

FOUNDATION SCHOOL PROGRAM TRANSPORTATION ALLOTMENT



AN ISSUE BRIEF FROM LEGISLATIVE BUDGET BOARD STAFF

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OBJECTIVE

The state supports student transportation services through the Foundation School Program transportation allotment.

KEY FACTS

- ◆ The transportation allotment was established through legislation in 1984. Entitlement is calculated as a function of route miles traveled and the number of students transported.
- ◆ Between the 2008–09 and 2012–13 school years, transportation services comprised an average of \$1,176.6 million annually, or 2.1 percent of school district expenditures statewide. The transportation allotment funded an average of 28 percent of that cost during the same period.

BUDGETARY IMPACT

For the 2012–13 school year, school district and charter school entitlement for the transportation allotment totaled \$342.3 million.

STATUTORY REFERENCES

Texas Education Code, Section 42.155

Texas Education Code, Chapter 34

The Foundation School Program (FSP), the state’s primary funding mechanism for public schools, supports student transportation services through the transportation allotment.

Established in statute in 1984, the transportation allotment provides funding through a formula based on the concentration of eligible riders in the service area and total miles traveled.

ELIGIBLE RIDERS

Independent school districts (ISDs) and charter schools are permitted to operate public school transportation systems. Additionally, counties may contract for the operation of public school transportation systems on behalf of ISDs. Statute defines eligible riders for purposes of funding as:

- students who reside two or more miles from their assigned campus, who are not eligible for special education transportation services;
- students who live within two miles of their assigned campus who would be subject to hazardous conditions walking to school;
- students eligible for special education services who require special transportation to attend school; and
- students traveling from one campus to another for a career and technology program.

STATE FUNDING FOR TRANSPORTATION SERVICES

Through the transportation allotment, ISDs, charter schools, or counties operating a transportation system are entitled to a rate per route mile traveled based on the district’s “linear density grouping.” Statute defines linear density as the average number of regular eligible students (excluding special education and career and technology students) transported daily divided by the approved daily route miles traveled. Because urban districts serve more geographically compact populations, they tend to have greater linear density than more sparsely populated rural districts.

Route miles are limited to home to school/school to home transportation and transportation during the day for instructional purposes, such as transport to an alternate facility for coursework not offered on the home campus. The rates per route mile, established in the General Appropriations Act, are higher the more “dense” the system. Fig. 1 provides the rates from Rider 5 in the Texas Education Agency bill pattern in the 2014–15 General Appropriations Act. The rates have

**FIG. 1
FSP TRANSPORTATION ALLOTMENT RATES PER ROUTE MILE, 2014–2015 BIENNIUM**

LINEAR DENSITY GROUPING	ALLOCATION PER MILE OF APPROVED ROUTE
2.40 and above	\$1.43
1.65 to 2.40	\$1.25
1.15 to 1.65	\$1.11
0.90 to 1.15	\$0.97
0.65 to 0.90	\$0.88
0.40 to 0.65	\$0.79
Up to 0.40	\$0.68

Source: Legislative Budget Board.

not changed since 1984. School districts, charter schools, or counties can apply for an additional 10 percent of the regular transportation allotment for the transportation of children living within the two-mile limit if they would be subject to hazardous traffic conditions walking to school.

In addition to the allocation generated by the rate per route mile calculation, school districts, charter schools, or counties are entitled to a rate per mile for the transportation of eligible students receiving special education services. The rate is based on the previous school year's cost per mile and is capped in the General Appropriations Act at \$1.08 for the 2014–15 biennium

Statute allows the commissioner to provide grants for private transportation under certain circumstances. For example, in cases of extreme hardship, the commissioner may reimburse parents or guardians for the cost of providing private transportation for a student receiving special education services at a rate limited by appropriation (\$0.25 per mile with a maximum of \$816 per student in the 2014–15 General Appropriations Act). This same rate applies to grants for private or commercial transportation for students residing in isolated areas.

Funding for eligible career and technology student transportation is based on the locally adopted extracurricular travel per mile rate, as approved by the commissioner of education.

LOCAL EXPENDITURES FOR TRANSPORTATION SERVICES

In recent years, the FSP Transportation Allotment has funded a little less than one-third of ISD and charter school annual expenditures for transportation. Fig. 2 provides FSP Transportation Allotment entitlement amounts and public school transportation expenditures for the past five years. In addition to supporting a school transportation system, schools can use FSP transportation allotment funds to purchase passes for another transportation system, such as a municipal bus system, for certain eligible students.

FIG. 2
FSP TRANSPORTATION ALLOTMENT AND LOCAL EXPENDITURES FOR PUBLIC SCHOOL TRANSPORTATION IN MILLIONS, SCHOOL YEARS 2008–09 TO 2012–13

SCHOOL YEAR	FSP TRANSPORTATION ALLOTMENT ENTITLEMENT	ISD AND CHARTER SCHOOL TRANSPORTATION EXPENDITURES	FSP TRANSPORTATION ALLOTMENT AS A PERCENTAGE OF EXPENDITURES
2008–09	\$308.4	\$1,112.1	27%
2009–10	\$315.0	\$1,156.3	27%
2010–11	\$362.2	\$1,203.2	30%
2011–12	\$342.9	\$1,181.0	29%
2012–13	\$342.3	\$1,230.4	28%

SOURCE: Legislative Budget Board.

USEFUL REFERENCES

School Transportation Allotment Handbook, 2011–12 School Year, Texas Education Agency,
http://www.tea.state.tx.us/index4.aspx?id=7022&menu_id=645&menu_id2=789

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