

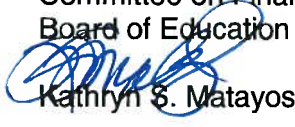


**STATE OF HAWAII**  
**DEPARTMENT OF EDUCATION**  
P.O. BOX 2360  
HONOLULU, HAWAII 96804

OFFICE OF THE SUPERINTENDENT

June 19, 2012

TO: The Honorable Wesley Lo, Chairperson  
Committee on Finance and Infrastructure  
Board of Education

FROM:  Kathryn S. Matayoshi, Superintendent

SUBJECT: Amendment of Chapter 8-27 (Transportation of Students),  
Hawaii Administrative Rules

1. RECOMMENDATION

It is recommended that Chapter 8-27, Hawaii Administrative Rules (Chapter 27) be amended as follows:

- a. To delete the definition of "a mile or more" in Section 2 (Definitions) and replace it with the definition of "qualifying distance."
- b. To move the description of the qualifying distance from Section 4 (Limitations) to the definition of qualifying distance in Section 2 (Definitions),
- c. To delete the definition of "special education student" in Section 2 because the term is not used in the rule.
- d. To include the current fare amounts in the rule in Section 3 (Fare), and to establish a reduced fare for students who are members of a family that does not receive public assistance but nevertheless meets the income poverty guidelines of the U.S. Department of Agriculture criteria to receive free school lunch. The reduced fare is for quarterly and annual bus passes and is equal to one-third of the regular fare.
- e. To delete the provision in Section 3 that "when fares are pre-paid, the fare for a period greater than a school academic quarter shall be the number of trips for the period multiplied by the fare less five percent of the cost."
- f. To add to Section 4 guidelines from Section 302A-406, Hawaii Revised Statutes, for the Department of Education (Department) to follow in determining which transportation services to continue when funds are insufficient to provide service to all students eligible for transportation services who desire such services.

- g. To incorporate in Section 4 the Department's practice of declining to provide transportation if public transportation is, in the Department's determination, reasonably available.
- h. To delete from the category of students eligible for free fare in Section 5(a) those students who are members of a family that does not receive public assistance but nevertheless meet the income poverty guidelines of the U.S. Department of Agriculture criteria to receive free school lunch and those students who are the fourth or more student of a family and the first three students are paying the fare to and from school.

## 2. RECOMMENDED EFFECTIVE DATE

Upon approval.

## 3. RECOMMENDED COMPLIANCE DATE (if different from the effective date)

Same.

## 4. DISCUSSION

### a. Conditions leading to the recommendation

The Board, at its November 19, 2009 meeting, instructed the Department to develop plans for (i) providing student transportation within the approximately \$46 million appropriated by the legislature for the current fiscal year, (ii) providing student transportation on a break-even basis, and (iii) discontinuing student transportation services. The Department subsequently used other sources of funding to supplement the legislative appropriation and was able to continue transportation services without serious interruption.

The 2012 legislature appropriated approximately \$54 million for student transportation services, approximately \$17 million less than the department had requested to continue current services, with a proviso that the department could not transfer funds from EDN 100 to supplement this appropriation.

The proposed amendments to Chapter 27 will enable the department to respond to the appropriation limit and proviso.

In addition, the Department of the Attorney General has advised that fare-setting should not have been delegated to the Department, with the approval of the Board, as was done when Chapter 27 was amended in 2009, and that the amount of the fare should have remained in the rule.

### b. Previous action of the Board on the same or similar matter

The Board approved an amendment to Chapter 27 that (i) increased the qualifying distance for students in grades 6-12 from 1 mile to 1.5 miles and (ii) removed the bus fare from Chapter 27, and instead allowed the department, with the approval of the board, to establish the bus fare. The amendment was approved by the governor and became effective on June 15, 2009.

c. Other policies affected

None.

d. Arguments in support of the recommendation

The proposed amendments will enable the department to match the cost of student transportation with the amount appropriated by the legislature and provide guidance to the Department when the appropriation does not provide sufficient funds to provide transportation services to all eligible students who desire such services.

e. Arguments against the recommendation

The proposed amendments will eliminate certain categories of students from free fares, will require those students who are in families not receiving public assistance but nevertheless meet the income test to be eligible for free school meals, and who now receive free bus fare, to pay a discounted bus fare

f. Findings and conclusions of the Board committee

To be determined.

g. Other agencies or departments of the State of Hawaii involved in the action

None.

h. Possible reaction of the public, professional organizations, unions, DOE staff and/or others to the recommendations

Students and their parents who have heretofore received transportation services but would not if the recommended amendments are adopted, and students and their parents who have heretofore received free transportation services but would have to pay either a discounted rate or the full fare if the recommended amendments are adopted, are likely to oppose the proposed amendments.

Also, parents of other students and the general public may oppose the proposed amendments because their adoption is likely to

- i) increase public transit ridership and therefore crowding on public buses; and
- ii) increase traffic congestion because more parents will be driving their children to school.

i. Educational implications

Reducing student transportation services and increasing the cost for some students may cause increased student tardiness and absenteeism, to the detriment of their academic success.

j. Personnel implications

Once the recommended changes have been implemented, there will be a minor reduction in school office staff time that will be required to be devoted to student transportation.

k. Facilities implications

There is likely to be increased congestion at student drop-off and pick-up areas on school campuses, and some school administrators may request that modifications to drop-off and pick-up areas be made to reduce congestion.

l. Financial implications

The recommended changes will reduce the amount of general funds required to operate the student transportation program.

5. OTHER SUPPLEMENTARY RECOMMENDATIONS

None.

KSM:RGM:ck

Attachments

c: The Honorable Donald G. Horner, Chairperson, Board of Education  
Office of School Facilities and Support Services