

Date of Hearing: April 27, 2022

ASSEMBLY COMMITTEE ON EDUCATION
Patrick O'Donnell, Chair
AB 2933 (O'Donnell) – As Amended March 24, 2022

SUBJECT: School transportation: apportionments

SUMMARY: Requires the Superintendent of Public Instruction (SPI), commencing with the 2022–23 fiscal year and for each fiscal year thereafter, to apportion to each school district, county office of education (COE), entity providing services under a school transportation joint powers agreement (JPA), or regional occupational center or program (ROCP) that provides pupil transportation services, either 100% of its school transportation apportionment for the 2020–21 fiscal year or 100% of its approved home-to-school transportation (HTST) costs as determined by a specified report, whichever is greater. Specifically, **this bill:**

- 1) Requires, notwithstanding any other law, commencing with the 2022–23 fiscal year and for each fiscal year thereafter, the SPI to apportion to each school district, COE, entity providing services under a school transportation JPA, or ROCP that provides pupil transportation services the greater of either of the following:
 - a) 100% of its school transportation apportionment for the 2020–21 fiscal year, adjusted as specified; or
 - b) 100% of its approved home-to-school transportation costs as determined by its Function 3600 entry in the prior year's Standardized Account Code Structure (SACS) report, adjusted as specified.
- 2) Requires, commencing with the 2023–24 fiscal year, the school transportation apportionment amounts described above to be adjusted annually by the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce, for the 12-month period ending in the third quarter of the prior fiscal year. Requires this percentage change to be determined using the latest data available as of May 10 of the preceding fiscal year compared with the annual average value of the same deflator for the 12-month period ending in the third quarter of the second preceding fiscal year, using the latest data available as of May 10 of the preceding fiscal year, as reported by the Department of Finance.
- 3) Makes the implementation of the measure subject to an appropriation for its purposes of this section in the annual Budget Act or another statute.

EXISTING LAW:

- 1) Authorizes the governing board of any school district to provide for the transportation of pupils to and from school whenever, in the judgment of the board, the transportation is advisable and good reasons exist therefor. Authorizes the governing board to purchase or rent and provide for the upkeep, care, and operation of vehicles, or to contract and pay for the transportation of pupils to and from school by common carrier or municipally owned transit

system, or to contract with and pay responsible private parties for the transportation. Authorizes these contracts to be made with the parent or guardian of the pupil being transported. (Education Code (EC) 39800)

- 2) Provides state funding for school district, charter school or transportation joint powers agency transportation costs based on the amount received for that purpose in the prior year, or the agencies' actual transportation costs, whichever is less. Existing law also requires school districts to provide transportation services for special education students if the students' individualized education plans (IEPs) specify such a need. (EC 41850)
- 3) Requires the SPI to compute an add-on to the total sum of a school district's or charter school's base, supplemental, and concentration grants equal to the amount of funding a school district or charter school received from funds allocated pursuant to the Home-to-School Transportation program, and the Small School District Transportation program, in the 2012–13 fiscal year. Prohibits a school district or charter school from receiving a total funding amount from this add-on greater than the total amount received by the school district or charter school for those programs in the 2012–13 fiscal year. Applies similar provisions to an HTST JPA. (EC 42238.02)
- 4) Prohibits transportation allowances from being made by the SPI for expenses incurred with respect to field trips or excursions that have an out-of-state destination. Requires a school district that transports pupils, teachers, or other employees of the school district in schoolbuses within the state and to destinations within the state, as specified, to report to the SPI on forms prescribed by him or her the total mileage of schoolbuses used in connection with educational excursions. Requires, in computing the allowance to a school district for regular transportation, a deduction from that allowance in an amount equal to the depreciation of schoolbuses used for the transportation in accordance with rules and regulations adopted by the SPI. (EC 35330)

FISCAL EFFECT: Unknown

COMMENTS:

Key provisions of the bill. This bill would require for the 2022-23 school year, contingent upon an appropriation, school districts and other specified providers of HTST to receive an apportionment for providing an HTST based on either:

- 100% of their 2020-21 transportation apportionment; or
- 100% of their approved HTST prior year costs in SACS.

