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SENATE BILL 5885

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State of Washington                      53rd Legislature                      1993 Regular Session

By Senator Gaspard; by request of Superintendent of Public Instruction

Read first time 02/22/93. Referred to Committee on Education.

1            AN ACT Relating to school bus replacement for public school  
2 districts; amending RCW 28A.160.200; adding new sections to chapter  
3 28A.160 RCW; and providing an effective date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5            **Sec. 1.** RCW 28A.160.200 and 1990 c 33 s 146 are each amended to  
6 read as follows:

7            (1) The superintendent of public instruction shall allocate state  
8 funds for the purpose of supporting, in whole or in part, the purchase  
9 of new school buses to replace school buses owned by school districts  
10 or educational service districts. The superintendent shall require  
11 that state funds allocated for bus replacement be applied only to the  
12 purchase of new school buses and shall require that each school bus  
13 purchased in whole or in part with state funds result in removal from  
14 service an eligible school bus. Each school bus eligible for  
15 replacement in whole or in part with state funds must be owned by a  
16 school district or educational service district, be beyond the useful  
17 life as established by the superintendent, have a valid school bus  
18 operating permit issued by the superintendent, and be in active service

1 in the district's fleet pursuant to use criteria established by the  
2 superintendent.

3 (2) The superintendent may adopt rules necessary to implement a  
4 school bus fleet replacement program designed to maintain a state-wide  
5 school bus fleet that meets contemporary standards for school bus  
6 design and manufacture.

7 (3) The superintendent shall determine ((the vehicle acquisition))  
8 school district or educational service district allocations for  
9 replacement of school buses in the following manner:

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

37 ~~(2) The superintendent shall develop a reimbursement schedule to~~  
38 ~~pay districts for the cost of student transportation vehicles purchased~~  
39 ~~after September 1, 1982. The accumulated value of the payments and the~~

1 potential investment return thereon shall be designed to be equal to  
2 the replacement value of the vehicle less its salvage value at the end  
3 of its anticipated lifetime. The superintendent shall revise at least  
4 annually the reimbursement payments based on the current and  
5 anticipated future cost of comparable categories of transportation  
6 equipment. Reimbursements to school districts for approved  
7 transportation equipment shall be placed in a separate vehicle  
8 transportation fund established for each school district under RCW  
9 28A.160.130. However, educational service districts providing student  
10 transportation services pursuant to RCW 28A.310.180(4) and receiving  
11 moneys generated pursuant to this section shall establish and maintain  
12 a separate vehicle transportation account in the educational service  
13 district's general expense fund for the purposes and subject to the  
14 conditions under RCW 28A.160.130 and 28A.320.300.

15 (3) To the extent possible, districts shall operate vehicles  
16 acquired under this section not less than the number of years or useful  
17 lifetime now, or hereafter, assigned to the class of vehicles by the  
18 superintendent. School districts shall properly maintain the  
19 transportation equipment acquired under the provisions of this section,  
20 in accordance with rules established by the office of the  
21 superintendent of public instruction. If a district fails to follow  
22 generally accepted standards of maintenance and operation, the  
23 superintendent of public instruction shall penalize the district by  
24 deducting from future reimbursements under this section an amount equal  
25 to the original cost of the vehicle multiplied by the fraction of the  
26 useful lifetime or miles the vehicle failed to operate.

27 (4) The superintendent shall annually develop a depreciation  
28 schedule to recognize the cost of depreciation to districts contracting  
29 with private carriers for student transportation. Payments on this  
30 schedule shall be a straight line depreciation based on the original  
31 cost of the appropriate category of vehicle.))

32 (a) The superintendent shall establish school bus bid  
33 specifications eligible for state funding support, and optional school  
34 bus bid specifications that may be selected and funded by local school  
35 districts. School bus bid specifications shall be developed in concert  
36 with representatives of school districts and shall be structured to  
37 stimulate competition among vendors.

