Private Transportation Contract Sharing

S.6028 (Marcellino)/A.8202 (Nolan)

THE COUNCIL SUPPORTS legislation to authorize the sharing of certain transportation services to reduce costs.

This legislation would authorize more than one school district to enter into the same transportation contract with a private transportation provider. School districts are regularly asked to share services and develop methodologies to reduce costs to taxpayers. In this instance, schools that utilize private transportation providers are hamstrung in their ability to reduce costs partly due to a lack of statutory authorization to do so.

If the state provides this authorization, school districts would be better positioned to negotiate more cost-effective contracts to transport their students to school. Creating additional market forces on this costly area of school services, could reduce costs, thereby allowing schools to better utilize their limited resources on educational programming.

As the Council has noted, transportation has been one of the fastest growing expense-based aid categories. For the 2018-19 school year, Transportation Aid increased 5.2 percent. This increase is largely driven by new mandates on foster-care and homeless youth transportation mandates, minimum wage increases, and a shortage of qualified drivers due to new federal training and qualification mandates.

Schools strive to bring down transportation costs, but there is a limit to how much costs can be reduced while also ensuring safety for all students. This legislation would help schools reduce costs and they will therefore be more able to maximize their resources and provide a sustainable future for schools and students.

The Council supports this legislation and urges its approval.