

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairman Susan Wagle at 8:30 a.m. on February, 16, 2011, in Room 548-S of the Capitol.

All members were present.

Senator Holland – excused

Committee staff present:

Ms. Margaret Cianciarulo, Committee Assistant
Mr. Ken Wilke, Kansas Office of the Revisor of Statutes
Mr. Reed Holwegner, Kansas Legislative Research Department
Ms. Dorothy Noblit, Kansas Legislative Research Department

Conferees appearing before the Committee:

Mr. Joe Sutton, Vice President, Teamsters #838
Ms. Loriann Fisher Koneczny, Constituent
Ms. Pamela Ann Ward, Constituent

Others attending:

See attached list.

Handouts regarding Kansas Bioscience Authority

Chairperson Wagle began the meeting calling on Mr. Reed Holwegner, Kansas Research Department to explain handouts that answers the question from yesterday's Committee meeting, regarding the Kansas Bioscience Authority, when it would sunset? Mr. Holwegner referred the Committee to his memorandum with an attachment of the statute of what they would be discussing, including:

1.) In yesterday's meeting. Mr. Thornton mentioned the funding mechanism for the KBA being analogous to that of a TIF. Unlike a traditional TIF district, that would be based on increased revenues of property tax, the funding from KBA comes from increased withholding taxes that are allocated above the base.

2.) Sec. 74-99b34, which is attached, he said outlines the funding mechanism. After the base was established in 2004, the State is required annually to transfer 95% of that portion of withholding that is above the base to the Bioscience Development and Investment Fund. Unlike other funds, it is segregated from the state Treasury and the Bioscience Authority has exclusive control over the Fund's administration and distributions from it. This transfer continues to happen until one of two events occur:

A.) until fifteen years have passed since the effective date of that legislation, which in this case is July 1, 2019 or when

B.) \$581.8M has been transferred to the Fund.

3.) Since 2009, the legislature has placed caps of \$35M each year on those transfers. These caps remain not only for the current fiscal year, but also for 2012 as well.

A copy of his Memorandum and attachment is (Attachment 1) attached and incorporated into the Minutes as referenced.

The Chair asked how much have we given them to date in total funding? (Around \$190M.) And if we do nothing, it sunsets in 2019? (Yes.) Senator Steineger stated he had asked and has received a list of NIAC codes that are assigned to KBA and associated dollar amounts. So each industry that has generated money is listed and the total revenue they contributed.

Hearing on SB78 – an act concerning certain appointments made by KTEC transferring such authority to the governor

As there were no further questions or discussion regarding the funding of KBA, The Chair announced the next order of business is a hearing on **SB78** – an act concerning certain appointments made by KTEC transferring such authority to the governor and again, called on Mr. Holwegner to explain the bill which included:

CONTINUATION SHEET

Minutes of the Senate Commerce Committee at 8:30 a.m. on February 16, 2010, in Room 548-S of the Capitol.

1.) The appointment to the State Fair Board – there are various entities that make appointments to various interests that are represented on the State Fair Board, one of which is also a member of KTEC.

2.) The restructuring of the operation which has been under the jurisdiction of KTEC and most recently having the authority to appoint one of its Board members to the State Fair Board, this bill would repeal that provision and authorize the governor to appoint seven people instead of 6 and that additional person would also be at large. Currently, the law outlines that only one person be at large and appointed by the governor.

The Chair asked, referring to Sec. 2 on page 2, beginning on line 23, is it actually dealing with appointments from KTEC, and KTEC also had an appointment on the Bioscience Board? (Yes.) On page 3, beginning on line 16, it strikes the person who is supposed to represent KTEC on the Bioscience Authority and gives the appointment to the governor? (Yes.)

The Chair stated she had no one to testify on this bill. She had visited with Mr. Denny Stecklein, General Manager, Kansas State Fair, who referred her to Mr. Tom Tunnell, President, Kansas State Fair, who along with Mr. Stecklein, were “comfortable with the at-large selection of the Board position that has been filed by KTEC. However, Mr. Tunnell was not available, but the attached email is offered. A copy of the email is ([Attachment 2](#)) attached and incorporated into the Minutes as referenced.

