

Requested by Representative NGUYEN H

**PROPOSED AMENDMENTS TO
HOUSE BILL 3014**

1 On page 1 of the printed bill, line 2, after the second semicolon delete the
2 rest of the line and line 3 and insert “and amending ORS 327.033 and
3 327.043.”.

4 Delete lines 5 through 30 and delete page 2 and insert:

5 **“SECTION 1.** ORS 327.033 is amended to read:

6 *“327.033. [(1) As used in this section, ‘retrofit’ and ‘Environmental Miti-*
7 *gation Trust Agreement’ have the meanings given those terms in ORS*
8 *468A.795.]*

9 **“(1) As used in this section:**

10 **“(a) ‘Alternative transportation’ means the arrival to, or departure**
11 **from, a school by means other than a school bus or school activity**
12 **vehicle or transportation provided under contract with a school dis-**
13 **trict.**

14 **“(b) ‘Alternative transportation costs’ includes costs incurred by a**
15 **school district for pedestrian or bicycle groups, crossing guards, public**
16 **transit passes or other expenses related to the coordination of options**
17 **for alternative transportation.**

18 **“(c) ‘Environmental Mitigation Trust Agreement’ has the meaning**
19 **given that term in ORS 468A.795.**

20 **“(d) ‘Retrofit’ has the meaning given that term in ORS 468A.795.**

21 **“(2)(a) The State Board of Education shall adopt rules to determine**

1 the amounts to reimburse a school district for costs incurred by the
2 school district in transporting students described in ORS 327.006 (2)(a).

3 “(b) The rules adopted under this subsection must allow for the
4 reimbursement of alternative transportation costs if the costs are ap-
5 proved transportation costs. Alternative transportation costs are con-
6 sidered approved transportation costs if:

7 “(A) The use of alternative transportation is included as part of a
8 supplemental plan approved by the State Board of Education, as pro-
9 vided by ORS 327.043; or

10 “(B) The use of alternative transportation is included as part of a
11 waiver approved by the State Board of Education, as provided by ORS
12 327.043.

13 “(c) Notwithstanding paragraph (b) of this subsection, alternative
14 transportation costs related to public transportation may be approved
15 transportation costs only if:

16 “(A) No other transportation options, including alternative trans-
17 portation options for which alternative transportation costs may be
18 approved transportation costs, are suitable and sufficient; and

19 “(B) The student for whom public transportation costs are incurred:

20 “(i) Does not live along an existing school bus route;

21 “(ii) Has had the student’s regular bus route or bus stop perma-
22 nently removed; or

23 “(iii) Has had the student’s regular bus route temporarily sus-
24 pended.

25 “[2] (3) Approved transportation costs shall be estimated for the year
26 of distribution.

27 “[3] (4) In determining approved transportation costs **related to school**
28 **buses**, the State Board of Education:

29 “(a) Shall include depreciation of original cost to the school district of
30 district-owned buses, not in excess of 10 percent per year;

1 “(b) Shall include the costs to repower, retrofit or replace school buses
2 powered by diesel engines for the purpose of reducing or eliminating diesel
3 engine emissions, except that the board may not include the costs paid with
4 moneys received from the state by a school district from the Clean Diesel
5 Engine Fund under ORS 468A.801 (2)(a) to repower, retrofit or replace school
6 buses powered by diesel engines for the purpose of reducing or eliminating
7 diesel engine emissions; and

8 “(c) Shall include costs to school buses powered by diesel engines as al-
9 lowed in the Environmental Mitigation Trust Agreement, except that the
10 board may not include costs paid from the Environmental Mitigation Trust
11 Agreement in the calculation of the transportation grant computed as pro-
12 vided in ORS 327.013.

13 “[~~(4)~~] (5) School districts shall account separately for those funds received
14 from the State School Fund attributable to the costs included under sub-
15 section [~~(3)~~] (4) of this section, and expenditure of those funds shall be lim-
16 ited as follows:

17 “(a) The expenditure of funds attributable to costs under subsection
18 [~~(3)(a)~~] (4)(a) of this section shall be limited to the acquisition of new buses.

19 “(b) The expenditure of funds attributable to costs under subsection
20 [~~(3)(b)~~] (4)(b) and (c) of this section shall be limited to the costs to repower,
21 retrofit or replace school buses powered by diesel engines for the purpose
22 of reducing or eliminating diesel engine emissions.

23 “[~~(5)~~] (6) The transportation grant computed as provided in ORS 327.013
24 when combined with costs paid from the Environmental Mitigation Trust
25 Agreement to replace school buses powered by diesel engines may not exceed
26 the purchase price of the buses for which the funds described in this sub-
27 section were received.

