



HB 2858: YouthPass Permanent Funding

Background

Oregon statute requires that school districts provide free transportation to and from school for all eligible students in Oregon. Eligibility is defined as those students that live more than a mile from their neighborhood elementary school or a mile and a half from a secondary school. In general, to satisfy this mandate, school districts provide traditional “yellow bus” service. There are a variety of other exemptions and add-ons to this mandate that are not necessarily notable for this purpose.

To defray the cost of the mandate, school districts are reimbursed for the cost of eligible services at 70, 80 or 90% based on individual district circumstances. Portland Public Schools’ reimbursement rate is 70%. Students in elementary and middle grades receive this sort of traditional bus service; however, at the high school level PPS has implemented a model that takes advantage of an existing robust transit system by providing transit passes for students.

In order to do this PPS has received a waiver from the Department of Education from traditional bus services. “Eligible” students have then traditionally received a free transit pass to use the Tri-Met transit system to get to and from school. Several years ago PPS made a move to provide transit passes (referred to as a YouthPass) to ALL PPS high school students and not just those eligible for state reimbursement. Even with this expansion, PPS only receives transportation grant reimbursement from the state for 70% of the cost of passes limited to eligible students. For the past several years we have worked with the City of Portland and Tri-Met to defray the cost of the expansion to all kids but this has been a patchwork solution at best.

Proposal

Redefine “Approved Transportation costs” in ORS 327.006 to include the cost of providing transit passes to all students, not just students living outside the walk zone of their neighborhood school.

Reimbursement would be at the 70/80/90% rate based on all district transportation cost per existing requirements. Require that in order to be eligible to receive this reimbursement a district must apply for and receive from the Department of Education a waiver, as provided in ORS 327.043, from providing traditional yellow-bus services for the students that receive such passes.

Potential Cost

The cost of providing passes to only previously “eligible” kids in PPS is roughly \$1 million (of which the district receives a reimbursement of approximately \$700,000). In order to provide YouthPasses to all non-eligible students, an additional approximately \$2 million is required. Under this proposal this additional cost would be borne by the existing Transportation Grant that operates as carve-out from the State School Fund.

If the district were to eliminate the YouthPass program altogether and resort to running traditional “yellow bus” service for all students the additional cost to the state Transportation Grant would be well in excess of current and proposed eligible expenditures.