Transportation Modernization & Innovation Grants to Eliminate Access Barriers
Arizona is known for its breakaway from one-size-fits-all education. Diversity in school models has been a key driver of educational progress and made our state a leader in student-centered education.

However, antiquated student transportation systems have thus far been ignored during this transformative process. To realize the full potential of this dynamic network of public schools, we must think intentionally about how students get to and from school and respond to the changing times. After all, student-centered education requires student-centered transportation to make accessing these options a realistic possibility for more families.

In addition to Arizona’s robust offerings of schooling models, other factors such as parent expectations for safety, inefficient and expensive vehicles, challenging rural terrain, and major shifts in labor supply are accelerating the need for change in school transportation programs.

Whatever the catalyst, one thing is clear: The system built around the 80-passenger yellow school bus as the sole strategy is no longer getting the job done and, in many cases, is making it more difficult and expensive for school leaders to update how students are safely transported to and from school, career and technical education, and a wide variety of extra-curriculars that provide relevance to learning.

Two challenges that repeatedly came up in conversations with school leaders were the bus driver shortage and the desire to rethink expensive but crucial transportation strategies and equipment from the ground up.

Leaders listed suggested solutions such as improved regulatory freedom and proof-of-concept dollars to move their transport strategies into the modern era.

This mindset from a new generation of school leaders makes change viable. They see technology, a more diverse set of vehicles and drivers, community partnerships, parent grants, carpools, and ride share as tools to be leveraged for better access and more affordable rides to and from school.

From these conversations emerged a proposal in Governor Doug Ducey’s 2022 Fiscal Year budget to provide a significant transportation modernization and innovation grant.

With approval from the Arizona Legislature, the public school Transportation Modernization Grants Program
The (TMGP) proposal was adopted with $10 million worth of state funding to explore efficient, safe, cost-effective and student appropriate options for transporting K-12 students with diverse needs in the modern era. Additional dollars were added to the first round of grants from the Governor’s discretionary federal funding. This made $20 million available to launch this first of its kind innovation grant³.

In the fall of 2021, a call went out to public district and charter leaders, local governments, and other transportation stakeholders to use this grant opportunity to update expensive and ineffective programs with the goal of improving transit challenges for students. The ideas rolled in to form innovative community partnerships with public schools looking to revamp their transportation systems to be more responsive to the needs of students, to add transportation technology tools to their toolbox, and to make K-12 transportation financially sustainable.

Ultimately, 71 district and charter systems, nonprofits, and local governments representing all 15 counties requested more than $50 million to move their solution, innovation, and future-changing transit idea forward⁴.

Though local conditions varied based on geography, system size, and system type, applicants for the first round of grant funding shared a set of common challenges and solutions.

From these conditions rose a clear set of recommendations policymakers should start to act on even as the grant continues to teach us lessons about what’s needed in a 21st Century transportation system.

Public schools of all sizes and locations need the state and federal governments to rework school transportation funding and regulations to very clearly do the following:

1. **Flexible**
   - Ensure both funding and regulatory environment are flexible to allow for a variety of transportation solutions and how miles accrue for funding to go beyond the yellow bus

2. **Responsive**
   - Ensure the funding and regulatory environment are responsive to the unique needs of schools of different sizes and locations and students with varying transportation needs

3. **Inclusive**
   - Make dedicated transportation funding available to all public school models providing transportation programming to their students

4. **Collaborative**
   - Allow collaboration

5. **Adaptable**
   - Create regular opportunities to modernize infrastructure as well as state and federal regulatory frameworks to keep up with rapidly changing vehicle and transportation tools
COMMON CHALLENGES

Below are the primary challenges that were common across all district and charter systems, large and small, urban, suburban, and rural. Grantees reported that each of these challenges interfered with the ability to get students to and from campus efficiently, consistently, and safely.¹⁻⁶

1. **Micro Transit Needs**

   School systems are increasingly challenged to come up with solutions for discrete groups of students. Investing in large school buses may be the predominant strategy and, indeed, often necessary. But it is not always the efficient, affordable, or practical solution for small groups of students or individual students not easily served by a yellow fleet or for whom sending a large bus is prohibitively expensive. These include:

