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FISCAL IMPACT REPORT

ORIGINAL DATE 02/28/13
 SPONSOR Gonzales LAST UPDATED 03/07/13 HB 533/aHAFC
 SHORT TITLE School Transportation Training Fund SB _____
 ANALYST Roberts

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI	NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)
 Public Education Department (PED)

SUMMARY

Synopsis of HAFC Amendment

The House Finance and Appropriations Committee amendments to House Bill 533 is 1) a technical correction in which on page 1, line 22, strike “is” and insert in lieu thereof “in” and 2) on page 1, line 25 strike “appropriated” and insert in lieu thereof “subject to appropriation by the legislature”.

Synopsis of Original Bill

House Bill 533 (HB 533) creates the “School Transportation Training Fund” in the state treasury to be administered by the PED. Money in the fund will be appropriated to the PED and the fund will consist of payment from school districts and charter schools to be used to fund public school transportation workshops, training services to school districts and charter schools, including supplies and professional development for the PED staff. The PED is also required to determine the components of the types of workshops and training allowed. The effective date is July 1, 2013.

FISCAL IMPLICATIONS

The PED cites that the Department currently collects the payments and has an account set up through a school district. Setting up a centralized fund will allow the PED to better manage the fees as well as help the agency better maintain the fund for accounting purposes.

SIGNIFICANT ISSUES

The PED reports:

The PEDs School Transportation Bureau (STB) administers three major programs: the School Bus Driver Instructor Program, Commercial Drivers License Examiner Program, and the School Bus Inspection Program. These programs are required in order to train and examine new bus drivers throughout the state as well as bus inspectors. They are key component in ensuring a safe and qualified driver workforce among districts and charter schools statewide.

All three of these programs require training to school districts and school bus contractors who want to become certified in each of the respective programs. Each of these trainings is a weeklong training and occurs throughout the year in different regions of the state. Currently the PED charges \$200 per person to attend each of these trainings.

These funds are used to cover the cost of trainings including equipment, supplies and travel for STB employees. