Texas Education Agency

HB 3 in 30: School Transportation Funding

November 7, 2019

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Agenda

Presentation Agenda

- Recommendations to Transportation Funding
- Transportation Before and After HB 3
  - Transportation Outside of Attendance Zones
  - HB3 Transportation Allotment Changes
- Reporting 2019-2020 Transportation Information
- Review of Non-HB 3 Topics
- Additional Resources

Recommendations to Transportation Funding

The Texas Commission on Public School Finance made two recommendations related to transportation funding.

- Base transportation funding on mileage.
- Provide transportation funding to recapture districts.

Final Report	https://tea.texas.gov/sites/default/files/Texas%20Commission%20on%20Public%20School%20Finance%20Final%20Report.pdf

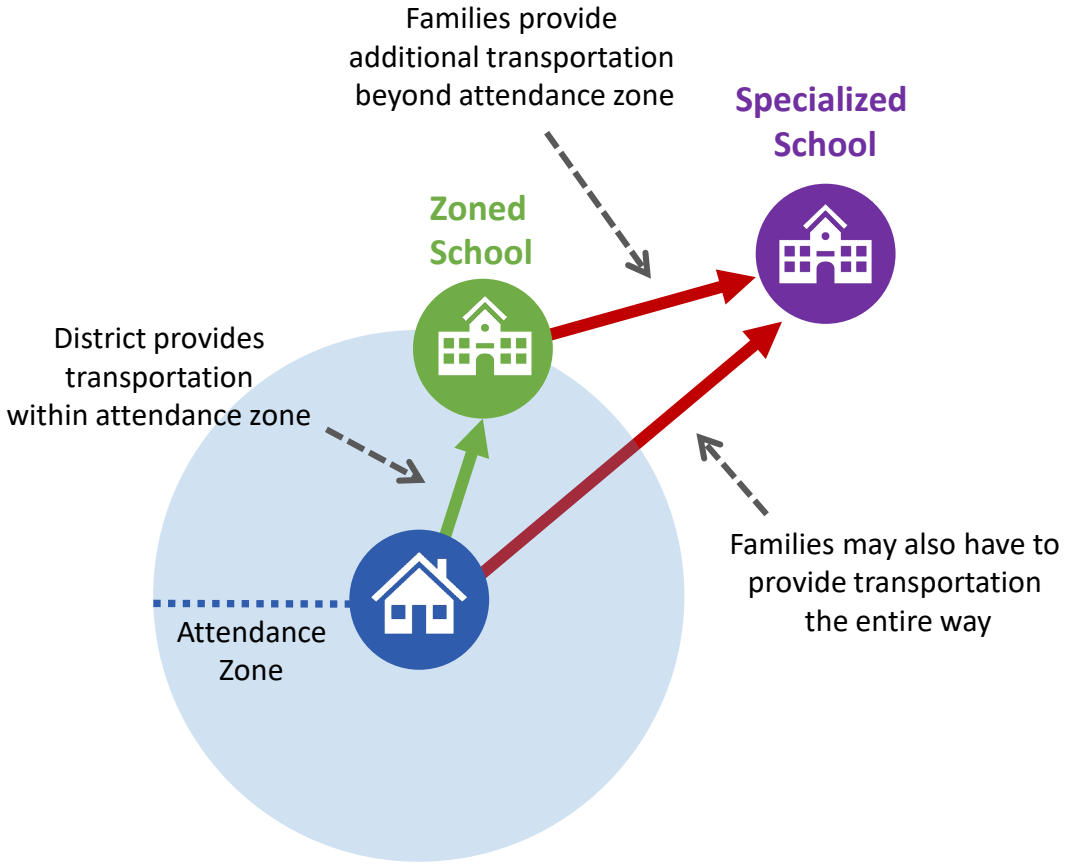
Transportation Before and After HB 3

Transportation
Outside of Attendance Zones

- HB 3 made changes to the regular transportation program funding rate that will allow districts to dramatically improve students' access to schools outside of their attendance zone.
- Previously, the maximum effective rate per mile calculation and linear density rate provided a disincentive for districts to provide home to school and school to home transportation for students to attend specialized school models.