   - Students in remote areas that have commute times that often exceed an hour in each direction; that have long drives just to get to a bus stop; or that wait alone in very remote locations
   - Homeless students whose location may vary throughout the school week and year
   - Parents struggling to regularly get their kids to school due to finances or work schedules
   - Students whose class and extra-curricular schedules put them outside of the standard bus routes of both school and city systems or that puts them at bus stops very early in the morning or very late at night

   All of these challenges contribute to reduced student safety, absenteeism, and reduced homework time.

   Indeed, improved attendance and homework completion rates were frequently cited as positive outcomes to rethinking old transportation norms.

2. **Staffing**

   Nearly all applicants were problem-solving for various types of staffing barriers — especially traditional school bus driver shortages — to reliably pick up and drop off every student who needed a ride to get to and from school. Only drivers with a Commercial Driver’s License, or CDL, can drive the large yellow bus. Currently, the demand for drivers outstrips the number of available CDL holders and competition for workers is fierce. In some instances, students were missing school altogether due to shortages of CDL licensed drivers in the community and cancelation of routes. Smaller talent pools in rural communities and drivers not wanting to drive old equipment across large, remote geographies compounds these issues for school systems.

3. **Building Systems from Scratch**

   Without dedicated transportation funding, public charter systems have traditionally not built out the transportation systems common in school districts. However, with nearly 25 percent of the student population attending charter schools and growing, this is becoming a growing area of need. Additionally, legacy district systems want to build up transportation supports for intra and off campus enrichment and learning such as career and technical education, many for the first time. Charter and district systems alike also need one-time investments to build their own fleets when third-party providers become unreliable or too expensive.

4. **State and Federal Requirements**

   Most stated challenges can be addressed by a mix of fleet options and updating the assumption that all transport should only happen with a large traditional yellow school bus. Requirements for drivers and restrictions on the types of vehicles schools can use for driving students are huge stumbling blocks for systems designing solutions to transit challenges.

5. **Safety**

   While many of the solutions to the above challenges also address safety, it is important to separately call out how safety impacts the planning and expenses of our school system. Students waiting at dark or remote stops, a spike in behavioral issues, and a growing demand to use technology to ease parents’ concerns were present in many of these robust proposals.

6. **Cost Savings**

   Embedded in the systemic challenges facing schools are cost pressures for staffing, replacing and right sizing old buses and vans, addressing inefficient fuel and routing practices, and finding cash flow to test out new ideas before redirecting current budget capacity.
Micro Transits are solutions developed for small groups of students, or even individual students, for whom sending a large yellow school is impractical or impossible.
Indeed, right-sizing transportation solutions, and therefore costs and staffing, was the leading solution for the first round of grant awardees.

Whether it is homeless students, foster youth, students with special needs, high school youth trying to get to a centralized Career and Technical education campus, or students traveling long distances to get to their public school of choice, school leaders want to problem solve transportation for small cohorts of students that cannot or should not be served by the standard, and expensive, yellow bus.

Other awardees were simply looking to have transportation solutions more relevant to their small school size. Taken altogether, Arizona’s district and charter leaders stepped up to pilot or launch customized micro transportation solutions.

“In Lieu of Transportation” Grants to Parents

Holbrook Unified School District families can now receive transportation-cost reimbursement for getting their kids to a good school via accessing the closest bus stop or being able to drive their kids all the way to campus.

Grants to parents can be a financial bridge that is less expensive than sending a vehicle. These “In Lieu of Transportation” grants fill gaps in routes where the buses cannot go and to improve attendance where family transportation is inconsistent. This includes helping families in remote communities afford to drive their kids to the school bus stop- sometimes more than an hour’s drive from home – or to save money by funding parents to voluntarily make the trip instead of purchasing and staffing vehicles for just a few kids. Grants can help support direct transit, carpools, public transit if not covered by the public school, or K-12 rideshare options.

