thereafter, state reimbursement payments shall commence only after the state-supported price has been set through the state sealed competitive process established in section 2 of this act.

(5) To the extent possible, districts shall operate vehicles acquired under this section not less than the number of years or useful lifetime now, or hereafter, assigned to the ((class)) category of vehicles by the superintendent. School districts shall properly maintain the transportation equipment acquired under the provisions of this section, in accordance with rules established by the office of the

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- superintendent of public instruction. If a district fails to follow 1 generally accepted standards of maintenance and operation, the 2 superintendent of public instruction shall penalize the district by 3 4 deducting from future reimbursements under this section an amount equal to the original cost of the vehicle multiplied by the fraction of the useful lifetime or miles the vehicle failed to operate.
- 7 The superintendent shall annually develop $((\frac{4}{1}))$ (6) depreciation schedule to recognize the cost of depreciation to 8 9 districts contracting with private carriers for student transportation. 10 Payments on this schedule shall be a straight line depreciation based on the original cost of the appropriate category of vehicle. 11
- **Sec. 4.** RCW 43.19.637 and 1991 c 199 s 213 are each amended to 12 13 read as follows:
- (1) At least thirty percent of all new vehicles purchased through 14 a state contract shall be clean-fuel vehicles. 15
- 16 (2) The percentage of clean-fuel vehicles purchased through a state contract shall increase at the rate of five percent each year. 17
- 18 (3) In meeting the procurement requirement established in this 19 section, preference shall be given to vehicles designed to operate exclusively on clean fuels. In the event that vehicles designed to 20 operate exclusively on clean fuels are not available or would not meet 21 the operational requirements for which a vehicle is to be procured, 22 23 conventionally powered vehicles may be converted to clean fuel or dual 24 fuel use to meet the requirements of this section.
- 25 (4) Fuel purchased through a state contract shall be a clean fuel when the fuel is purchased for the operation of a clean-fuel vehicle. 26
- (5)(a) Weight classes are established by the following motor 27 28 vehicle types:
 - (i) Passenger cars;

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- (ii) Light duty trucks, trucks with a gross vehicle weight rating 30 by the vehicle manufacturer of less than eight thousand five hundred 31 pounds; 32
- 33 (iii) Heavy duty trucks, trucks with a gross vehicle weight rating 34 by the vehicle manufacturer of eight thousand five hundred pounds or 35 more.
- (b) This subsection does not place an obligation upon the state or 36 its political subdivisions to purchase vehicles in any number or weight 37 class other than to meet the percent procurement requirement. 38

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- 1 (6) This section does not apply to student transportation vehicles 2 purchased under RCW 28A.160.200.
- 3 (7) For the purposes of this section, "clean fuels" and "clean-fuel vehicles" shall be those fuels and vehicles meeting the specifications provided for in RCW 70.120.210.
- NEW SECTION. Sec. 5. (1) Section 2 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect immediately.
- 10 (2) Section 3 of this act shall take effect September 1, 1995.

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