HOUSE BILL 2715

State of Washington 63rd Legislature 2014 Regular Session

By Representatives Robinson, Appleton, and Van De Wege; by request of Office of Financial Management

Read first time 01/28/14. Referred to Committee on Appropriations Subcommittee on Education.

AN ACT Relating to aligning student transportation formulas with 2 2013 session laws; amending RCW 28A.160.192; adding a new section to 3 chapter 28A.715 RCW; and providing an effective date.

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

5 Sec. 1. RCW 28A.160.192 and 2011 1st sp.s. c 27 s 3 are each 6 amended to read as follows:

7 (1) ((The superintendent of public instruction shall phase in the implementation of)) The distribution formula under this chapter for allocating state funds to school districts for the transportation of students to and from school((. The phase in shall begin no later than the 2011-2013 biennium and be fully implemented by the 2013-2015 biennium.)) must:

13 (a) ((The formula must)) Be developed and revised on an ongoing 14 basis using the major cost factors in student transportation, including 15 basic and special student loads, school district land area, average 16 distance to school, roadway miles, and number of locations served. include all those site characteristics 17 Factors must that are 18 statistically significant after analysis of the data required by the 19 revised reporting process.

(b) ((The formula must)) Allocate funds to school districts based 1 2 on the average predicted costs of transporting students to and from 3 school, using a regression analysis. Only factors that are 4 statistically significant shall be used in the regression analysis. Employee compensation costs included in the allowable transportation 5 expenditures used for the purpose of establishing each ((school 6 7 district's independent)) variable in the regression analysis shall be 8 limited to the base salary or hourly wage rates, fringe benefit rates, and ((applicable health care)) the insurance benefit allocation 9 10 rate((s)) provided in the omnibus appropriations act.

(2) ((During the phase in period,)) <u>F</u>unding provided to school districts for student transportation operations shall be distributed on the following basis:

(a) Annually, each school district shall receive the lesser of the 14 ((previous school year's pupil transportation operations allocation)) 15 expected cost as predicted by the regression analysis under subsection 16 17 (1)(b) of this section, or the total of allowable pupil transportation 18 expenditures identified on the previous school year's final expenditure 19 report to the state plus district indirect expenses using the federal 20 restricted indirect rate as calculated in the district annual financial 21 report;

(b) Annually, the amount identified in (a) of this subsection shall
be adjusted for any budgeted ((increases)) changes provided in the
omnibus appropriations act for salaries ((or)), fringe benefits, and
the insurance benefit allocation rate; and

(c) ((Annually, any funds appropriated by the legislature in excess of the maintenance level funding amount for student transportation shall be distributed among school districts on a prorated basis using the difference between the amount identified in (a) adjusted by (b) of this subsection and the amount determined under the formula in RCW 28A.160.180; and

32 (d)) Allocations provided to recognize the cost of depreciation to 33 districts contracting with private carriers for student transportation 34 shall be deducted from the allowable transportation expenditures in (a) 35 of this subsection.

36 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 28A.715 37 RCW to read as follows:

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(1) To claim funds under this section, a school that is the subject
 of a state-tribal education compact must comply with RCW 28A.160.115,
 28A.160.170, 28A.160.210, and 46.61.380.

4 (2) During the initial year of operation, a school that is the subject of a state-tribal education compact may claim transportation 5 operating funds under this subsection only for transportation of 6 eligible students to and from school as defined in RCW 28A.160.160. 7 8 The school may claim an allocation per eligible student as the prior year's per student allocation to a school district of similar geography 9 and ridership, less any federal funds provided to the school 10 11 specifically for the purpose of transporting students to and from 12 school on a daily basis.

(3) After the initial year of operation, the superintendent of public instruction shall allocate transportation operating funds consistent with the methodology provided under RCW 28A.160.150 through 28A.160.192, less any federal funds provided to the school specifically for the purpose of transporting students to and from school on a daily basis.

19 (4) For the purpose of administering RCW 28A.160.150 through 20 28A.160.192, the superintendent of public instruction shall consider 21 tribal school districts to be school districts, including any school 22 that is the subject of a state-tribal education compact approved under 23 this chapter, except that the school's approved transportation service 24 area must be used in lieu of school district land area.

(5) A school that is the subject of a state-tribal education compact may claim bus depreciation funds based on the payment schedule provided under RCW 28A.160.200(3). The bus depreciation funds must go into a separate transportation vehicle fund to be used only for the purchase of pupil transportation vehicles.

30 <u>NEW SECTION.</u> Sec. 3. This act takes effect September 1, 2014.

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