Transportation Outside of Attendance Zones

- Problems with funding based on linear density:
  - Districts may have bused students to their zoned school and then had students ride additional transportation to a school outside the attendance zone; or
  - Families may have been required to provide all or part of the transportation by dropping off students at zoned school or other centralized location.
  - Students who did not have access to transportation faced barriers in accessing specialized courses or other school models.



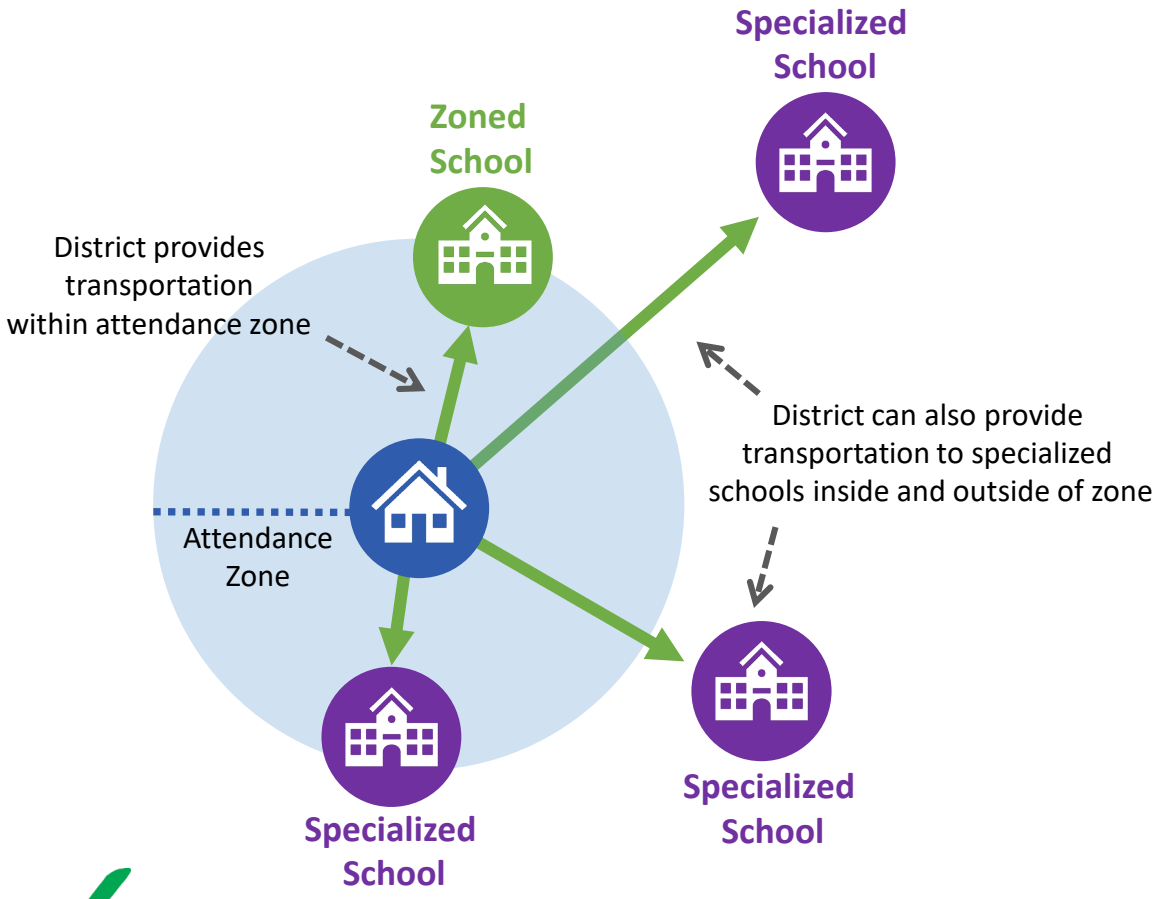
= A student without transportation would be **closed off** to specialized opportunities

Transportation Outside of Attendance Zones

- Although some districts currently offer parents and families the choice to attend any school within the district, HB 3 empowers more districts across Texas to offer parents and families opportunities to attend schools with specialized models outside of their assigned attendance zones.
- Specialized school models include:
  - Schools with specific academic models like dual language, Montessori, or single-gender schools
  - Schools with specific themes or focuses like STEM or Fine Arts
  - Magnet schools and magnet programs within schools

Transportation Outside of Attendance Zones

- As a result of HB 3, districts now have the option to offer transportation to eligible students from home to school and school to home to schools outside their attendance zone without negatively impacting their transportation allotment, and
- Students with transportation barriers may now have more options to attend specialized school models.