She recognized Mrs. Lindsey Thornton asking if anyone would want to testify on behalf of the KBA? Mrs. Thornton stated on behalf of the KBA, they would be happy to support the bill. She offered to make a copy of their appointing authority matrix, listing each authority, who they appointed, the year of their term. The Chair asked who is the name of their KTEC appointment? (Ray Smilor and his appointment expires on March 15, 2011.) The Chair closed the hearing.

Hearing on SB137 – an act concerning the employment security law; relating to unemployment benefits for privately contracted school bus drivers.

The next order of business was a hearing on **SB137** – an act concerning the employment security law; relating to unemployment benefits for privately contracted school bus drivers. Chairperson Wagle again called on Mr. Holwegner to explain the bill which:

1.) Primarily deals with one section which outlines persons who are disqualified from benefits. It outlines who those persons are and provides exceptions for them.

2.) Referring to page 11, subsection (p), these are the proposed amendments which would be dealing with bus drivers, with the proposed being to strike language referring to a private contractor so that only those persons who are directly employed by a school district would be ineligible for unemployment insurance benefits.

3.) Showed other references of striking of the phrase “be a private contractor.” In line 32, this phrase is also shown and he and the Revisor have been in discussion that there may be some question as to whether or not some additional language needs to be put in the bill to appear that there are no ambiguities in there.

The Chair asked if there are any other situations where we have done something like this? (Mr. Wilke, Office of the Revisor of Statutes, answered that this particular section does have paragraphs that are specifically tailored, for instance (o) refers to “educational service agency.”)

As there were no questions or discussion for Mr. Holwegner or Mr. Wilke, the Chair called on the first of three proponent conferees, Mr. Joe Sutton, Vice President, Teamsters #838, who stated the bill provides for a revision that rectifies the disqualification for school bus drivers and monitors who are either laid off from work or have a serious reduction of work hours after each academic year is over. He went on to say school bus drivers and monitors who work in Kansas but live in Missouri can collect unemployment compensation during times that there is no work or reduce hours offered by their employer. Lastly he said, he is not asking that the Committee change the law as it pertains to school district employees, but how it pertains to drivers and monitors that are employed by private contractors. A copy of his testimony is ([Attachment 3](#)) attached and incorporated into the Minutes as referenced.

CONTINUATION SHEET

Minutes of the Senate Commerce Committee at 8:30 a.m. on February 16, 2010, in Room 548-S of the Capitol.

Next to testify was Mrs. Lorianne Fisher Koneczny, a school bus driver for a private contractor from Stanley, Kansas, stated her employer, First Student, "tells the unemployment compensation offices that they have given us "reasonable assurance" of giving us work when school resumes, but they do not tell us that or provide us that in writing." She offered an instance at the Blue Valley District where they have 20 drivers from Minnesota driving for us since August. They were laid off in Minnesota, promised 40-hours pay for 20-hours work per week, with hotel and transportation paid for by the company and a per diem each for food expenses. A copy of her testimony is (Attachment 4) attached and incorporated into the Minutes as referenced.

The last proponent conferee recognized was Ms. Pamela Ann Ward, who testified she drove a school bus for the Blue Valley School District from 1981-1989 and therefore, was employed as a school bus driver when the current law went into effect in 1985. She returned to driving a bus in 2000, is employed by First Student, and still drives Blue Valley school children to and from school. Before First Student purchased Laidlaw, school bus drivers who could not find work were allowed by Laidlaw to apply and receive unemployment compensation and even though the law was in place, Laidlaw did not challenge it. Lastly, she said as long as the law remains in effect as currently written, First Student, as well as any privately-owned for-profit company, can and many will deny all their bus drivers and monitors any chance of receiving unemployment benefits despite the fact that they do not promise reasonable assurance in writing or verbally to their employees. A copy of her testimony is (Attachment 5) attached and incorporated into the Minutes as referenced.

