## (SUBSTITUTED FOR - SEE 2ND SUB)

Directs the office of the superintendent of public instruction to develop two options for a student transportation funding methodology that, as a first priority, reflects actual costs and builds incentives for the efficient use of resources. As a secondary priority, the office of the superintendent of public instruction shall, to the extent possible, develop a formula that provides school districts with predictable levels of funding.

Requires that, by December 1, 2007, the office of the superintendent of public instruction shall report to the education and fiscal committees of the legislature with recommendations and any accompanying legislation to implement the funding methodology in this act.