= A student without transportation would **have access** to specialized opportunities

Transportation Allotment

The transportation allotment provides state funds to school districts for certain transportation of eligible students.

School districts can receive transportation allotment funds for transporting two types of eligible students:

1. Special-program students: students with disabilities who require specialized transportation to access their academic programs and certain other related services, and who meet other eligibility requirements given in statute.
2. Regular-program students: students who do not require specialized transportation to access their academic programs.

Transportation Allotment

School districts can receive transportation allotment funds for four categories of transportation services:

- Regular route services
- Special route services
- Career and technical education (CTE) route services
- Private route services

In Statute

TEC Sec. §48.151

Regular Transportation Funding Before and After HB 3

Pre HB 3

The Regular Transportation Program allotment was calculated using a maximum effective rate per mile based upon the lessor of:

- Prior Year Program Cost Per Mile
  - Regular Cost/Regular Mileage
- Prior Year Program Linear Density
  - Two or More Mile Only Average Daily Riders*180/ Two or More Mile Only Annual Mileage
- Range of $0.68 to $1.43
- Some districts underreported routes in order to increase the effective rate.

After HB 3

The Regular Transportation Program allotment is calculated using a flat $1 per mile rate.

- Rate is set by the legislature in the General Appropriations Act.
- Districts encouraged to report all eligible miles.
- The practice of funding eligible student transportation during the school day from a district campus to a location at which students are provided dual credit courses was formalized into law.

Implications of Linear Density VS $1 Per Mile

- Districts with a Linear Density rate less than $1 will receive more regular transportation funding.
- Districts with a Linear Density rate greater than $1 will receive less regular transportation funding.
- Implications of the move to a flat $1 per mile multiplier means that districts will no longer be penalized for offering more routes with fewer riders to accommodate transportation outside of attendance zones.

Career & Technology Transportation Funding Before and After HB 3

Pre HB 3

- Career and Technology funding rate is the effective cost per mile for regular route services for the preceding school year, with no maximum rate or amount set by legislative appropriation.
- The average cost per mile rate is approximately $3.02

After HB 3

- No changes for career & technology transportation funding rates.

Transit Changes for Dual Credit and Career and Technology Work-Based Learning

Transporting students to dual credit, CTE, and work-based learning opportunities during the school day were allowable prior to HB 3. HB 3 now codifies the practices and encourages providing opportunities for students to engage in these activities.

Allowable uses for Dual Credit and Career and Technology Work-Based Learning Transportation

Dual Credit

- Another campus within district
- Another campus out of district
- A postsecondary campus
  - A four-year college/university campus
  - A community college campus
  - A Texas Technical College campus
- A third-party site where dual credit courses are offered
  - Such as an Education Service Center or Community Center

CTE & Work-Based Learning

- Another campus within district
- Another campus out of district
- A regional CTE center
- A postsecondary campus
  - A four-year college/university campus
  - A community college campus
  - A Texas Technical College campus
- A third-party site where Work-Based Learning courses/experiences are offered
  - Such as an Education Service Center or Community Center
  - Employer or place of business

Special Education Transportation Funding Before and After HB 3

Pre HB 3

- Special Education funding rate set by the legislature in the General Appropriations Act $1.08.

After HB 3

- No changes for special education transportation funding rates

Transportation Funding & Recapture Before and After HB3

Pre HB 3

- Recapture districts did not receive the benefit of the transportation allotment because transportation was excluded from the calculation of weighted average daily attendance (WADA), which was used to determine a district's wealth level and recapture amount.

After HB 3

- The calculation of recapture is now based on local revenue in excess of entitlement instead of equalized wealth levels.
- Transportation continues to be part of the tier one entitlement for all districts.
- **Costs for transportation are <u>now</u> funded equally between recapture and non-recapture districts.**

Homeless Students

- HB 3 **formally** expanded the definition of a "Regular Eligible Student" to include students who are homeless according to the criteria found in 42 United States Code, §11434a.
- Regular Route funding continues to allow for a homeless student to be transported back to his or her school of origin or the last campus the student attended if:
  - at the time of the student's identification as homeless, resides two or more miles from the campus to which the student is being transported (school of origin or last campus attended), or
  - resides in a hazardous area within two miles of the campus.