38 (b) The superintendent shall annually review eligible school buses  
39 and determine the number of school buses each school district is

1 entitled to purchase with state funding during each fiscal year.  
2 School district annual entitlement to state-funded school bus  
3 replacement shall be the lessor of: (i) Bus replacement credit earned  
4 or (ii) the number of eligible school buses. As used in this section,  
5 "bus replacement credit earned" means the whole number of buses without  
6 regard to partial remainder of the sum of each fraction that one year  
7 is to the scheduled life of each school bus owned by school districts  
8 or educational service districts. Bus replacement credit earned but  
9 not used in a fiscal year and each partial remainder shall carry  
10 forward to the succeeding fiscal year.

11 (c) The superintendent shall annually announce bus replacement  
12 entitlement for each school district. Each school district shall  
13 notify the superintendent of each eligible school bus the school  
14 district has selected for replacement, along with general descriptive  
15 characteristics of the bus to be purchased as its replacement. School  
16 districts shall be required to give first priority to eligible school  
17 buses manufactured before April 1, 1977.

18 (d) The superintendent or his or her designee shall sponsor  
19 voluntary bus purchase bid pools throughout the state. The formation  
20 of sponsored bid pools shall be determined by the locations of  
21 districts electing to participate and the numbers of buses with common  
22 bid characteristics.

23 (e) The superintendent or his or her designee shall announce  
24 locations and times of sponsored bid pools where school districts may  
25 convene for the purposes of finalizing school bus bid specifications  
26 and issuing calls for bids. School districts shall be required to  
27 waive their right of cancellation or withdrawal from commitments  
28 expressed or implied in sponsored pooled calls for bids.

29 (f) School districts participating in bus purchase bid pools  
30 sponsored by the superintendent may replace an eligible school bus with  
31 a school bus of similar or different type, capacity, or other  
32 characteristic, however state funding shall be limited to the accepted  
33 bid price obtained for eligible specifications of a bus of similar  
34 characteristic to the bus being replaced, or actual purchase cost of  
35 eligible specifications, whichever is less. Districts not  
36 participating in bus purchase bid pooling sponsored by the  
37 superintendent shall have each eligible school bus replacement purchase  
38 funded as if the purchase was made through the bid pool sponsored by

1 the superintendent and made available to the district for replacement  
2 of the eligible school bus.

3 NEW SECTION. **Sec. 2.** A new section is added to chapter 28A.160  
4 RCW to read as follows:

5 The superintendent may make payments to school districts pursuant  
6 to RCW 28A.160.200, in lieu of the purchase of new replacement school  
7 buses, for the purpose of liquidating indebtedness incurred before  
8 September 1, 1992, if such debt was incurred exclusively for the  
9 purpose of financing the purchase of school buses. School districts  
10 electing to receive payments to apply to the liquidation of eligible  
11 school bus debt shall annually submit to the superintendent, for  
12 approval, a request to receive cash payments in lieu of eligible bus  
13 replacement, and shall provide schedules of debt payment requirements  
14 and planned bus replacements. Any amount paid to school districts in  
15 lieu of purchase of new replacement buses shall not exceed the lesser  
16 of: (1) The amount payable for eligible bus replacement under RCW  
17 28A.160.200, or (2) the amount of principal and interest due on  
18 eligible debt during the applicable year, or (3) the amount which  
19 otherwise would have been due the district for depreciation or  
20 replacement if depreciation provisions of RCW 28A.160.200 in effect  
21 before the effective date of this section had remained in effect. This  
22 section shall expire August 31, 1997.

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

25 The superintendent shall annually develop a reimbursement schedule  
26 to recognize the cost of school bus depreciation to districts that  
27 contract with private carriers for student transportation.

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

30 The superintendent shall revoke the operating permit for each  
31 school bus replaced in whole or in part with state funds and each  
32 district-owned school bus determined by the superintendent as not  
33 eligible for replacement under the use criteria in RCW 28A.160.200, and  
34 shall ensure no operating permit is reissued for each such school bus.

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

3        Sections 1 through 4 of this act supersede all responsibilities of  
4 the state before the effective date of this section to provide school  
5 bus replacement or depreciation payments to school districts for school  
6 bus purchases as of the effective date of this section.

7        NEW SECTION.    **Sec. 6.**    If any provision of this act or its  
8 application to any person or circumstance is held invalid, the  
9 remainder of the act or the application of the provision to other  
10 persons or circumstances is not affected.

11        NEW SECTION.    **Sec. 7.**    This act shall take effect September 1,  
12 1993.

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