The Chair thanked the conferees and asked for questions or comments which came from Senators Merrick, Holland and Wagle, including Senator Merrick stated he lives in Blue Valley and his children rode the bus when it was Laidlaw, but after First Student took over, the school district bought an old truck dealership and turned it into a bus barn but still continues to contract their bus service and he questions why. Also, regarding the Minnesota drivers, who is paying for their expenses, it that First Student or who? (First Student). Lastly, he thinks the hand up is "reasonable assurance" and feels it is a defense by First Student and is pretty broad statement to use that as a reason not to pay unemployment.

Senator Holland asked, regarding the private companies that employ you, are you treated as employers or 1099 contractors? (Employees, we have withholding.) Is your employer currently paying unemployment? (Yes.) Are there other provisions where employees of these third parties who provide services for school districts, are in the same situation as the conferees as for not being able to apply for UI benefits? (Only applies to bus service and monitor personnel.)

As there were no further comments or questions, the Chair recognized Senator Merrick who made a conceptual motion the bill only applies to private contractors who contract with the school districts.

Discussion included the Chair stating the bill may need some technical clean up according to Mr. Wilke, plus Senator Merrick's motion and asked Mr. Wilke if that could be done? (Yes, and he added, current law applies only to the situation where the school district contracts through the bus company and does not hire drivers directly. What he perceives from the testimony, if these people are hired directly by the school district and not through a bus company, then they do not have the same benefits as if they had been hired through a bus company.) The Chair replied this is what she heard and does not want to affect school districts, only the private companies who contract with the school districts. Back on the bill, it was seconded by Senator Olsen. The motion carried. The Chair asked for action on the bill and Senator Steineger made the motion to move the bill out favorably as amended. It was seconded by Senator Lynn and the motion carried.

Adjournment

As there was no further business, the meeting was adjourned. The time was 9:30 a.m.

The next is scheduled for February 22, 2011.

DATE: Wednesday, February 16
2011

please continue passing for all to sign
Thank You
Margaret
Gen. Wesley Committee
Assistant

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February 16, 2011

To: Senate Committee on Commerce

From: Reed Holwegner, Principal Analyst

Re: Funding Source for the Kansas Bioscience Authority

Per the directions of Chairperson Wagle, this memorandum analyzes the funding mechanism for the Kansas Bioscience Authority.

The Authority's statutory framework can be found in title 74-99b. KSA 74-99b34 outlines the funding, and a copy of the statute is attached. The statute creates the Bioscience Development and Investment Fund. Unlike other state funds, the Development and Investment Fund is segregated from the state treasury. The Bioscience Authority has exclusive control over the Fund's administration and distributions from it.

After the Secretary of the Department of Revenue and the Authority established the revenue base year in 2004, the State is required annually to transfer 95.0 percent of that portion of withholding that is above the base to the Development and Investment Fund. This transfer continues until one of the following events happens first:

- July 1, 2019, which is fifteen years since the effective of the Act (See subsection (b) of KSA 74-99b34.); or when
- \$581.8 million has been to the paid to the Bioscience Development and Investment Fund (See subsection (e) of KSA 74-99b34.).

Since FY 2009, the amount annually transferred to the Bioscience Authority has been capped at \$35 million. Pursuant to the most recently enacted appropriation legislation (L. 2010, ch. 165, § 138), this cap remains in effect for FY 2011 and FY 2012.

*Senate Commerce Committee
Date: February 16, 2011
Attachment 1*

West's Kansas Statutes Annotated Currentness

Chapter 74. State Boards, Commissions and Authorities

☐ Article 99B. Bioscience Authority

☐ Emerging Industry Investment Act

➔ **74-99b34. Bioscience development and investment fund; deposits; distributions; audits**

(a) The bioscience development and investment fund is hereby created. The bioscience development and investment fund shall not be a part of the state treasury and the funds in the bioscience development and investment fund shall belong exclusively to the authority.