Study on School District Transportation Costs

HB 3 requires the TEA to study geographic variations in resource costs and cost of education, including transportation.

- The study will be completed by a public institution of higher education.
- The TEA will provide the legislature the report by December 1, 2020.

In Statute

TEC Sec. §48.012

Reporting 2019-2020 Transportation Information

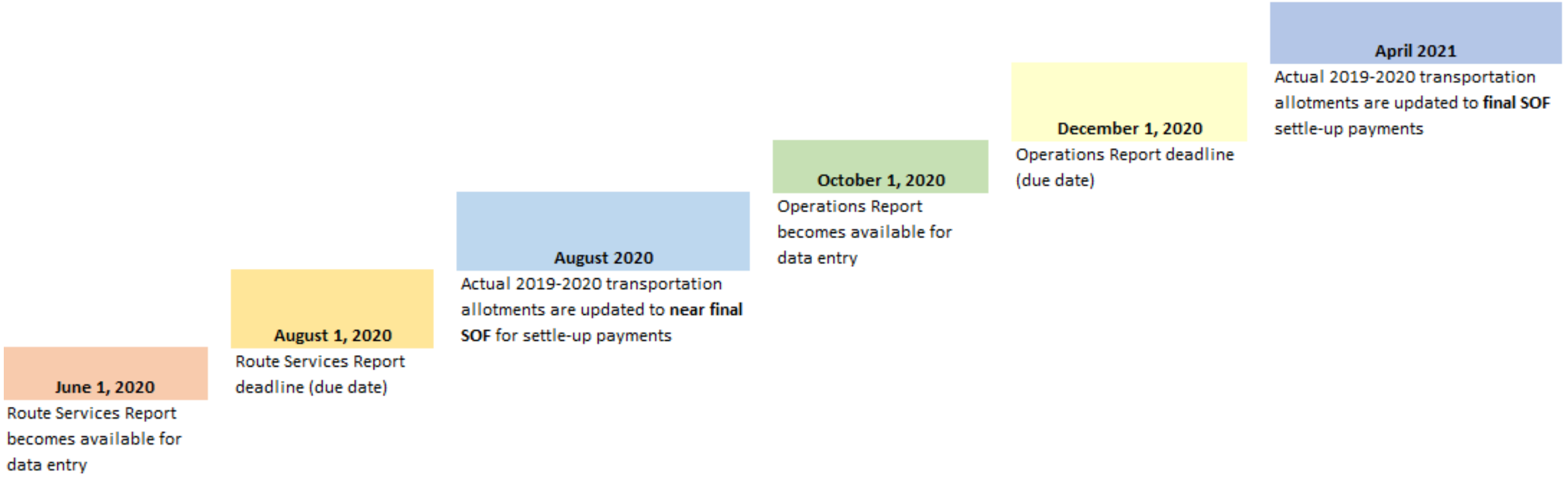
Reporting 2019-2020 Transportation Information

- For the purposes of calculating the formula transition grant, HB 3 requires that transportation funding be calculated under both the linear density and $1 per mile formulas. As a result, there are no changes to FSP Transportation reporting due to HB 3.

- The 2019-2020 Preliminary SOF report currently contains mileage estimates for transportation regular route services.

Reporting 2019-2020 Transportation Information

Transportation Allotment reporting remains on the same schedule for 2019-2020.



Frequently Asked Question

Question

Are districts and charter schools still required to conduct official counts of eligible riders?

Answer

Yes. In order to calculate the Formula Transition Grant, HB 3 requires that funding be calculated using both the linear density effective rate and the $1 per mile rate; however the 2019-2020 regular program transportation allotment will be calculated using the $1 per mile rate.

Frequently Asked Question

Question

When will I see the $1 per mile regular transportation allotment on the FSP Transportation Route Services Report?

