SENATE BILL REPORT SB 6340

As Reported by Senate Committee On: Ways & Means, January 30, 2014

Title: An act relating to aligning student transportation formulas with 2013 session laws.

Brief Description: Aligning student transportation formulas with 2013 session laws.

Sponsors: Senator Hill; by request of Office of Financial Management.

Brief History:

Committee Activity: Ways & Means: 1/28/14, 1/30/14 [DP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Hill, Chair; Baumgartner, Vice Chair; Honeyford, Capital Budget Chair; Hargrove, Ranking Member; Keiser, Assistant Ranking Member on the Capital Budget; Ranker, Assistant Ranking Member on the Operating Budget; Bailey, Becker, Billig, Braun, Conway, Dammeier, Fraser, Hasegawa, Hatfield, Hewitt, Kohl-Welles, Padden, Parlette, Rivers, Schoesler and Tom.

Staff: Lorrell Noahr (786-7708)

Background: Legislation enacted in 2009 authorized a new pupil transportation funding formula that uses a regression analysis of various cost factors to allocate state funds to local education agencies (LEAs). This funding formula requires one year of transportation student data and expenditure data to calculate a LEA's allocation. LEAs include school districts, tribal compact schools, charter schools, and in some instances, educational service districts.

Subsequent legislation enacted in 2010 required the phased-in implementation of a new pupil transportation funding formula to be fully implemented by the 2013-15 biennium. The 2013 enacted operating budget provided appropriations sufficient to fully implement this funding formula in the 2014-15 school year.

In 2013 the Legislature authorized the Superintendent of Public Instruction to enter into a state-tribal education compact with the governing body of any tribe or the governing body of any school currently receiving funding from the federal Bureau of Indian Affairs, effectively authorizing a tribal school to become a LEA. Tribal compact schools are provided funding

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for general apportionment, special education, categorical, and other nonbasic education monies, similar to other LEAs.

Summary of Bill: <u>Pupil Transportation Funding Formula</u>. Statutes pertaining to the pupil transportation funding formula are amended to reflect full implementation of the revised formula beginning in the 2014-15 school year.

<u>Tribal Compact Schools.</u> The Office of Superintendent of Public Instruction is authorized to pay for the transportation of students enrolled in a state-tribal compact school.

During the initial year of operation, state-tribal compact schools may claim funding for the to and from transportation of eligible students. The state-tribal compact school funding is calculated based on a per-student allocation of a school district with similar geography and ridership. The state pupil transportation allocation is reduced by any federal funds received by the state-tribal compact school for purposes of transportation.

After the initial year of operation, state-tribal compact schools are provided transportation operating funds through the same funding formula as other LEAs. State-tribal compact schools' approved transportation service area is used instead of a school district's land area when calculating a state-tribal compact's allocation.

Certain safety rules for bus routes on a highway, bus driver training, and bus standards apply the same as for a local educational agency.

State-tribal compact schools may claim school bus depreciation funds similar to other local educational agencies.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on September 1, 2014.

Staff Summary of Public Testimony: PRO: This bill is a technical bill to align with the enacted budget. State-tribal compact schools were left out inadvertently. This bill provides a formula to clearly distribute pupil transportation funds to these schools.

Persons Testifying: PRO: Paula Moore, Office of Financial Management.