

transportation services. Beyond clarifying that fuel price increases *may* constitute a transportation emergency worthy of a distribution from the fund, HB 156 has minimal to no effect on fund distribution. Under the existing statute, nothing precludes the PED secretary from distributing fund monies to address fuel price increases so long as the distribution is for the purpose of ensuring student safety. Moreover, HB 156 does not allow a distribution simply due to fuel price increases because the student safety requirement still applies.

Historically, the fund has been reserved for things like the emergency purchase of school buses in the instance of a contractor going out of business, or emergency maintenance or replacement. During FY12 and FY13 the Legislature made appropriations in the general appropriation act to cover increased fuel costs from the Transportation Emergency Fund. The Legislature extended the FY13 appropriation to FY14. These special appropriations for fuel were made as a result of school districts voicing concern that the general fund appropriation to the transportation distribution was insufficient to cover the rising cost of fuel. During FY12 PED made emergency allocations of \$422.7 thousand to six school districts and allocations of \$641 thousand for fuel pursuant to the special appropriation the Legislature made. During FY13, PED made emergency allocations of \$354.8 thousand to five school districts and no allocations pursuant to the special appropriation for fuel.

As revenues continue to grow, appropriations to public schools will also likely grow. For FY15, the Legislature is currently considering appropriating increasing the general fund appropriation for fuel in the transportation distribution by 8.2 percent, or \$1.1 million.

RELATIONSHIP

HB 112 amends the dates for required reporting of school transportation information to the state transportation director and the basis for determining transportation distribution allocations.

JA/svb