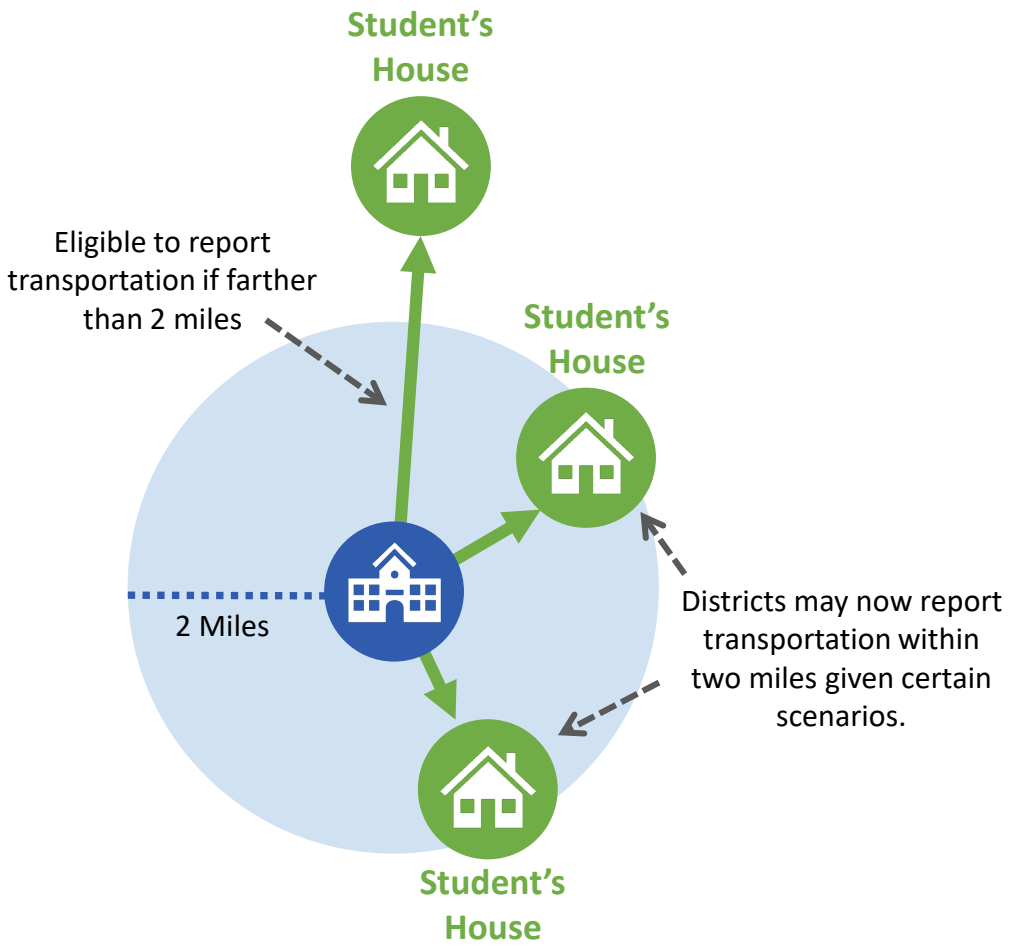
Answer

The $1 per mile regular transportation allotment will be calculated once we receive your 2019-2020 eligible route mileage on the FSP Transportation Route Services Report. The report opens June 1, 2020 and is due by August 1, 2020.

Review of Non-HB 3 Topics

Two or More Miles Rule

- **Transportation To and From School**
  - Districts may report transportation to school at the beginning of the day and from school at the end of the day for students who live two or more miles from the student's campus of regular attendance.
- **Exceptions to the two or more miles rule:**
  - Student who are provided specialized transportation in accordance with the students IEP or Section 504 accommodations.
  - Student who are homeless according to the criteria found in 42 United States Code, §11434a.
  - Student who live in a hazardous traffic or high risk of violence area, as designated by the school board, that is within two miles of the student's campus of regular attendance.



What are Hazardous Routes?

- A hazardous transportation route is a bus or walking route for students that live within two miles of the campus they attend who would be subject to hazardous traffic conditions or a high risk of violence if they walked to school.
- In order to be eligible for funding, the school board must identify hazardous routes and submit an approved hazardous route policy to TEA.
- Hazardous transportation funding for students will be calculated at the standard rate for regular transportation services but is limited to 10% of a district's regular transportation program allotment.
- Districts whose hazardous transportation allotment is already at the statutory cap of 10% of the regular program transportation allotment will not be able to realize any additional increase in revenue from the additional mileage.