Holbrook Unified School District is funding transportation grants directly to parents to support families who are too far out to access a bus route or would drive and carpool their kids if they received financial support to do so.

Rideshare

Some systems are piloting new, K-12 specific rideshare options for individual students with acute or last-minute transportation needs. Companies coming into this space include HopSkipDrive, Zum, and Kango. One district system is piloting rideshare for homeless students rather than trying to absorb the costs of large buses retrieving individual or small groups of students. Another solution that saves money while improving attendance and eliminating access barriers.
Community Partnerships

By sharing costs for staffing and vehicles, they can have an efficient, reliable, transportation partner that can help with residential pick-up to meet the blended needs of getting kids to and from school.

Community partnerships were a common theme for small or rural district and charter schools. Strategic partnerships were beneficial for charter schools building new systems from the ground up, and all public schools supporting equitable out-of-school learning opportunities. Some of these partnerships already existed as separate systems but were merged in these proposals to create a shared, and therefore more affordable and accessible, transportation solution for both partners.

Vista College Prep is transitioning away from privately contracted services that have failed VCP families and are building a new collaborative and reliable option with their community partner – the Boys & Girls Clubs in the Phoenix Metro region. In addition to getting students to and from school, the community partnership also provides transportation to the Club for the many enhanced learning, enrichment, and wrap around services provided there before and after school.

Smaller Vehicles

Arizona Autism Charter Schools transportation program utilizes 10 passenger vehicles instead of the traditional yellow bus tailored to support their high needs students traveling from all parts of the Valley.

While state and federal regulations unnecessarily limit this solution, smaller vehicles including 11-15 passenger buses and vehicles are more affordable and flexible transportation options than a large traditional yellow school bus. Some awardees pursued 10 passenger vehicles that are currently permitted under the law until the mid-size option is permissible.

These vehicles are desperately needed across Arizona to make smaller groups of students affordable to transport, to improve the viability of school transportation systems in small schools, and to address the dire need to find use vehicles that do not require a Commercial Driver’s License, or CDL.

For awardees utilizing small-vehicle micro transit, customized routing became more viable which cuts down transit time to give students more time for learning and reduce driver burn out. Nearly all applicants cited improved attendance as a positive outcome to bringing micro transit to bear for small groups or individual students.
As indicated by its name, mass transit is intended to serve the largest number of residents possible. That means smaller groups of citizens are left out of publicly funded transportation options. This strategy may work for adults in employer corridors but leaves large gaps for youth traveling to and from public schools outside of their neighborhood. This means long commutes to and from school and waiting for buses in the dark alone.

To tackle these realities, one innovative city is piloting micro transit solutions to operate small fleet vehicles from 6 am to 9 am and after school until 9 pm so that students on campus late, out of reach of a local stop, or experiencing other challenges can access the local circulator vehicles rather than roll the dice on making a bus very early in the morning, late at night, or missing a transfer when buses are on tight schedules. The City of Chandler is collaborating with the Chandler Unified School district and public charter schools in the area and intends to sustain and scale the program after the grant cycle.

Lessons learned from this pilot will be used to expand options in the community and serve as a model for other cities.

Technology solutions took many forms in these grants, including leaders looking to integrate leading edge solutions or to develop their own applications for parents and schools. These various tools came in the following form:

- Technology solutions to help schools develop efficient routes that save transit time and fuel.
- Various GPS applications to aid public safety in finding buses during an emergency or to let parents know their kids have arrived to school or the local bus stop.
- Applications for smart phones to support families looking for a school for their children and to establish if the transportation options were available to get their kids to that school.
- A concept to develop an affordable carpooling app so that parents can organize local carpools and families can find rides.
- Electric buses and the necessary infrastructure: These vehicles can save schools on fuel and maintenance costs over the long run but require some additional investment at the front end. Both urban and rural systems need help building the charging infrastructure.

Avondale Elementary School District’s “#hopeonthemove” transportation initiative is leveraging technology and community partnerships to get more students, for whom transportation is a barrier, to enrichment and after school learning opportunities.
Ensure both funding and regulatory environment are flexible to allow for a variety of transportation solutions and how miles accrue for funding to go beyond the yellow bus.