(b) Distributions from the bioscience development and investment fund shall be for the exclusive benefit of the authority, under the control of the board and used to fulfill the purpose, powers and duties of the authority pursuant to the provisions of K.S.A. 74-99b01 et seq., and amendments thereto.

(c) The secretary of revenue and the authority shall establish the base year taxation for all bioscience companies and state universities. The secretary of revenue, the authority and the board of regents shall establish the number of bioscience employees associated with state universities and report annually and determine the increase from the taxation base annually. The secretary of revenue and the authority may consider any verifiable evidence, including, but not limited to, the NAICS code assigned or recorded by the department of labor for companies with employees in Kansas, when determining which companies should be classified as bioscience companies.

(d) For a period of 15 years from the effective date of this act, the state treasurer shall pay annually 95% of withholding above the base, as certified by the secretary of revenue, upon Kansas wages paid by bioscience employees to the bioscience development and investment fund. The state treasurer may make estimated payments to the bioscience authority more frequently based on estimates provided by the secretary of revenue and reconciled annually. On or before the 10th day of each month, the director of accounts and reports shall transfer from the state general fund to the bioscience development and investment fund interest earnings based on:

(1) The average daily balance of moneys in the bioscience development and investment fund for the preceding month; and

(2) the net earnings rate of the pooled money investment portfolio for the preceding month.

(e) The cumulative amounts of funds paid by the state treasurer to the bioscience development and investment fund shall not exceed \$581.8 million.

(f) The division of post audit is hereby authorized to conduct a post audit in accordance with the provisions of

the state post audit act to [FN1]K.S.A. 46-1106 et seq. and amendments thereto.

(g) At the direction of the authority, the fund may be held in the custody of and invested by the state treasurer, provided that the bioscience development and investment fund shall at all times be accounted for in a separate report from all other funds of the authority and the state.

CREDIT(S)

Laws 2004, ch. 112, § 21; Laws 2005, ch. 75, § 2.

[FN1] So in enrolled bill.

LIBRARY REFERENCES

States  127.

Westlaw Topic No. 360k127.

C.J.S. States §§ 386 to 387.

K. S. A. 74-99b34, KS ST 74-99b34

Current through 2010 regular session

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END OF DOCUMENT

Marilyn Arnone

From: Stoecklein, Denny [KSF] [denny@kansasstatefair.com]
Sent: Monday, February 14, 2011 11:38 AM
To: Susan Wagle
Subject: Fair Board position

Good morning, Senator. Following up on our conversation last week about the Board position addressed by SB 78, I visited with Board President Tom Tunnell and we are comfortable with the at-large selection of the Board position that has been filled by KTEC.

Don't hesitate to call or e-mail with any questions.

Take care,

Denny Stoecklein
Kansas State Fair
denny@kansasstatefair.com
620-669-3600

Senate Commerce Committee
Date: February 16, 2011
Attachment 2

February 16, 2011

Thank you for the opportunity to address you on this issue.

Please carefully consider Senate Bill 137, which provides for a revision that rectifies the disqualification of school bus drivers and monitors who are either laid off from work or have a serious reduction of work hours after each academic year is over. Many school districts across the nation as well as right here in Kansas contract out the transportation needs of their students to private, **for-profit** companies that provide services to not only the school district but to private schools, corporations, small businesses, organizations, and private parties and individuals.

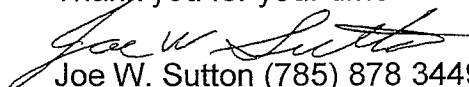
Private contractors that serve this nation pay into Kansas unemployment and bring in billions of dollars in revenues annually through more than just school transportation contracts. Other for-profit services provided are bachelor and bachelorette parties; special events for corporations and organizations, such as veteran reunions/celebrations, church youth group summer camping sessions as well as spring and fall retreats, shuttling services for businesses and conventions, Cub Scouts, Boy Scouts, and Girl Scouts activities, YMCA activities, interstate movement of assets, shuttling services for sports events and theme parks, etc. Therefore, school bus drivers and monitors who work for private contractors that are contracted by school districts happen to provide transportation needs to more than just the school contract. Since private contractors provide transportation services to entities other than the school district that it is contracted to serve, it is a full-fledged transportation business. And as employees of such entity, they are asking to be treated as equals when it cannot provide work for them.

