

ESHB 1248 - S COMM AMD

By Committee on Early Learning & K-12 Education

ADOPTED 02/29/2024

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature recognizes that school
4 bus drivers play a crucial role in ensuring students' safe passage to
5 and from school, preventing absences, and extending a positive school
6 climate beyond the classroom. By delivering this essential service,
7 school bus drivers provide a significant time and convenience benefit
8 to thousands of Washington families, remove cars from the road,
9 reduce overall emissions, and increase traffic safety. However, a
10 recent national survey revealed that 94 percent of bus contractors
11 experience driver shortages, with 21 percent reporting their
12 shortages as severe. With this act, the state of Washington intends
13 to encourage the retention of bus drivers who provide vital services
14 to local communities.

15 **Sec. 2.** RCW 28A.160.140 and 1990 c 33 s 140 are each amended to
16 read as follows:

17 (1) As a condition of entering into a pupil transportation
18 services contract with a private nongovernmental entity, each school
19 district shall engage in an open competitive process at least once
20 every five years. This requirement shall not be construed to prohibit
21 a district from entering into a pupil transportation services
22 contract of less than five years in duration with a district option
23 to renew, extend, or terminate the contract, if the district engages
24 in an open competitive process at least once every five years after
25 July 26, 1987.

26 (2)(a) A school district may only enter into, renew, or extend a
27 pupil transportation services contract with a private nongovernmental
28 entity if that entity provides the following to, or on behalf of, its
29 employees who choose to opt in for coverage:

30 (i) An employer health benefits contribution equal to the
31 employer payment dollar amount in effect for the first year of the

1 contract for health care benefit rates (cockle rates), published
2 annually by the health care authority, for the school employees'
3 benefits board program for school employees; and

4 (ii) An amount equivalent to the salaries of the employees of the
5 private nongovernmental entity multiplied by the employer normal cost
6 contribution rate determined under the entry age cost method for the
7 school employees' retirement system, as published in the most recent
8 actuarial valuation report from the office of the state actuary for
9 the first year of the contract.

10 (b) All pupil transportation service contracts entered into or
11 modified after the effective date of this section must include a
12 detailed explanation of any contract cost increase by year,
13 expenditure type, and amount, including any increases in cost that
14 result from providing the benefits required under this section.

15 (c) For contracts entered into, renewed, or extended in the 2024
16 calendar year, the benefits required under this section must be
17 provided to employees by the beginning of the 2025-26 school year.

18 (3) As used in this section:

19 ~~((1))~~ (a) "Employees" means in-state employees of the private
20 nongovernmental entity working sufficient compensated hours
21 performing services pursuant to the contract with the school district
22 to meet the eligibility requirements for the school employees'
23 benefits board program if the employees were directly employed by a
24 school district;

25 (b) "Open competitive process" means either one of the following,
26 at the choice of the school district:

27 ~~((a))~~ (i) The solicitation of bids or quotations and the award
28 of contracts under RCW 28A.335.190; or

29 ~~((b))~~ (ii) The competitive solicitation of proposals and their
30 evaluation consistent with the process and criteria recommended or
31 required, as the case may be, by the office of financial management
32 for state agency acquisition of personal service contractors;

33 ~~((2))~~ (c) "Pupil transportation services contract" means a
34 contract for the operation of privately owned or school district
35 owned school buses, and the services of drivers or operators,
36 management and supervisory personnel, and their support personnel
37 such as secretaries, dispatchers, and mechanics, or any combination
38 thereof, to provide students with transportation to and from school
39 on a regular basis; and

1 (~~(3)~~) (d) "School bus" means a motor vehicle as defined in RCW
2 46.04.521 and under the rules of the superintendent of public
3 instruction.

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

6 (1) A school district that experiences an increase in costs to a
7 pupil transportation services contract as compared to prior year
8 contract costs as a result of the provisions in RCW 28A.160.140 is
9 eligible for supplemental transportation allocations as described in
10 this section.

11 (2) Beginning September 1, 2024, school districts that provide
12 pupil transportation through a contract with a nongovernmental entity
13 under RCW 28A.160.140 must annually provide the office of the
14 superintendent of public instruction with the following information:

15 (a) A breakdown of the total contract cost increase, including a
16 detailed explanation of the increase by expenditure type
17 demonstrating dollar equivalency as required in RCW
18 28A.160.140(2)(a)(i) and percentage equivalency as required in RCW
19 28A.160.140(2)(a)(ii), as defined by the office of the superintendent
20 of public instruction, and amount;

21 (b) A breakdown of cost from the contractor that shows the cost
22 to provide health care and pension benefits to employees prior to the
23 effective date of this section and the cost to provide health care
24 and pension benefits to employees after the implementation of
25 benefits as described in RCW 28A.160.140;

26 (c) The amount of funding received through transportation
27 allocations under RCW 28A.160.150 through 28A.160.192 prior to the
28 implementation of school employee benefits under chapter 41.05 RCW
29 and the amount of funding received through the same transportation
30 allocations for the period immediately following the implementation
31 of school employee benefits under chapter 41.05 RCW, to determine the
32 amount of funding for health care that is already being included in
33 allocations.

34 (3) The office of the superintendent of public instruction may
35 suspend the reporting requirements under subsection (2) of this
36 section on or after September 1, 2027, for districts that do not
37 request supplemental transportation allocations under this section.

38 (4) Subject to the availability of amounts appropriated for this
39 specific purpose, the office of the superintendent of public

1 instruction must reimburse a school district for the increased cost
2 that is directly attributable to increased benefits as required under
3 this act, using the following formula: The total contract cost
4 increase, less any amounts not attributable to benefits required
5 under RCW 28A.160.140, less the amount the allocation was increased
6 based on the actual cost increase through the transportation funding
7 formula."

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8 On page 1, line 1 of the title, after "transportation;" strike
9 the remainder of the title and insert "amending RCW 28A.160.140;
10 adding a new section to chapter 28A.160 RCW; and creating a new
11 section."

EFFECT: Requires that benefits be provided to employees by the beginning of the 2025-26 school year for contracts entered into, renewed, or extended in the 2024 calendar year.

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