Overly rigid regulations from a long-past era leave schools twisting themselves into pretzels to find the sweet spot that allows them to use funding to right size their fleets to save money while also having the regulatory freedom to actually use these more efficient and easier to staff vehicles. States and the federal government can provide relief if they choose to act. Updated regulations would also send a signal to manufacturers resulting in a better supply and further drive down costs while accelerating innovations in van and small vehicle fleet design.

Although Arizona has legislation under consideration to update its statutes to provide for more flexibility in the types of vehicles it uses to transports students, it cannot maximize this option without updates to federal prohibitions which keep school districts, charter schools, and even private schools from purchasing certain non-school bus vehicles to regularly transport students to and from school. A coalition of states and state leaders is needed to press D.C. to modernize these rules.

Oversight out of the Department of Public Safety should be modernized as well to remove the fuzziness of what school leaders can do to legally and safely bring van fleets to their communities. A good first step would be to update the existing School Bus Advisory Council. This Council should be providing impetus to modernize, be more efficient, and to find safe options for Student Transportation. Their narrow range of focus on old technology is stifling local innovation. Membership too should be updated to reflect the diversity of school types, as well as important business and industry voices leading in K-12 transportation modernization.

Stop allowing hold harmless transportation funding to systems for students that no longer attend the school system or for route miles no longer served - particularly when these dollars are not being used for transportation purposes at all. This funding could instead be a source for modernization or improving access for families that want to provide the transportation themselves.
Ensure the funding and regulatory environment are responsive to the unique needs of schools of different sizes and locations, and students with varying transportation needs.

The micro transit solutions from the grant proposals beautifully illustrate the need and breadth of possible solutions. Grants to parents – from schools and the state; ride share; smaller vehicles; and carpools are all ways to address urban and rural gaps in transportation that keep kids from attending school regularly. The deregulation approach in Recommendation 1 should be filtered to ensure these micro solutions.

Make dedicated transportation funding available to all public school models providing transportation programming to their students.

Authorize options to provide charter schools the same dedicated funding that districts enjoy when charter schools provide transportation to their students. Without this, charter school students and families are not being provided the same opportunity of access.

Allow collaboration.

Common transportation gaps across communities include getting high school students to and from career training, clubs and work as well as after school opportunities for students of all ages. Partnering with other school systems and community partners for shared transportation solutions is cost effective, limits the need for new drivers, and is easier on students.

Create regular opportunities to modernize infrastructure as well as state and federal regulatory frameworks to keep up with rapidly changing vehicle and transportation tools.

Consider grant programs or scheduled infusions of investment for systems with a well-articulated plan to save money or serve more kids efficiently.

Districts and charter schools alike may need occasional one-time funding to modernize their fleet and rethink their approach. This may be right sizing vehicles, using technology to improve routing, or moving to more cost-efficient electric buses and vans. One-time funds to pilot new strategies before permanently re-directing existing budgets toward in-lieu, ride share, smaller vehicles or other strategies that charter schools and districts are trying for the first time allows modernization and innovation without risking operational funds. Having to pilot ideas with committed operational funding leads schools to hanging on to old equipment and strategies past their useful life.
CONCLUSION

Large systems funded with public dollars are often called on to evolve but get stuck in the tangle of government regulations and funding schemes when trying to do so. Laws, rules, guidelines and the plethora of guardrails in systems serving children are necessary to prevent fraud and provide a measure of safety. But when left untouched or considered for so long, these measures become a barrier to the types of changes that can improve safety and public funding. They must be regularly revisited and updated to ensure kids are safe, the public school system can accomplish its purpose, and the public dollar is spent in the most efficient way.

The smart ideas of today’s school leaders and community partners in the recent round of grant funding reflects the efficiencies available to them to do their job for students better. We should honor their work by taking this opportunity to make these options permanently clearly and permanently available.
Interviews with highly effective school leaders over the course of 2021

H.B. 2898, Sec. 111, 2021

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