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# SENATE COMMITTEE ON EDUCATION

Senator Carol Liu, Chair  
2015 - 2016 Regular

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**Bill No:** SB 497  
**Author:** Vidak  
**Version:** April 8, 2015  
**Urgency:** No  
**Consultant:** Lenin Del Castillo  
**Hearing Date:** April 15, 2015  
**Fiscal:** Yes

**Subject:** Pupil transportation: data

## SUMMARY

This bill would require the California Department of Education (CDE) to collect and post online pupil transportation data.

## BACKGROUND

Current law authorizes school districts and county offices of education to provide transportation services to regular education students attending their schools at the discretion of their governing board. Additionally, current law requires school districts to provide transportation services for special education students whose individualized education programs require such services.

(Education Code § 39800 and § 41850 et. seq.)

Federal law requires local educational agencies to transport the following three groups of students: students with disabilities; students attending federally sanctioned schools; and homeless students.

In 2013, the Local Control Funding Formula (LCFF) was enacted, which replaced almost all sources of state funding, including revenue limits and most of the categorical programs. The LCFF establishes a per-pupil funding target that is adjusted for differences in grade level, but otherwise is uniform across the state. The LCFF also provides supplemental funding for districts that serve students who are low-income, English language learners, or foster youth. However, one categorical program not rolled into the LCFF was the Home-to-School Transportation (HTST) program. This program retained its separate funding stream; such that any district that received HTST funding in 2012-13 continues to receive that same amount of funding in addition to its LCFF allocation each year. However, the HTST, unlike in prior years, would not be eligible for future cost-of-living adjustments (COLAs). Further, state law continues to require that districts spend HTST funding on pupil transportation.

## ANALYSIS

This bill:

1. Requires the California Department of Education (CDE), commencing with data for the 2014-15 fiscal year and annually thereafter, to request pupil transportation data from each school district, charter school, county office of education, joint

- powers authority, and regional occupational center or program that provides pupil transportation.
2. Specifies that the provision of the transportation data to the California Department of Education (CDE) is voluntary on the part of these entities.
  3. Requires the data to include, but is not limited to, totals from each entity for all of the following:
    - A. Revenue received for transportation purposes.
    - B. Number of buses.
    - C. Ridership of all pupils.
    - D. Ridership of pupils with an individualized education program (IEP).
    - E. Ridership of pupils who are eligible for free or reduced-price meals.
    - F. Number of miles driven.
    - G. Approved costs.
    - H. Cost per mile.
    - I. Cost per pupil.
  4. Requires the CDE to annually post the data collected on its website along with the statewide average cost per mile and the statewide average cost per pupil.
  5. Requires that the data posted on the website shall be separated between home-to-school transportation and special education transportation, as specified.

## STAFF COMMENTS

1. ***Need for the bill.*** According to the author's office, school transportation data has been collected since the start of the Home-to-School Transportation (HTST) program when it reimbursed local educational agencies (LEAs) at 100 percent of their costs. The data was used by the state as maintenance of effort to follow up on the school transportation reimbursement. In 1982-83, reimbursement for the HTST program was frozen and reduced by 20 percent. The state continued to use the data to adjust the maintenance of effort appropriations and reduce reimbursements if districts spent less money on transportation. The data was last collected in 2012-13 and is no longer collected due to the HTST program allocation being rolled in the Local Control Funding Formula (LCFF) as an add-on to the base grant of LEAs. The author's office indicates that agencies, including the CDE and the Fiscal Crisis and Management Assistance Team (FCMAT), and LEAs need this data for administrative purposes, including the ability to compare their efficiency levels with other LEAs.

2. **2014 Budget Act.** The 2014 Budget Act provides approximately \$496 million in Proposition 98 General Fund for the Home-to-School Transportation (HTST) program, which includes both allocations for home-to-school transportation and allocations for some pupils with disabilities, specifically “severely disabled and orthopedically impaired” pupils.
3. **Legislative Analyst Office Report (LAO).** In 2013, the LAO was requested to consider new approaches that could address historical inequities and include incentives for efficient and effective pupil transportation services. The report was issued February 2014 and included a description and assessment of three options: (1) funding pupil transportation services within the new Local Control Funding Formula (LCFF); (2) creating a new, targeted program to help districts facing extraordinarily high transportation costs; and (3) creating a broad-based program whereby the state pays a share of each district’s transportation costs.

To assist the Legislature’s deliberations, the LAO identified three options for funding pupil transportation moving forward. The options primarily differ in the degree to which they account for transportation costs separately from the other costs districts face. These three options are to (1) fund transportation costs within the LCFF; (2) fund only extraordinary transportation costs; or (3) fund a share of all transportation costs. Although the basic approach for each option differs, all contain some key advantages. Most notably, all three options provide a means to phase out the use of allocations linked to historical factors and apply the same funding rules to all local education agencies, addressing key problems with the state’s existing approach. In addition, all of the options would encourage efficiency by requiring local budgets to cover a notable share of total costs. Finally, all three options would be relatively simple to implement and easy for districts and the public to understand.

4. **Problems with the existing program are not new.** The Bureau of State Audits (BSA) released a report on the HTST program in 2007, acknowledging many problems with the existing program funding formula. Some of the findings include:
  - A. The current funding mechanism prevents some school districts that did not receive HTST program funds in the immediately preceding fiscal year from receiving these funds because of the basis of allocation.
  - B. Allocation increases are not always consistent with student population growth. Some school districts have experienced dramatic increases in student population over the years; however, their allocations have not always increased at the same rate.
  - C. Most school districts had to use other funding sources to pay for some transportation costs and many reported it had varying levels of fiscal impact on other programs.

**5. Related and prior legislation***RELATED LEGISLATION*

SB 191 (Block) would provide for school districts to be funded at a minimum of 50 percent of approved transportation costs by the 2021-22 fiscal year, thereby providing equalization funding for school districts that are reimbursed at less than 50 percent. The equalization adjustments would occur over a seven-year period beginning in 2015-16. SB 191 passed this Committee on March 18, 2015 and is pending before the Senate Appropriations Committee.

*PRIOR LEGISLATION*

SB 1137 (Torres, 2014) nearly identical to SB 191, would have provided for school districts to be funded at a minimum of 50 percent of approved transportation costs by the 2020-21 fiscal year. SB 1137 passed this Committee on April 9, 2014 but failed passage in the Assembly Appropriations Committee.

SB 1166 (Vidak, 2014) would have required school districts to receive state reimbursement for the full cost of home-to-school transportation of pupils through an appropriation in the annual Budget Act. SB 1166 failed passage in this Committee on April 9, 2014.

**SUPPORT**

California Association of School Business Officials  
California Association of School Transportation Officials  
School Transportation Coalition

**OPPOSITION**

None received.

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