COMMITTEE SUBSTITUTE

FOR

H.B. 2727

(BY MR. SPEAKER, (MR. THOMPSON)

AND DELEGATE ARMSTEAD)

[BY REQUEST OF THE EXECUTIVE]

(Originating in the Committee on Finance)
[March 28, 2013]

A BILL to amend and reenact §18-9A-7 and §18-9A-8a of the code of West Virginia, 1931, as amended, all relating to the school aid formula generally; adjusting the foundation school program allowance for transportation costs by restricting the ten percent additional percentage allowance for alternative fuel vehicles to school buses using compressed natural gas; providing for phased reduction of additional percentage for bio-diesel as an alternative

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fuel; and adjusting the foundation allowance by reducing the maximum allocation for regional education service agencies.

Be it enacted by the Legislature of West Virginia:

That §18-9A-7 and §18-9A-8a of the Code of West Virginia, 1931, as amended, be amended and reenacted, all to read as follows:

ARTICLE 9A. PUBLIC SCHOOL SUPPORT.

§18-9A-7. Foundation allowance for transportation cost.

- 1 (a) The allowance in the foundation school program for each
- 2 county for transportation shall be the sum of the following
- 3 computations:
- 4 (1) A percentage of the transportation costs incurred by the
- 5 county for maintenance, operation and related costs exclusive of
- 6 all salaries, including the costs incurred for contracted
- 7 transportation services and public utility transportation, as
- 8 follows:
- 9 (A) For each high-density county, eighty-seven and one-half
- 10 percent;
- 11 (B) For each medium-density county, ninety percent;
- 12 (C) For each low-density county, ninety-two and one-half
- 13 percent;

- (D) For each sparse-density county, ninety-five percent;
- 15 (E) For any county for the transportation cost for
- 16 maintenance, operation and related costs, exclusive of all
- 17 salaries, for transporting students to and from classes at a
- 18 multicounty vocational center, the percentage provided in
- 19 paragraphs (A) through (D) of this subdivision as applicable for
- 20 the county plus an additional ten percent; and

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- 21 (F) For any county for that portion of its school bus system
- 22 that uses as an alternative fuel such as compressed natural gas or
- 23 other acceptable alternative fuel, the percentage provided in
- 24 paragraphs (A) through (D) of this subdivision as applicable for
- 25 the county plus an additional ten percent: *Provided*, That for any
- 26 county receiving an additional ten percent for that portion of

their bus system using bio-diesel as an alternative fuel during the

- 28 school year 2012-2013, bio-diesel shall continue to qualify as an
- 29 alternative fuel under this paragraph to the extent that the

additional percentage applicable to that portion of the bus system

- 31 using bio-diesel shall be decreased by one percent per year for
- 32 each consecutive school year beginning in school year 2014-
- 33 <u>2015: Provided, however,</u> That any county using an alternative

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- fuel and qualifying for the additional allowance under this
 subdivision shall submit a plan regarding the intended future use
 of alternatively fueled school buses;
- 37 (2) The total cost, within each county, of insurance 38 premiums on buses, buildings and equipment used in 39 transportation;
- 40 (3) An amount equal to eight and one-third percent of the 41 current replacement value of the bus fleet within each county as 42 determined by the state board. The amount shall only be used for 43 the replacement of buses. Buses purchased after July 1, 1999, 44 that are driven one hundred eighty thousand miles, regardless of 45 year model, will be subject to the replacement value of eight and 46 one-third percent as determined by the state board. In addition, 47 in any school year in which its net enrollment increases when 48 compared to the net enrollment the year immediately preceding, 49 a school district may apply to the State Superintendent for 50 funding for an additional bus or buses. The State Superintendent 51 shall make a decision regarding each application based upon an 52. analysis of the individual school district's net enrollment history 53 and transportation needs: *Provided*, That the superintendent shall

not consider any application which fails to document that the

- 55 county has applied for federal funding for additional buses. If the
- 56 State Superintendent finds that a need exists, a request for
- 57 funding shall be included in the budget request submitted by the
- 58 state board for the upcoming fiscal year; and
- 59 (4) Aid in lieu of transportation equal to the state average
- amount per pupil for each pupil receiving the aid within each
- 61 county.
- 62 (b) The total state share for this purpose shall be the sum of
- 63 the county shares: *Provided*, That no county shall receive an
- 64 allowance which is greater than one-third above the computed
- 65 state average allowance per transportation mile multiplied by the
- 66 total transportation mileage in the county exclusive of the
- allowance for the purchase of additional buses.
- 68 (c) One half of one percent of the transportation allowance
- 69 distributed to each county shall be for the purpose of trips related
- 70 to academic classroom curriculum and not related to any
- 71 extracurricular activity. Any remaining funds credited to a
- 72 county for the purpose of trips related to academic classroom
- 73 curriculum during the fiscal year shall be carried over for use in
- 74 the same manner the next fiscal year and shall be separate and

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- 75 apart from, and in addition to, the appropriation for the next
- 76 fiscal year. The state board may request a county to document
- 77 the use of funds for trips related to academic classroom
- 78 curriculum if the board determines that it is necessary.
- 79 (d) The amendments made to this section during the 2008
- 80 regular session of the Legislature are intended to be temporary
- 81 while the transportation issue is further studied during the
- 82 2008-2009 interim period.

§18-9A-8a. Foundation allowance for regional education service agencies.

- 1 For the fiscal year beginning on July 1, 2006, and for each
- 2 fiscal year thereafter, the foundation allowance for regional
- 3 education service agencies shall be equal to sixty-three
- 4 one-hundredths percent of the allocation for professional
- 5 educators as determined in section four of this article, but not
- 6 more than \$3,990,000 \$3,690,750. The allowance shall be
- 7 distributed to the regional education service agencies in
- 8 accordance with rules adopted by the state board. The allowance
- 9 for regional education service agencies shall be excluded from
- 10 the computation of total basic state aid as provided in section
- 11 twelve of this article.