28 **“SECTION 2.** ORS 327.043 is amended to read:

29 **“327.043. (1) As used in this section, ‘alternative transportation’ has**
30 **the meaning given that term in ORS 327.033.**

1 “~~[(1)]~~ **(2)** A school district is required to provide transportation for ele-
2 mentary **school** students who reside more than one mile from school and for
3 secondary school students who reside more than 1.5 miles from school. A
4 **school** district is also required to provide transportation for any student
5 identified in a supplemental plan approved by the State Board of Education.

6 “~~[(2)]~~ **(3)(a)** Notwithstanding subsection ~~[(1)]~~ **(2)** of this section, the State
7 Board of Education may waive the requirement to provide transportation to
8 **elementary and secondary students under paragraph (b) of this sub-**
9 **section.**

10 **“(b) The State Board of Education may waive the requirement to**
11 **provide transportation:**

12 **“(A) For some or all of the elementary school students who reside**
13 **more than one mile from school only if the school district that seeks**
14 **the waiver provides suitable and sufficient alternative transportation**
15 **to the elementary school students for whom the school district seeks**
16 **the waiver. A school district that seeks a waiver under this subpara-**
17 **graph must present to the board a plan for providing suitable and**
18 **sufficient alternative transportation to the elementary school stu-**
19 **dents. Public transit passes are not considered suitable and sufficient**
20 **for elementary school students.**

21 **“(B) For secondary school students who reside more than 1.5 miles from**
22 **school only if the school district provides or identifies suitable and**
23 **sufficient alternate modes of transporting secondary school students.**
24 **A school district that seeks a waiver under this subparagraph must**
25 **present to the board a plan for providing or identifying suitable and suffi-**
26 **cient alternate modes of transporting secondary school students.**

27 **“(4) When submitting to the State Board of Education a supple-**
28 **mental plan or a waiver request that includes alternative transporta-**
29 **tion and that seeks reimbursement for costs incurred in providing**
30 **alternative transportation, a school district must include:**

1 “(a) A comparison of:

2 “(A) The school district’s projected approved transportation costs
3 to serve students without alternative transportation; and

4 “(B) The school district’s projected approved transportation costs
5 if alternative transportation is approved.

6 “(b) For a supplemental plan or a waiver that proposes to use al-
7 ternative transportation for one or more routes not previously in-
8 cluded in a supplemental plan or a waiver, an explanation of why the
9 school district has determined that the use of alternative transporta-
10 tion for the route is necessary.

11 “(c) For a waiver request that proposes to use public transportation
12 for secondary school students, an explanation of how:

13 “(A) The use of public transportation qualifies for approved trans-
14 portation costs under ORS 327.033 (2)(c); and

15 “(B) Any financial support provided by a local transit district ac-
16 cording to ORS 184.758 will be used prior to the school district incur-
17 ring additional expenses.

18 “(5) The State Board of Education may approve a supplemental plan
19 or a waiver request to use alternative transportation and to provide
20 reimbursement for costs incurred in providing alternative transporta-
21 tion only when:

22 “(a) The projected approved transportation costs under subsection
23 (4)(a)(B) of this section are the same as or less than the projected
24 transportation costs under subsection (4)(a)(A) of this section; or

25 “(b) The applying school district adequately demonstrates that any
26 expenses incurred in excess of subsection (4)(a)(A) of this section that
27 are attributable to alternative transportation will be paid with funds
28 other than the transportation grant from the State School Fund.

29 “(6) Notwithstanding subsection (4) of this section, a school district
30 may request a waiver that includes alternative transportation without

1 providing the additional information required under subsection (4) of
2 this section if the school district does not seek reimbursements for
3 costs incurred in providing the alternative transportation.

4 “(7) Nothing in this section prevents a school district from provid-
5 ing alternative transportation in addition to otherwise required trans-
6 portation when no reimbursement is sought for costs incurred in
7 providing the alternative transportation.

8 **“SECTION 3. (1) The amendments to ORS 327.033 and 327.043 by**
9 **sections 1 and 2 of this 2023 Act become operative on July 1, 2024.**

10 “(2) The amendments to ORS 327.033 and 327.043 by sections 1 and
11 2 of this 2023 Act apply to approved transportation costs incurred on
12 or after July 1, 2024.

13 “(3) The State Board of Education, the Department of Education
14 and school districts may take any action before the operative date set
15 forth in subsection (1) of this section to enable school districts to be
16 reimbursed for approved transportation costs incurred on or after July
17 1, 2024.”

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