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**SENATE BILL 5408**

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**State of Washington**

**54th Legislature**

**1995 Regular Session**

**By** Senators McAuliffe, Johnson, Quigley and Long; 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 NEW SECTION. **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 NEW SECTION. **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

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.

6 (2) The superintendent shall establish a minimum number of school  
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  
11 safety standards and minimum state specifications for school buses as  
12 established in rules adopted by the superintendent of public  
13 instruction. Competitive specifications shall also identify options in  
14 addition to the minimum specifications. Unless provided in rules  
15 adopted by the superintendent of public instruction, all options shall  
16 be at district expense and shall not be included in the state-supported  
17 purchase price. The superintendent of public instruction shall meet at  
18 least annually with districts to review school bus categories and  
19 competitive specifications.

20 (3) After establishing school bus categories and competitive  
21 specifications, the superintendent of public instruction shall notify  
22 districts and shall solicit district commitments for school bus  
23 purchases from the state contract. The superintendent of public  
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.

28 (4) After securing commitments for purchases, the superintendent  
29 shall solicit bids or proposals from school bus vendors and select the  
30 lowest responsible bid that meets the needs of the state for each  
31 school bus category. The superintendent shall facilitate payments to  
32 the vendors by districts and delivery of school buses to districts.  
33 The selected contract price shall be used by the superintendent of  
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.

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.

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

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

4 (2) The superintendent shall reimburse districts based ((only)) on  
5 the ((amount of the state determined)) category of vehicle, anticipated  
6 lifetime of vehicles of this category, and state-supported purchase  
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  
11 the state sealed competitive process defined in section 2 of this act.

12 ((+2)) (3) The superintendent shall develop a reimbursement  
13 schedule to pay districts for the cost of student transportation  
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  
17 less its salvage value at the end of its anticipated lifetime. The  
18 superintendent shall revise at least annually the reimbursement  
19 payments based on the current and anticipated future cost of comparable  
20 categories of transportation equipment. Reimbursements to school  
21 districts for approved transportation equipment shall be placed in a  
22 separate ((vehiele)) transportation vehicle fund established for each  
23 school district under RCW 28A.160.130. However, educational service  
24 districts providing student transportation services pursuant to RCW  
25 28A.310.180(4) and receiving moneys generated pursuant to this section  
26 shall establish and maintain a separate ((vehiele)) transportation  
27 vehicle account in the educational service district's general expense  
28 fund for the purposes and subject to the conditions under RCW  
29 28A.160.130 and 28A.320.300.

30 ((+3)) (4) In the 1995-96 school year and each year thereafter,  
31 state reimbursement payments shall commence only after the state-  
32 supported price has been set through the state sealed competitive  
33 process established in section 2 of this act.

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

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

7 ~~((4))~~ (6) The superintendent shall annually develop a  
8 depreciation schedule to recognize the cost of depreciation to  
9 districts contracting with private carriers for student transportation.  
10 Payments on this schedule shall be a straight line depreciation based  
11 on the original cost of the appropriate category of vehicle.

12 **Sec. 4.** RCW 43.19.637 and 1991 c 199 s 213 are each amended to  
13 read as follows:

14 (1) At least thirty percent of all new vehicles purchased through  
15 a state contract shall be clean-fuel vehicles.

16 (2) The percentage of clean-fuel vehicles purchased through a state  
17 contract shall increase at the rate of five percent each year.

18 (3) In meeting the procurement requirement established in this  
19 section, preference shall be given to vehicles designed to operate  
20 exclusively on clean fuels. In the event that vehicles designed to  
21 operate exclusively on clean fuels are not available or would not meet  
22 the operational requirements for which a vehicle is to be procured,  
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  
26 when the fuel is purchased for the operation of a clean-fuel vehicle.

27 (5)(a) Weight classes are established by the following motor  
28 vehicle types:

29 (i) Passenger cars;

30 (ii) Light duty trucks, trucks with a gross vehicle weight rating  
31 by the vehicle manufacturer of less than eight thousand five hundred  
32 pounds;

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.

36 (b) This subsection does not place an obligation upon the state or  
37 its political subdivisions to purchase vehicles in any number or weight  
38 class other than to meet the percent procurement requirement.

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  
4 vehicles" shall be those fuels and vehicles meeting the specifications  
5 provided for in RCW 70.120.210.

6       NEW SECTION. Sec. 5. (1) Section 2 of this act is necessary for  
7 the immediate preservation of the public peace, health, or safety, or  
8 support of the state government and its existing public institutions,  
9 and shall take effect immediately.

10       (2) Section 3 of this act shall take effect September 1, 1995.

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