While private contractors tells the unemployment compensation offices that they have given the drivers and monitors "reasonable assurance" of giving them work when school resumes, they truly cannot give them any assurances that each and every one of them will still have their route come the start of school in the fall.

Additionally, school bus drivers and monitors who work in Kansas but live in Missouri can collect unemployment compensation during times that there is no work or reduce hours offered by their employer.

I'm not asking that you change the law as it pertains to school district employees but how it pertains to drivers and monitors that are employed by private contractors.

Thank you for your time and consideration.


Joe W. Sutton (785) 878 3449
4124 Jackson Road
Rantoul, Kansas 66079

*Senate Commerce Committee
Date: February 16, 2011
Attachment 3*

Dear Kansas State Legislators,

Please carefully consider **House Bill 2092 and Senate Bill 137**, which provide for a revision that rectifies the disqualification for school bus drivers who are either laid off from work or have a serious reduction of work hours after each academic year is over. Many school districts across the nation as well as right here in Kansas contract out the transportation needs of their students to private, for-profit corporate entities that provide services to not only the school district but to private schools, other corporations, small businesses, organizations, and private parties and individuals.

Some of these services provided are bar hops, in which adults are taken from bar to bar in various areas both in and outside the state of Kansas. Others include, bachelor and bachelorette parties; special events for corporations and organizations, such as veteran reunions/celebrations; church youth group summer camping sessions as well as spring and fall retreats; shuttling services for businesses and conventions; Cub Scouts, Boy Scouts, and Girl Scouts activities; YMCA activities; interstate movement of assets, shuttling services for sports events and theme parks, etc. Therefore, school bus drivers who work at for-profit corporations that are contracted by school districts happen to provide transportation needs to more than just the school contract.

I work for First Student, an international corporation that serves this nation as well as others and brings in billions of dollars in revenues annually through more than just school transportation contracts. As a school bus driver, I have seen my fellow bus drivers suffer mentally, physically, and emotionally during times we are not offered work and therefore, receive very low paychecks or even no paychecks and struggle to feed, shelter and provide for ourselves and our children.

Furthermore, while our corporation tells the unemployment compensation offices that they have given us "reasonable assurance" of giving us work when school resumes, they do not tell us that or provide us that in writing. Moreover, they truly cannot give us any assurances that each and every one of us will still have their route to drive come the start of school in the fall. Case in point: at the Blue Valley District, we have 20 drivers from Minnesota driving for us since August. They were laid off in Minnesota due to a severe decrease in available routes with the school districts in Minnesota. We desperately need them to drive our buses because our own attrition rate is high and we cannot find local drivers to provide the district's needs. These Minnesota drivers are promised 40 hours pay for 20 hours of work per week. Their hotel and transportation needs are paid for by the company and they each receive a per diem for food expenses.

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Attachment 4*

Each summer, drivers and monitors who cannot find work become desperate. They are forced to try to obtain work that is not just seasonal and due to that, they are unable to get the time off from their summer work to drive routes when the new school year begins or resort to completely turning to social welfare and remain there. This contributes to the high attrition rate at our location.

Furthermore, our corporation offers the management and supervisors access to real benefits, but drivers and monitors are offered a seriously reduced benefit plan that only takes advantage of us. In contrast, school bus drivers and monitors who are school district employees have access to the same benefits as teachers and other district employees. Moreover, contracted drivers and monitors are paid lower wages than our counterparts who work for school districts. And, district-employed school bus drivers have the option to spread their compensation over the entire year like the school teachers.

Since our corporation provides transportation services to entities other than the school district that it is contracted to serve, it is a full-fledged transportation business. And as employees of such a corporate entity, we are asking to be treated as equals when it cannot provide work for us.