Further, this bill would require, commencing with the 2023-24 school year, contingent upon an appropriation, school districts and other specified providers of HTST to receive an apportionment for providing HTST based on either:

- 100% of their 2020-21 transportation apportionment, adjusted for inflation; or
- 100% of their approved HTST prior year costs in SACS, adjusted for inflation.

Need for the bill. According to the author, “California’s Home-to-School-Transportation (HTST) program has been frozen for more than 40 years and as a result, far too few students receive critical transportation services. State funding has been locked in for each school district since 1981. Funding has never been adjusted for population changes or program growth leading to cases where nearly identical districts with nearly identical transportation programs, receive extremely different levels of state funding for this critical – and for students with disabilities, mandatory – service. Additionally, the HTST program does not even receive a cost of living adjustment, as other critical programs do.

Currently, California reimburses schools for less than 30% of HTST costs, on average, with dozens of districts receiving less than a dime on the dollar. Consequently, California buses the lowest share of its public-school students than any other state, denying our students and communities the well-documented program benefits of increased student safety and school attendance, and of decreased traffic congestion and carbon footprint. Additionally, schools that receive minimal state support must spend district general fund revenue on transportation, diverting resources out of the classroom. AB 2933 would fully fund this critical program, enabling districts to transport all children to and from school.”

Home-to-school transportation in California. California does not require districts to transport students to and from school. Instead, state law gives discretion to the district governing board to provide pupil transportation, “whenever in the judgment of the board the transportation is advisable and good reasons exist.” Federal law requires districts to provide transportation to students with disabilities, if required by their IEP, and to homeless students. During the 1970’s several school districts ran large transportation programs to comply with court-ordered desegregation requirements.

According to a 2014 report by the Legislative Analyst’s Office (LAO), “Review of School Transportation in California,” approximately 12% of California students rode the school bus on a daily basis in 2011-12. Nationally, up to 50% of students ride the bus to school. The report suggests the lower rate of school bus usage in California may be partially due to the greater proportion of students who live within two miles of school in California, an estimated 70%, versus 50% nationally.

According to 2009 data, California students travel to and from school using a variety of modes: 54% by automobile, 28% walking/biking, 14% by school bus, and 4% using public transit or other methods.

Approximately 275 districts, or one-quarter of the districts in the state, transport fewer than 10% of their students, while 100 districts transport more than half of their students. The districts transporting larger shares of students tend to have smaller enrollments, be located in more rural areas, and enroll larger proportions of students from low-income families. Many districts running larger transportation programs reported that they offer such services because many of their students lack viable alternatives for getting to school. Other reasons included long distances between homes and schools, and unsafe conditions affecting travel between home and school.

Due to a lack of universal transportation programs, and minimal state funding for this purpose, many LEAs now contract with third-party private transportation companies to transport specific student populations – primarily students with disabilities and homeless youth. LEAs that

contract with third-party providers report economies of scale, but few state laws directly govern this type of student transportation.

How is home-to-school transportation currently funded? Until the enactment of the Local Control Funding Formula (LCFF), home-to-school transportation was a categorical program that reimbursed school districts and COEs for prior year approved transportation costs, and was historically underfunded. Under current law, school districts and COEs receive the same amount of transportation funding they received in the year immediately preceding the enactment of the LCFF, 2012-13. Districts and COEs receiving those funds must continue to spend them on transportation, and must spend at least as much of their transportation funding on transportation as they spent in 2012-13. Additional provisions clarify funding formulas for JPAs that provide transportation on behalf of LEAs.

The amount received by districts and COEs varies widely, based on a variety of historical factors. Some get more than 90% of their approved costs reimbursed with state funding. Others get no state funding at all, even though they have approved costs. The statewide average reimbursement is about 35% of approved costs. Because the amount received by districts is held flat, transportation funding does not keep pace with inflation and, over time, becomes less related to actual workload. Some urban districts provide home-to-school transportation, while others do not, and rely instead on public transit.