Hazardous Routes for High Risk of Violence Areas

To be eligible for hazardous funding for high risk of violence areas, districts must:

- Adopt a board policy that identifies specific hazardous traffic or high-risk of violence areas for which the allocation is requested.
- The district must consult with local law enforcement agencies and must obtain law enforcement records that document a high incidence of violent crimes.
- If the district will be establishing community walking transportation programs, the board policy must indicate that an adult will supervise children as they walk to school.

Bus Pass Program

- Districts may establish a program to provide bus passes or cards for another transportation system to eligible students and receive TEA reimbursement for those passes or cards.
- The students must be ones who are eligible to use the district's transportation system but for whom the regular system is not a feasible method of providing transportation.

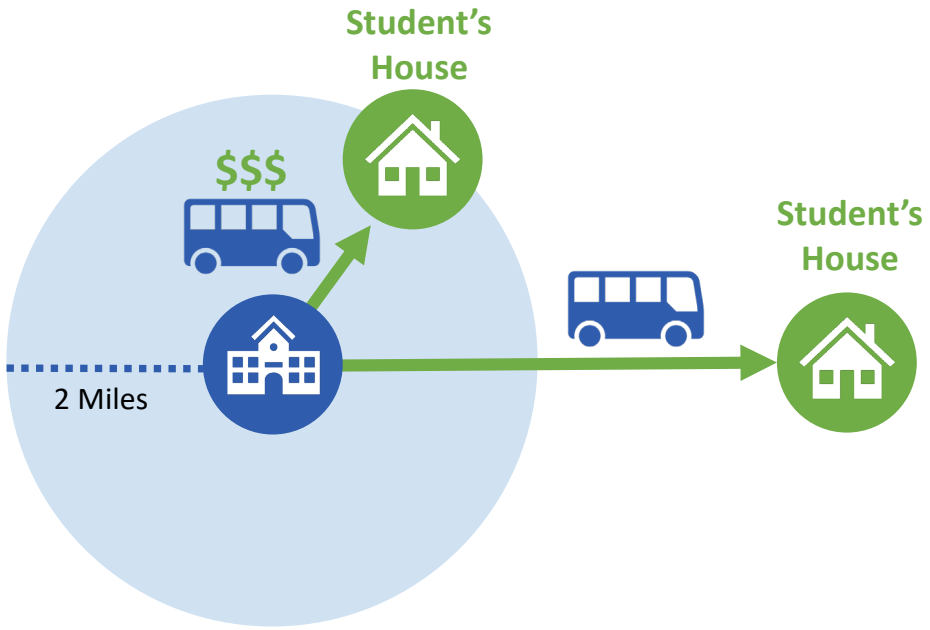
Fee Based Transportation

- Districts have the option to provide transportation to and from school to students who live within two miles of their campus and do not live in a hazardous traffic or high risk of violence areas (students whose transportation is ineligible for allotment purposes) and may charge those students for their transportation.
- Districts have may not charge students whose transportation is eligible for allotment purposes if the district reports any transportation routes for allotment purposes.

Fee Based Transportation

- Districts that charge a fee, must adopt reasonable procedures for waiving the fee if a student is unable to pay it.

- Districts may choose not to charge a fee to economically disadvantaged students.



Interlocal Agreement Waivers

- **TEC §34.007(a)(2) prohibits d**istricts from providing transportation to students living outside of its boundaries without an interlocal cooperation contract.
- District may apply for a waiver for the 2019-2020 school year from the requirement in TEC §34.007(a)(2) to enter into an interlocal agreement before providing transportation.
- Transportation provided to regular or special education students who have voluntarily transferred to or from another school district (inter-district transfer students) is ineligible for transportation allotment purposes.

