SENATE BILL REPORT
SB 5858

As Reported by Senate Committee On:
Early Learning & K-12 Education, January 14, 2026

Title: An act relating to pupil transportation safety net funding for special passengers.

Brief Description: Providing pupil transportation safety net funding for special passengers.

Sponsors: Senators Wellman, Krishnadasan, Nobles, Slatter, Valdez and Wilson, C..

Brief History:
Committee Activity: Early Learning & K-12 Education: 1/13/26, 1/14/26 [DP-WM].

Brief Summary of Bill

- Provides pupil transportation safety net awards to school districts that can show excess costs due to serving special education students, homeless students, and foster care students, subject to appropriation.

SENATE COMMITTEE ON EARLY LEARNING & K-12 EDUCATION

Majority Report: Do pass and be referred to Committee on Ways & Means.
Signed by Senators Wellman, Chair; Nobles, Vice Chair; Wilson, C., Vice Chair; Harris, Ranking Member; Cortes, Dozier, Hansen, Krishnadasan and McCune.

Staff: Alex Fairfortune (786-7416)

Background: State Funding Formulas for Pupil Transportation. The state's statutory program of basic education includes transportation to and from school for eligible students, including transportation of students for special education services and between schools and learning centers. To provide transportation allocations to school districts, the Office of the Superintendent of Public Instruction (OSPI) uses the Student Transportation Allocation Reporting System (STARS), which is a regression formula that uses prior year expenditures, student passenger counts, and district characteristics to calculate the expected

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costs of to and from transportation. The STARS formula result is then compared to the district's allowable transportation expenditures from the prior year. The school district receives the lesser of the two calculated amounts, plus any compensation adjustments provided in the operating budget.

Federal Requirements for Homeless and Foster Student Transportation. Federal laws include requirements for student transportation of homeless students and students in foster care, including transportation to and from a student's school of origin upon request and when it is in the child's best interest.

The federal McKinney-Vento Homeless Assistance Act (McKinney-Vento Act) defines homeless children and youths to mean individuals who lack a fixed, regular, and adequate nighttime residence. Under the McKinney-Vento Act, homeless children are entitled to receive transportation comparable to what is available to non-homeless students.

The federal Every Student Succeeds Act includes requirements for school districts to develop procedures that address how transportation to the schools of origin for children in foster care will be provided, arranged, and funded. In cases where a student is living outside the school district where a school of origin is located, multiple school districts and child welfare agencies may coordinate in determining a method of transportation and arrangements to share costs.

Pupil Transportation Safety Net. The operating budget appropriated $13 million for fiscal year 2024 and $13 million for fiscal year 2025 for OSPI to provide transportation safety net funding to school districts with a demonstrated need for additional transportation funding for special passengers.

Summary of Bill: The current pupil transportation safety net program funded in the operating budget is moved to statute.

OSPI must provide transportation safety net awards to school districts with a convincingly demonstrated need for additional transportation funding for special passengers. Special passengers include:

- students eligible for and receiving special education that require transportation as a related service of their individualized education program;
- homeless students requiring transportation under the McKinney-Vento Act; and
- foster students receiving transportation as required under the federal Every Student Succeeds Act.

Safety net awards may only be provided when a district's allowable transportation expenditures exceed transportation allocations and any excess costs reimbursed by federal, state, tribal, or local child welfare agencies. Safety net awards may not exceed a district's excess expenditures directly attributable to serving special passengers.

To be eligible for safety net award funding, school districts must report the amount of excess costs and the specific activities or services provided to special passengers that created the excess costs. In addition to school districts, charter schools and state-education compact schools are eligible for awards.

The operating budget must specify the total amount available for such awards, and total awards may not exceed the appropriated amount. Safety net awards are excluded from the state's program of basic education.

OSPI is directed to establish rules and processes for transportation safety net applications and awards. OSPI must report the total demonstrated need and awards, by school district, to the Office of Financial Management and the education and fiscal committees of the Legislature.

Appropriation: The bill contains a section or sections to limit implementation to the availability of amounts appropriated for that specific purpose.

Fiscal Note: Requested on January 6, 2026.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Pupil transportation has been a "Big 3" priority for all of K-12. The STARS formula is not working as intended so directing state support for special passengers putting the state's limited resources to the most vulnerable students is the best use of funds. Safe and reliable transportation is not optional, it is required to participate in school and is required under state and federal law. Without appropriate transportation vulnerable students lose connection with their schools which is the one place that provides comfort and stability. In the 24-25 school year the Olympia School District provided transportation to 509 students with disabilities and 29 students who are homeless. This transportation required driving all around the state and cost more than $250,000. Grant funding was initially provided for $211,000 but decreased to $71,000 and then to nothing. The need far exceeds the current resources. Last year 70 districts applied with a total need of $67.6 million, so the $13 million appropriation only covered 19 percent of the state need. This leaves large deficits in transportation budgets in places like Tukwila, which has one of the highest homeless student populations in the state.

Persons Testifying: PRO: Senator Lisa Wellman, Prime Sponsor; Tyler Muench, Office of Superintendent of Public Instruction; Patrick Murphy, Olympia School District; Dave Larson, Washington State School Directors' Association (WSSDA); Michelle Scott, Battle Ground School District - Battle Ground, WA; Clifford Traisman, Bellevue, Highline, Northshore and Seattle Public School Districts; and Zum Services; Megan Larkin, Adv Director, Washington State PTA; Charlie Brown, South Sound Superintendents and Federal

Way Public Schools.

Persons Signed In To Testify But Not Testifying: No one.