

Office of School Finance

Transportation Funding and Reporting



Legal References

The provision of transportation funding is governed by the Texas Education Code (TEC), §48.151, and the requirements found in the TEA's School Transportation Allotment Handbook.

Effective with the passage of House Bill 3, by the 86th Legislature, each district or county operating a regular transportation system is entitled to an allotment based on a rate per mile per regular eligible student set by the legislature in the General Appropriations Act. The General Appropriations Act: Article III establishes the funding rates for eligible transportation.

Other TEC provisions related to school student transportation include:

- TEC, §34.002 - Department of Public Safety (DPS) will establish safety standards for school buses
- TEC, §34.003 - Establishes the type of vehicles that may be used to transport students
- TEC, §34.007 - School boards may establish economical public school transportation systems and states that school bus drivers must meet the standards and qualifications adopted by the DPS

Background Information

The Legislature has historically provided funding assistance to school districts that provide student transportation. Basic funding is for home-to-school or school-to-home transportation provided to regular eligible students who live more than two miles from their campus of regular attendance and for special needs students who require special transportation to attend school. There is also a provision for limited funding of transportation provided to regular eligible students who live fewer than two miles from their campus if they live in an area designated as a hazardous traffic or high-risk (of violence) areas by the school board. Additionally, if a district establishes that an extreme hardship case exists and a student needs to be transported to or from school by a parent or parent's designated agent, the district is eligible for funding of mileage if it reimburses the parent for providing the transportation.

Statute provides for funding of transportation of students between campuses or between a campus and another location to attend career and technology instruction. Effective with the 2010-2011 school year, Texas Education Agency (TEA) policy allows intra-district home-to-school or school-to-home transportation if students meet the requirements. Thus home-to-school or school-to-home transportation of students to magnet schools and campuses and transportation home for students that stay after school for tutorials or other after school programs, will be eligible.

Texas Education Code (TEC), §48.151, as amended by HB 3, 86th Texas Legislature, Regular Session, 2019 repealed the linear density formula, which reimbursed school districts based on the average number of students traveling on regular bus routes each day, divided by the approved route miles. Starting with the 2019-2020 school year, regular student transportation funding will be based on a rate per mile, as established by the Legislature in the General Appropriations Act.

The bill also expanded the definition of a “regular education student” to include children who are homeless, according to the classification set by the federal McKinney-Vento Homeless Education Act and districts now have the ability to obtain career and technology transportation funding for transporting students from a school to a work-based learning center.

See the table below for statewide transportation allotment totals for the past several years.

Year	Allotment	Year	Allotment
2008-2009	\$310,081,278	2016-2017	\$376,562,057
2009-2010	\$315,533,110	2017-2018	\$377,777,230
2010-2011	\$362,679,513	2018-2019	\$380,412,500
2011-2012	\$344,091,910	2019-2020	\$281,299,848
2012-2013	\$344,925,094	2020-2021	\$298,432,930
2013-2014	\$356,933,403	2021-2022*	\$385,542,448
2014-2015	\$361,944,751	2022-2023**	\$380,133,449
2015-2016	\$371,658,191		

*Near Final

**Legislative Planning Estimate

Annual State Reporting

School districts and open-enrollment charter schools report student transportation information to the TEA through two annual reports, the Route Services Report and the Operations Report. Districts submit these two annual transportation reports through the online web-based Foundation School Program (FSP) Payment System after the school year has completed.

The primary source of information for determining the district’s transportation allotment is through the Route Services Report. For the Route Services Report, district’s report eligible student transportation services (mileage and ridership) provided during the school year. For the Operations Report, district’s report all costs, and mileage associated with student transportation. The Operations report therefore includes all costs related to eligible student transportation services and ineligible student transportation services such as field trips or sports activities. The Operations report also includes a section for the district to provide information on student transportation vehicle inventory.



Program Description

The transportation allotment is part of FSP funding and is a separate line item on the *Summary of Finances*.



Contact for More Information

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