In 2011-12, districts reported spending approximately \$1.4 billion statewide on pupil transportation. This is primarily funded from three sources, according to the LAO report:

- 63% funded from local unrestricted funds (\$860 million);
- 36% from categorical home-to-school transportation funds (\$491 million); and
- 1% from fees charged to families (\$17 million).

State law allows districts to charge fees to offset transportation expenses under certain conditions, but prohibits the assessing of fees to pupils who have disabilities or who are indigent.

The LAO report included three options as recommendations for addressing HTST going forward, and suggests that the state could transition gradually to a new approach:

- *Fund Transportation Within Local Control Funding Formula (LCFF).* Under this option, the state no longer would provide additional funding for a standalone school transportation program. Instead, districts would pay for these costs out of their LCFF allocations. This option is consistent with the way the state has chosen to treat most other types of district costs and most other former categorical programs.
- *Create a Targeted Program That Reimburses a Share of Extraordinary Transportation Costs.* Under this option, the state would provide districts with additional funding if their transportation costs made up a disproportionately high share of their budgets. Specifically, the state would establish a threshold (for example, 8 percent of a district's budget) and then fund a share of the costs in excess of that threshold (for example, 75 percent of excess costs). This approach recognizes that extraordinary costs largely are beyond the direct control of these districts and can result in fewer resources available for

their instructional programs. (Sharing the extraordinary costs, however, helps ensure these districts retain an incentive to operate efficient programs.)

- *Create a Broad-Based Program That Reimburses a Share of All Transportation Costs.* Under this option, the state would reimburse a fixed share—between 35 percent and 50 percent—of all districts’ transportation expenditures. Choosing a share within this range would provide every district with at least the current statewide average share of cost while maintaining strong incentives for efficient service. Unlike the HTST program, the share of costs reimbursed would be uniform across all districts, thereby addressing historical funding inequities.

Schoolbus safety. According to the National Highway Traffic Safety Administration (NHTSA), “Students are about 70 times more likely to get to school safely when taking a bus instead of traveling by car. That’s because school buses are the most regulated vehicles on the road; they’re designed to be safer than passenger vehicles in preventing crashes and injuries; and in every state, stop-arm laws protect children from other motorists.” In comparison with other forms of transportation, the NHTSA’s 2021 publication, *The Unedited Summary of School Bus Report*, shows that the fatality rate for school buses is 0.2 fatalities per 100 million vehicle miles traveled (VMT) compared to 1.5 fatalities per 100 million VMT for cars. Since 2010, school buses annually have averaged about 26,000 crashes resulting in 10 deaths – 25% were drivers; 75% were passengers. Frontal crashes account for about two passenger deaths each year.

Is there a link between taking the bus to school and lower absenteeism? According to a 2017 Educational Evaluation and Policy Analysis article, *Linking Getting to School With Going to School*, children who took the schoolbus to kindergarten had fewer absent days over the school year and were less likely to be chronically absent compared with children who commuted to school in any other way. The article reported, “Prior research in absenteeism has concluded that students with more absences have fewer opportunities to learn in school and perform more poorly on exams as a consequence of missing school. Hence, if taking the bus lowers absenteeism, then access to this resource may benefit students in ways that have implications for individual learning and, ultimately, academic success. There is also the potential for aggregate effects. Districts may benefit by mitigating the need for remedial activities, as fewer absent students implies fewer missed opportunities to learn at school. In this way, bus taking may indirectly benefit aggregate school performance.”

Recommended Committee Amendments. *Staff recommends that the bill be amended as follows:*

- Change “approved costs” to “reported costs” as it relates to reporting transportation expenditures to the CDE.

Arguments in support. The California School Boards Association writes, “California reimburses schools for less than 30% of HTST costs, on average, with dozens of districts receiving less than a dime on the dollar. Consequently, California buses the lowest share of its public-school students than any other state, denying our students and communities the well-documented program benefits of increased student safety and school attendance and of decreased traffic congestion and carbon footprint. Additionally, schools that receive minimal state support must spend district general fund revenue on transportation, diverting resources out of the classroom.