TAA	https://tea.texas.gov/About_TEA/News_and_Multimedia/Correspondence/TAA_Letters/Statewide_Waiver_for_Out-of-District_Transportation_Interlocal_Agreement_Requirement_of_TEC_%C2%A734_007%281%29

House Bill 3 Resources

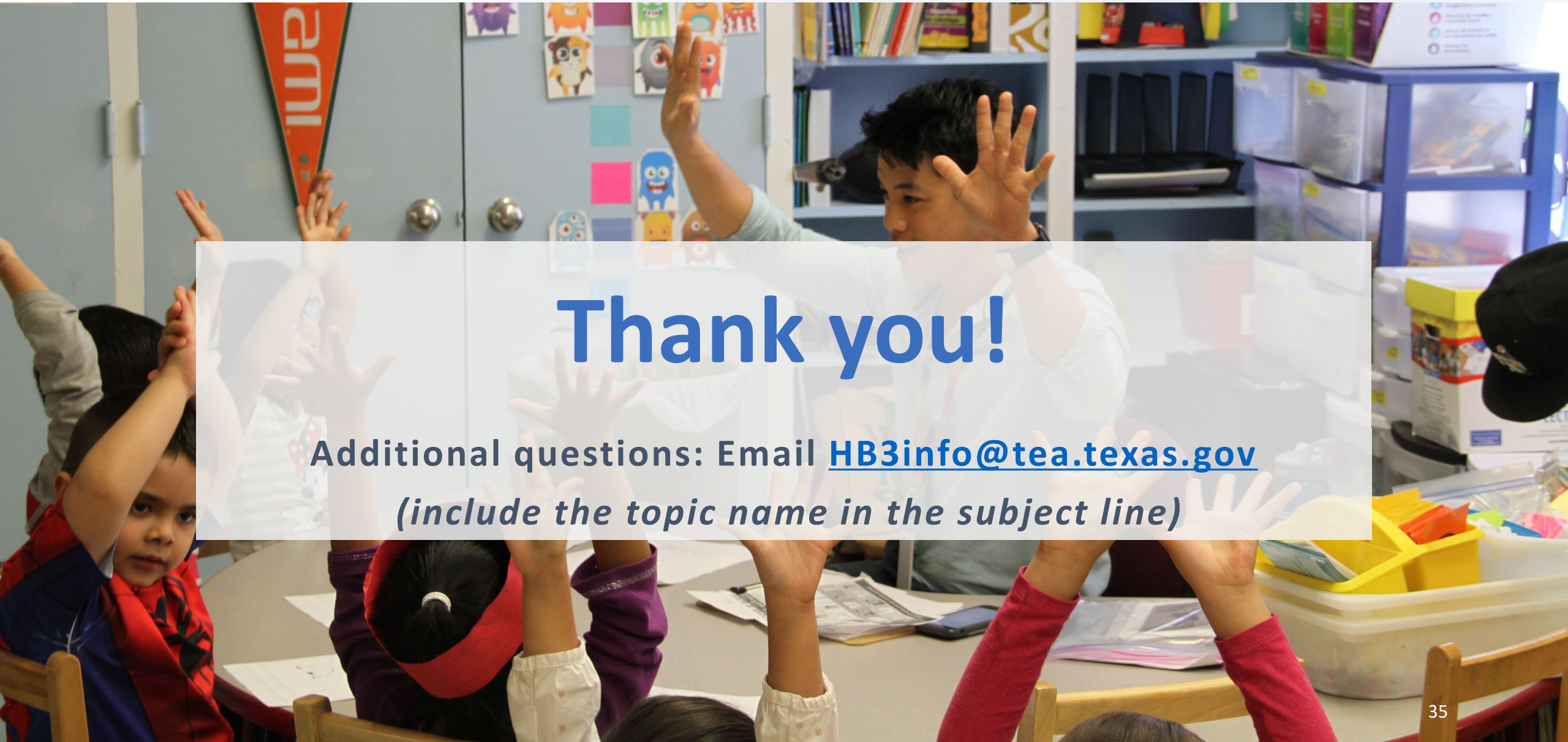
Stay tuned for the most up-to-date information from TEA on the implementation of House Bill 3

tea.texas.gov/HB3

Visit tea.texas.gov/HB3 for the most up-to-date information

HB3info@tea.texas.gov

Email HB3info@tea.texas.gov with any questions



Thank you!

Additional questions: Email HB3info@tea.texas.gov

(include the topic name in the subject line)