

AN ACT concerning schools.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The School Code is amended by changing Section 29-6.4 as follows:

(105 ILCS 5/29-6.4)

Sec. 29-6.4. Non-contract transportation; bids; reimbursement. A school board of a school district that provides transportation of its pupils to and from school on buses that are owned by the district that are operated by drivers who are employed by the district shall, if it receives a timely request from an interested private school bus contractor that the district provide that transportation under contract, solicit sealed bids for that purpose. A district or special education cooperative is not required to respond to such a request more than once every 2 years. ~~For purposes of this Section, A~~ a request shall not be considered timely if unless it is made ~~in writing by certified mail, return receipt requested, addressed to the school board of the district at the administrative offices or any school of the district, postmarked not~~ more than 24 months or ~~not~~ less than 3 months before the expiration of the collective bargaining or other agreement that is in effect at the time the request is made and that governs the terms and conditions of employment of the school bus drivers employed by the district. All requests shall be made in writing by certified mail, return receipt requested, addressed to the school board of the district at the administrative offices or any school of the district. At the conclusion of the bidding process, the school board shall publicly announce the district's fully allocated costs of providing transportation of its pupils to and from school under its present system and thereupon may (i) elect to enter into a

contract as provided in Section 29-6.1 with the lowest responsible bidder for transportation of the district's pupils to and from school or (ii) elect to continue providing transportation of its pupils to and from school under its present system. In the event the school board elects to continue providing transportation of the district's pupils to and from school under its present system even though the district's fully allocated costs of doing so exceed the amount of the lowest responsible bid received by the school board for transportation of the district's pupils to and from school, the school board shall publicly announce at a regularly scheduled meeting of the board held within 30 days after making its election to continue providing pupil transportation under its present system (i) the fully allocated costs of providing transportation of the district's pupils to and from school under its present system, and (ii) the amount of each of the sealed bids submitted to the school board, identifying which of the sealed bid amounts was the lowest responsible bid.

As used in this Section the term "fully allocated costs" includes both the fixed and variable direct costs of the labor, capital, and material resources that are used by the school district exclusively for purposes of providing transportation of the district's pupils to and from school plus that portion of the district's shared costs as is fairly allocable to the products, services, and facilities necessary to provide transportation of the district's pupils to and from school. Direct costs of labor, capital, and material resources used exclusively to provide pupil transportation include the wages, payroll costs, and associated fringe benefits of school bus drivers, mechanics, and any supervisory or administrative personnel whose services relate exclusively to pupil transportation personnel or services, fuel, lubricants, tires, tubes, related material costs incurred in providing pupil transportation, depreciation costs associated with school buses and other vehicles, including spare vehicles, used to provide pupil transportation, and costs of facilities and

equipment maintained exclusively to service, garage, or park vehicles used for pupil transportation purposes. "Shared costs" means the aggregate cost of the labor, capital, and material resources that are used in common by the district for a multiplicity of purposes, including the purpose of providing transportation of the district's pupils to and from school. The costs of the management, administration, and underlying infrastructure that support a multiplicity of services provided by the school district (including pupil transportation services) constitute shared costs within the meaning of this Section, and to the extent they are fairly allocable to pupil transportation services they are included within the term fully allocated costs as used in this Section. The State Board of Education shall promulgate rules setting forth the manner in which a district's fully allocated costs of providing transportation of its pupils to and from school under a non-contractual system shall be determined and computed for purposes of this Section. However, those rules shall be consistent with the provisions of this paragraph and shall follow recognized principles of fully allocated costing analysis in the transit industry, including generally accepted methods of identifying and estimating the principal cost elements of maintaining and operating a pupil transportation system.

(Source: P.A. 89-151, eff. 1-1-96; 89-626, eff. 8-9-96.)