

# Comparison: 2023 Transportation Bills (rev 1/28/2023)

Topic	<a href="#">SB 5174</a> (OSPI request, Wellman) As passed 6-3 Senate EL & K12, 1/25/23	<a href="#">HB 1248</a> (Stonier and Harris) as head by House Appropriations 1/23/23	Comments
SAO audit triggered	<p>Section 9: Beginning in the 2024-25 school year and each year thereafter, for any district where the reimbursement of costs for their transportation allocation exceeds 105% of the state average per student, the SAO shall include in their regular audit a review of transportation costs to <b>ensure they are necessary and reasonable.</b></p> <p>OSPI must adopt rules to categorize similar school districts and notify the state auditor when a review is required.</p>	<p>Section 5: Beginning in the 2024-25 school year and each year thereafter, for any district where the reimbursement of costs for special passengers exceeds 105% of the state average per special passenger, SAO to include in a regular audit review of transportation costs to <b>ensure they are necessary and reasonable costs attributable to special passengers.</b></p>	<p>SB 5581 said “rules to categorize school districts of similar geographic size.”</p> <p>SB 5581 – we removed the “ensure costs are necessary and reasonable.”</p> <p>Both bills include give the State Auditor the authority to decide what costs are “necessary and reasonable.”</p>
Defining Distinct or special passenger categories	<p>Section 4: Defined as “distinct”</p> <ul style="list-style-type: none"> <li>• Special education with IEPs</li> <li>• Homeless (McKinney-Vento)</li> <li>• Foster Youth</li> <li>• Skill Centers</li> <li>• “To and from” transportation of students participating in Career-Connected and work-based learning during the school day in which the student receives academic credit.</li> </ul>	<p>Section 1: Defined as “special”</p> <ul style="list-style-type: none"> <li>• Special education with IEPs</li> <li>• Homeless</li> <li>• Foster Youth</li> </ul>	<p>Senate version includes transportation to skill centers and “to and from” transportation for CCL and work-based learning during the school day in which student receives academic.</p>
Timing of district reports	<p>Section 5:</p> <ul style="list-style-type: none"> <li>• 3 times a year for regular;</li> <li>• Monthly for distinct passenger categories.</li> </ul>	<p>Section 1:</p> <ul style="list-style-type: none"> <li>• 3 times a year for regular;</li> <li>• Monthly for special passenger categories.</li> </ul>	<p>House version has no caveats or rules developed by OSPI to consider small districts or unique</p>

	Rules established by OSPI may streamline reporting requirements for small school districts to account for their unique needs.		geographic distances or unique needs. Senate version does.
Annual student transportation allocation determined in following manner:	<p>Section 7 (28A.160.180):</p> <p>Must be adjusted to include additional factors as basic and special passenger counts as defined by OSPI and total sum of miles driven., <del>factors necessary to address unique transportation challenges faced by rural and high population density urban school districts, and number of locations served.</del></p> <p>The transportation allocation amounts generated above must be adjusted by the following multipliers for qualifying school districts, as determined by OSPI:</p> <ol style="list-style-type: none"> <li>1. A multiplier that addresses the unique transportation challenges faced by high population density urban school districts; and</li> <li>2. A multiplier that address the unique transportation challenges faced by rural, geographically large districts that have a relatively low number of schools in proportion to the geographic size of the school district.</li> </ol> <p>Beginning in the 2024-25 school year, each district's annual student</p>	<p>Section 2 (28A.160.180):</p> <p>May be adjusted based on reimbursements for allowable special passenger expenditures;</p> <p>The allocation is equal to the greater of the sum of (a) and (b) of this subsection, multiplied by the school district's regionalization factor, and school district's transportation allocation in the 2022-23 school year increased annually by the transportation inflation factor.</p> <p>New formula:</p> <ol style="list-style-type: none"> <li>(a) \$1,900 increased annual from the 2022-23 school year by the transportation inflation factor, multiplied by the average number of riders to and from school in the previous school year, multiplied by 0.86.</li> <li>(b) \$0.82, increased annually from the 2022-23 school year by the transportation inflation factor, multiplied by the total mileage transporting students to and from school, multiplied by 0.14.</li> </ol>	Different formulas