Kansas Statute 44-706, Disqualification of Benefits, paragraph (p), places many student transportation employees who do NOT work directly for school districts on the brink of bankruptcy during school breaks, especially between academic years. The law as it is currently written is an unfair and out-dated provision in unemployment benefits for school bus drivers working in Kansas, especially for those who work for transportation contractor business entities that provide charters and other transport services throughout the year.

Additionally, I've been told that school bus drivers in Missouri can collect unemployment compensation during times that there is no work or reduce hours offered by their employer. At the Blue Valley District lot each summer, almost all of us take a cut in hours (as much as half the number of hours) and many of us have no work at all. I work between 30-40 hours per week during the school year and get only 16 hours per week during the summer as a school bus driver. Moreover, we must compete for whatever summertime work is available with college and high school students as well as teachers, who are off from teaching so they can work during the summer for an additional paycheck.

In the past, school bus drivers often labored in fields and helped with planting and harvesting each summer. Today, there are few (if any) agricultural jobs in the Kansas

City metropolitan area available for drivers who would seek to become field laborers. The competition for summertime work is very hard and many of us desperately need to be able to receive unemployment benefits to maintain our households between academic years.

During the past twenty years, as the economic climate began to change and cost of living increased, more parents (especially mothers) with school-aged children found driving a school bus compatible with raising children since preschoolers were allowed to accompany the parent on the school bus in the 'ride-along-programs' developed to attract more school bus drivers. I am one of those parents. My fourth child was only days old when I put him in his car seat on my bus. However, a couple years ago, First Student developed a policy that prohibits parents from bringing their child on the school bus until the child is at least one year old and weighs at least 20 pounds.

School bus drivers typically cannot afford daycare; they do not make enough driving the bus to even cover daycare costs, so they are forced to quit and wait a year. When they return, they must start over at the beginning of the seniority list. (All routes and extra work are bid on and awarded due to seniority, it is a tragedy to lose seniority due to the birth of a child.) If this policy had been in effect when I had my fourth child, I would not have been able to drive for several years. My son did not weigh 20 pounds until he was nearly four years old. In fact, he turned nine years old last April and last fall, he only weighed 42 pounds. So, as you can see, much has changed since large business entities have bought up smaller companies and began servicing the transportation needs of school districts.

Furthermore, the attrition rate at our own bus lot for the Blue Valley District 229 contract is very high, this is a safety concern for me as well. Before I became a school bus driver, I had noticed that in four months there were five different drivers providing my children transportation from elementary school. This concerned me so much that I applied and have been driving since. I have been a constant at my elementary school since 2003. While the high attrition rate is certainly not caused solely by lack of ability for drivers to collect unemployment when no work is available, it is a major contribution to the reasons for the high attrition rate. Are the safety and comfort of our state's school-aged children important enough to help retain experienced drivers who know the needs of the minors in their charge while transporting them?

The impact on the Blue Valley School District's children, especially this year, is that many of them see different people driving them to school every few months. Another example is another bus that drives out of the same elementary school as I do. Since 2003, bus #7 has had six or seven 'permanent drivers' (as well as many substitute

drivers in between new drivers) behind the wheel when it drives through my neighborhood. Of all the buses that drive out of my children's elementary school, I am the only true constant and have been for 8 years. I know each child on my bus by name, who their siblings are, what their dog's name is and I recognize their parents. What does this mean to a child and that child's parents? Security and comfort. Don't Kansans deserve that kind of peace of mind for the children who live in districts that contract out their transportation needs to companies?

I'm humbly asking that you and the other members of the Kansas State Legislature to remove the "private contractor" and "reasonable assurance" clauses in the statute. Please correct this unfair legislation. The new wording benefits not only the families of the drivers and monitors who need to be sheltered and fed, but also helps to maintain quality of care to our state's school children by helping to lower the reasons for the high attrition rate for school bus drivers and monitors who are employed by transportation contractors.

