**5174-S2 AMS HASE S1854.1 - NOT FOR FLOOR USE**

**2SSB 5174** - S AMD **68**

By Senator Hasegawa

**WITHDRAWN 03/03/2023**

On page 3, after line 26, insert the following:

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

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

(b) Any pupil transportation services contract entered into, renewed, or extended after September 1, 2023, must require the contractor to provide benefits comparable to the school employees' benefits board program and school employees' retirement system to employees and include:

(i) Sufficient funds specifically for the contracting employer to provide the employees of the contractor with an employer health benefits contribution equal to the monthly school employer funding rate for the school employees' benefits board program, less the retiree remittance for the public employees' benefits board; and

(ii) An amount equivalent to the plans 2 and 3 normal cost employer contribution rate of the school employees' retirement system, multiplied by the estimated salaries of the employees of the contractor.

(2) As used in this section:

((~~(1)~~)) (a) "Employees of the contractor" means employees working sufficient compensated hours for the contracting employer performing services on the contract with the school district to meet the eligibility requirements for the school employees' benefits board program if the employees were directly employed by a school district;

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

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

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

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

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

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

(1) Subject to amounts appropriated for this purpose, the office of the superintendent of public instruction must provide a one-time supplemental transportation allocation to school districts that experience an increase in costs to pupil transportation services contracts due to RCW 28A.160.140(1)(b).

(2) To be eligible for supplemental transportation allocations, a school district must report to the office of the superintendent of public instruction the number of employees under pupil transportation services contracts that worked at least 630 hours in performing services on the contract with the school district in the school year prior to entering a contract subject to RCW 28A.160.140.

(3) Amounts provided under this section may only be used by school districts as payments under pupil transportation services contracts for employee compensation.

(4) A supplemental transportation allocation under this section may not exceed $200 per employee per month for contracted employees reported under subsection (2) of this section."

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**WITHDRAWN 03/03/2023**

On page 1, line 2 of the title, after "transportation;" insert "amending RCW 28A.160.140;"

EFFECT: (1) Requires any pupil transportation service contract entered into, renewed, or extended after September 1, 2023, to:

(a) Require the contractor to provide health and retirement benefits to its employees that are comparable to SEBB and SERS; and

(b) Include sufficient funds for the contractor to provide a comparable health benefit contribution and employer retirement contribution rate.

(2) Requires OSPI, subject to appropriations, to provide a one-time supplemental transportation allocation to districts that see an increase in costs due to these new requirements, not to exceed $200 per employee per month. Provides reporting requirements and restrictions on use of funds.