AB 2933 would fully fund this critical program, enabling districts to offer transportation to all children. The funding formula reflects regional cost variations and individual district circumstances, which is crucial in a state as large and geographically diverse as California. AB 2933 also provides for future program growth as schools increase their capacity and must respond to increased demand driven by new programs like Universal Transitional Kindergarten and expanded before-and-after school programs that will require more buses and routes. These costs – including capital expenses for adding buses, yards and other infrastructure – will all be covered for every school district and every child.”

Related legislation. AB 2410 (Chen) of the 2021-22 Session would prohibit a school district, COE, or charter school, commencing January 1, 2023, from contracting with a provider of HTST unless the contractor, and any subcontractors, meet specified requirements.

AB 2731 (Ting) of the 2021-22 Session would require all newly purchased, contracted, or operated schoolbuses of an LEA to be zero-emissions by January 1, 2035, would extend continuing schoolbus lease and rental contracts for pupil transportation services, and would extend continuing schoolbus lease and rental contracts containing purchase or cancel option for pupil transportation services.

SB 878 (Skinner) of the 2021-22 Session would require the governing board or body of a school district, COE, entity providing services under a school transportation joint powers agreement, or regional occupational center or program, beginning in the 2023–24 school year, to offer to transport all pupils to and from their neighborhood school, as defined, except as provided.

AB 760 (Cooper) of the 2019-20 Session would have established a new calculation methodology for home-to-school transportation for school districts, COEs, based on a cost-of-living adjustment (COLA), in order to equalize transportation funding, commencing with the 2019-20 fiscal year. This bill was held in the Assembly Education Committee.

AB 3303 (Cooper) of the 2019-20 Session would have required that an LEA that elected to have a transportation network company provide HTST pursuant to a contract entered into on or after January 1, 2021, ensure that the contract is in compliance with established standards for the use of personal services contracts in LEAs for all services currently or customarily performed by classified school employees to achieve cost savings and that the transportation network company’s drivers meet all of the same requirements that apply to school bus drivers. This bill was held in the Assembly Education Committee.

AB 1469 (Grayson) of the 2017-18 Session would have required school districts to provide free transportation to and from school for pupils attending public, non-charter schools that receive Title I federal funding, subject to an appropriation for this purpose. This bill was held in the Assembly Appropriations Committee.

AB 1572 (Campos) of the 2015-16 Session would have required a public, noncharter school to provide free transportation to a pupil attending a school that is eligible for Title I federal funding. This bill was held in the Assembly Appropriations Committee.

AB 891 (Campos) of the 2015-16 Session would have required an LEA to provide free transportation, to and from school, to a pupil entitled to free or reduced-price meals or who attends a school that participates in the Community Eligibility Option, under either of the following conditions: 1) the pupil resides more than one-half mile from the school; or 2) the

neighborhood through which the pupil must travel to get to school is unsafe because of stray dogs, no sidewalks, known gang activity, or other reason documented by stakeholders. Would have required an LEA to designate a liaison to be responsible for implementing a plan to ensure that eligible pupils are provided transportation in a timely manner. This bill was held in the Assembly Appropriations Committee.

SB 191 (Block and Vidak) of the 2015-16 Session would have established a formula to provide state funding for pupil transportation services. This bill was held in the Assembly Education Committee.

AB 694 (Wolk) of the 2007-2008 Session would have increased home-to-school transportation funding to eligible districts through a specified formula that is equivalent to 90% of their approved home-to-school transportation costs. This bill was held in the Assembly Appropriations Committee.

AB 1052 (Leslie), Chapter 324, Statutes of 2005, requires a school district or COE that employs a driver to operate a school transportation vehicle, and that driver of the vehicle, to participate in a program that is consistent with the federal controlled substance and alcohol use testing requirements that apply to school bus drivers.

REGISTERED SUPPORT / OPPOSITION:

Support

Association of California School Administrators
California Association of School Business Officials (CASBO)
California Association of Suburban School Districts
California School Boards Association (sponsor)
Central Valley Education Coalition
Grossmont Union High School District
Irvine Unified School District
Kern County Superintendent of Schools
Natomas Unified School District
Office of The Riverside County Superintendent of Schools
Riverside County Public K-12 School District Superintendents
Ventura County Office of Education
West Covina Unified School District

Opposition

None on file

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