	<p>transportation allocation shall be determined:</p> <ul style="list-style-type: none"> <li>• 100% of allowable transportation expenditures attributable to serving students in distinct passenger categories to include, at a minimum, student transportation via district bus, third-party bus providers, district-owned vehicles, and other vehicles operated by third-party providers when determined to be the most appropriate or cost-effective mode of transportation for a student in a distinct passenger category.</li> </ul> <p>OSPI shall annually calculate the transportation allocation, excluding for distinct passenger categories:</p> <ul style="list-style-type: none"> <li>• Be adjusted for additional factors as passenger counts and total sum of miles driven; and</li> <li>• Provide that the transportation allocation for district-owned passenger cars is the private vehicle reimbursement rate in effect on September 1<sup>st</sup> of each school year. Students transported in district-owned passenger cars must be included in the corresponding basic or special passenger counts.</li> <li>• Multipliers for high population density urban districts and rural, geographically large districts.</li> </ul>	<p>(c) Special passengers in excess of the combined amount in (a) and (b), provided monthly.</p>	
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	<p>Annually, the transportation allocations calculated shall be adjusted for any budgeted increases provided in the omnibus budget for salaries and fringe benefits.</p> <p>Allocation for non-distinct passengers transported in district-owned passenger cars remains the same as before.</p> <p>Section 8:</p> <ul style="list-style-type: none"> <li>• Total sum of miles driven;</li> <li>• Factors necessary to address unique transportation challenges faced by rural and high population density urban school districts.</li> </ul>		
District-owned passenger cars	<p>Section 7 (b)(ii):</p> <p>Beginning in the 2024-25 school year, private vehicle reimbursement rate on September 1<sup>st</sup> of each school year. Students transported must be included in the corresponding basic or special passenger counts.</p>	<p>Section 2:</p> <p>Beginning in the 2024-25 school year, private vehicle reimbursement rate on September 1<sup>st</sup> of each school year. Students transported must be included in the corresponding basic or special passenger counts.</p>	<p>Same in both bills – no change to rate or existing language.</p> <p>In Senate, just makes it clear to start in the 2024-25 school year.</p>
Reimbursements	<p>Section 6:</p> <p>Beginning in the 2024-25 school year, districts to be reimbursed monthly for 100% of transportation expenditures attributable to serving students in distinct passenger categories.</p>	<p>Section 2 (c)(i):</p> <p>Beginning in the 2024-25 school year, allocations for special passengers must be provided monthly.</p> <p>Allocations from September -December of a school year for special passengers are based on the prior school year.</p>	

	For all other reimbursements, OSPI to notify district before January 15 <sup>th</sup> .	After December allocations are adjusted based on the monthly reports for special passengers.	
Direction to OSPI	Section 1: By June 1, 2026, OSPI to provide an analysis of school district transportation costs and allocations following the 2024-25 school year, including disaggregation of data for special education, homeless and foster youth, and all other students transported. This data will be used to inform legislators on future discussions to revise the overall student transportation allocation model.	Section 4: By January 1, 2025, provide an analysis of school district transportation costs and allocations following the 2023-24 school year, including disaggregation of data for special passengers.	
SEBB and Pension benefits for privately contracted pupil transportation services	NEW: Section 10 Any pupil transportation services contracted entered into, renewed, or extended after September 1, 2023, must require the contractor to provide benefits comparable to the SEBB program and School Employees' Retirement System to employees, and include: <ul style="list-style-type: none"> <li>• Sufficient funds for the contracting employer to provide an employer health benefits contribution equal to the monthly school employer funding rate for SEBB, less the retiree remittance for the PEBB; and</li> <li>• An amount equivalent to plans 2 and 3 normal cost employer contribution rate of the school employees' retirement system, multiplied by the</li> </ul>	Section 7: For any student transportation contract entered into, renewed, or extended after September 1, 2023, require the contractor to provide benefits comparable to SEBB and school employees pension program. <ul style="list-style-type: none"> <li>• Must include sufficient funds for the contracting employer to provide employees with an employer health benefits contribution equal to the monthly school employer funding rate for SEBB, less the retiree remittance for PEBB; and</li> <li>• An amount equivalent to the plans 2 and 3 normal cost employer contribution rate of the school</li> </ul>	

	<p>estimated salaries of the employees of the contractor.</p> <ul style="list-style-type: none"> <li>Defines “employees of the contractor” as employees working sufficient compensated hours for the contracting employer performing services on the contract with the school district to meet the thresholds if the employees were directly employed by a school district.</li> </ul>	<p>employees’ retirement system, multiplied by the estimated salaries of the employees of the contractor.</p> <p>“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 eligible requirements for SEBB if the employee was directly employed by a school district.”</p>	
Additional funding for SEBB and pension benefits	<p>Section 11: Subject to amounts appropriated for this purpose, a one-time supplemental transportation allocation to districts that experience an increase in costs to pupil transportation services contracts due to the requirement in Section 10.</p> <p>May not exceed \$200 per employee per month for contracted employees.</p>	<p>Section 8: One-time supplemental transportation allocation to school districts that experience an increase in costs to pupil transportation services contracts due to adding SEBB and pension benefits.</p> <p>May not exceed \$200 per employee per month for contracted employees.</p>	
Effective dates	<p>Effective July 23, 2023, total sum of miles driven, and factors necessary to address unique transportation challenges faced by rural and high population density urban school districts.</p>	<p>Special passenger accounts covered starting in the 2023-24 school year and monthly reports of these categories begin.</p> <p>New formula takes effect for the 2024-25 school year.</p>	
Recovery of extra allocations		<p>Section 2 (2)(c)(ii): OSPI must recover amounts that were distributed prospectively for special</p>	

		passengers that exceed the districts total allowable pupil transportation expenditures for that school year.	
No district receives “less funding”	<p>Section 8: Beginning in the 2023-24 school year through 2026-27, no school district shall receive less than their transportation appropriation as calculated during the 2021-22 school year.</p> <p>NEW: Is a school district’s expenditures exceeded its transportation allocations in the 2021-22 school year, causing a negative funding differential, and the school district is receiving alternative funding for hold harmless, OSPI must provide additional transportation allocations that reduce the negative funding differential by 0.5 percent for each school year that the school district qualifies for alternative funding. Expires July 1, 2027.</p>	<p>Section 2 (2): Districts are kept at the 2022-23 school year allocation level plus inflation if the formula results in a lower amount.</p>	
Repealers	<p>Section 13: RCW 28A.160.192 and RCW 28A.160.193 are repealed</p> <p><i>Replaced with new language</i></p>		