Thank you for your time and consideration of your support to enact **House Bill 2092 or Senate Bill 137**. Please contact me with questions or comments via the following options: 913-239-8222 (home telephone), 913-220-3900 (cell telephone), Lorianne@Koneczny.com (email), or mailing address at 8509 West 144th Place, Overland Park, KS 66223-1362.

Respectfully yours,



Lorianne Fisher Koneczny

Dear Kansas State Legislators,

Thank you for your consideration of House Bill 2092 and Senate Bill 137. My name is Pam Ward. I drove a school bus for the Blue Valley School District from 1981-89 and therefore was employed as a school bus driver when the current law went into effect in 1985. I found a better paying job in 1990 and worked there until 2000. I became a school bus driver again in 2000 and still drive Blue Valley School children to and from school. I witnessed the district contract with RW Harmon, Mayflower, Laidlaw and now First Student.

Back in the 1980's, school districts generally owned and operated their own school buses and/or directly sub-contracted with individuals who happened to own their own bus or small family-owned companies. There were not as many buses needed to transport children to and from school as there are in existence today. As an example, the Blue Valley School District operated only about 19 buses in 1985 and today they have over 130 buses.

Furthermore, the cost of living (rent, utilities, groceries and fuel prices) were much less than they are today. Moreover, help wanted ads in newspapers took up many pages back then compared to the few pages we now see today. As time passed and populations grew, school districts in Kansas and across the country began to hire medium- to large-sized, for-profit companies to provide the school bus transportation needs of their district's children.

As the economic climate began to change and cost of living increased, parents with school-aged children found driving a school bus compatible with raising children since preschoolers were allowed to accompany the parent on the school bus in the ride-along-programs developed to attract more school bus drivers.

Typically, school bus drivers are only paid for the hours they are operating the bus. Therefore, compensation during times school is not in session is very rare. This is especially true for drivers that are employed by for-profit private companies that bid on school district contracts. We are not paid for snow days, teacher work days and even some holidays. The impact becomes most troubling during the summer time.

It is important that you understand that a school bus driver's annual income generally keeps them at or just slightly above the poverty line, which means that they do not qualify for social services such as food stamps, etc. I am saddened by the stories of single-parent school bus drivers and monitors, usually mothers who will work so hard during the school year trying their best to get in as many hours per week as possible, and then who, come summertime, try to apply for the

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Attachment 5*

WIC program or other services and are turned down because they literally made between \$40 and \$280 dollars more annually the previous tax year... disqualifying them from this important financial aid.

So as you can see, it is extremely difficult and many times impossible for some families whose parents are school bus drivers to pay for their basic living expenses during the summer months in particular. These people literally go hungry.

Before First Student purchased Laidlaw and took over the Blue Valley District's student transportation contract, Laidlaw allowed school bus drivers who could not find work to apply and receive unemployment compensation. Even though the law was in place, Laidlaw did not challenge it. They were honest about the 'reasonable assurance' clause and did not dispute that they had laid off most of their employees and reduced the wages of those who were lucky enough to win a bid for a summer route or other summer work. Moreover, Laidlaw frequently allowed the most industrious and motivated drivers to work a couple hours overtime. In contrast, First Student very strictly monitors overtime.

As long as the law remains in effect as currently written, First Student (as well as any privately-owned for-profit company) can and many will deny all their bus drivers and monitors any chance of receiving unemployment benefits, despite the fact that they do NOT promise reasonable assurance in writing or verbally to their employees. And instead, they tell the unemployment offices that they have given reasonable assurance to the employees. It is important for you to understand that the number of routes in more recent times has diminished due to school budget restraints and fewer parents paying directly to the company for bus transportation of their children. To illustrate the point, at the Blue Valley District, we have 20 drivers from Minnesota driving for us since August. They were laid off in Minnesota due to a severe decrease in available routes with the school districts in Minnesota.

Thank you so much for giving Kansas school bus drivers who are employed by private, for-profit companies a moment of your time to testify how this current law is negatively impacting them and their families, especially during the summer months.

Respectfully yours,
Pamela Ann Ward