<u>SSB 5326</u> - S AMD **445** By Senator Robinson

PULLED 03/08/2021

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

"<u>NEW SECTION.</u> Sec. 1. The legislature recognizes that school 3 bus drivers play a crucial role in ensuring students' safe passage to 4 and from school, preventing absences, and extending a positive school 5 climate beyond the classroom. By delivering this essential service, 6 7 school bus drivers provide a significant time and convenience benefit to thousands of Washington families, remove cars from the road, 8 reduce overall emissions, and increase traffic safety. However, a 9 recent national survey revealed that 94 percent of bus contractors 10 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:

(1) As a condition of entering into a pupil transportation 17 services contract with a private nongovernmental entity, each school 18 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 contract of less than five years in duration with a district option 22 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 a pupil 27 transportation services contract with a nongovernmental entity if 28 that entity provides the following for employees who choose to opt in 29 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

S-1966.1/21

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

4 <u>(ii) A percentage amount equivalent to the plans 2 and 3 normal</u> 5 <u>cost employer contribution rate of the school employees' retirement</u> 6 <u>system, at the rate in effect for the first year of the contract,</u> 7 <u>multiplied by the salaries of the employees of the private</u> 8 <u>nongovernmental entity.</u>

9 (b) Subsection (2)(a) of this section applies only to pupil 10 transportation service contracts for which the request for proposals 11 begins after the effective date of this section and no earlier than 12 for a contract affecting the 2022-23 school year.

13 (c) All pupil transportation service contracts entered into or 14 modified after the effective date of this section must include a 15 detailed explanation of any contract cost increase by year, 16 expenditure type, and amount, including any increases in cost that 17 result from providing the benefits required under this section.

18 (3) As used in this section:

19 (((1)) (a) "Employee" means a bus, van or shuttle driver, 20 monitor, mechanic, or dispatcher who works sufficient compensated 21 hours for the nongovernmental entity performing services on the 22 contract with the school district to meet the eligibility 23 requirements that apply to school employees for benefits in the 24 school employees' retirement system and the school employees' 25 benefits board program;

26 (b) "Open competitive process" means either one of the following, 27 at the choice of the school district:

28 (((-(a))) (i) The solicitation of bids or quotations and the award 29 of contracts under RCW 28A.335.190; or

30 (((b))) <u>(ii)</u> The competitive solicitation of proposals and their 31 evaluation consistent with the process and criteria recommended or 32 required, as the case may be, by the office of financial management 33 for state agency acquisition of personal service contractors;

34 (((2))) (c) "Pupil transportation services contract" means a 35 contract for the operation of privately owned or school district 36 owned school buses, and the services of drivers or operators, 37 management and supervisory personnel, and their support personnel 38 such as secretaries, dispatchers, and mechanics, or any combination 39 thereof, to provide students with transportation to and from school 40 on a regular basis; and

2

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.

<u>NEW SECTION.</u> 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 may 9 be eligible for supplemental transportation allocations as described 10 in this section.

11 (2) To be eligible for supplemental transportation allocations, a 12 school district must provide the office of the superintendent of 13 public instruction with the following information:

(a) A breakdown of the total contract cost increase, including a 14 by 15 detailed explanation of the increase expenditure type 16 demonstrating dollar equivalency required as in RCW 28A.160.140(2)(a)(i) and percentage equivalency as required in RCW 17 18 28A.160.140(2)(a)(ii), as defined by the office of the superintendent of public instruction, and amount; 19

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

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

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

Code Rev/CL:akl

S-1966.1/21

3

SSB 5326 - S AMD 445

By Senator Robinson

PULLED 03/08/2021

1 On page 1, line 1 of the title, after "school" strike the 2 remainder of the title and insert "transportation workers employed by 3 private nongovernmental entities; amending RCW 28A.160.140; adding a 4 new section to chapter 28A.160 RCW; and creating a new section."

EFFECT: Removes the provision that the requirements in this bill go into effect with contracts that are new, renewed, or extended after the effective date of the act and replaces it with a requirement that this be included in a request for proposals that begins after the effective date of this act and no earlier than for a contract affecting the 2022-23 school year.

Provides that the health care contribution is a dollar equivalency that applies to employees that opt in to coverage.

Clarifies that the retirement contribution is a percentage rate.

Provides that the health care and retirement rates are those that are in effect for the first year of the transportation service contract.

Provides that the expenditures that must be reported to the Superintendent of Public Instruction to be eligible for reimbursement must show the dollar equivalency for health care and retirement benefits as provided by this act. Removes a requirement that the Superintendent of Public Instruction adopt rules when determining costs that are eligible for reimbursement.

Limits the definition of an eligible employee to include a bus, van or shuttle driver, monitor, mechanic, or dispatcher.

--- END ---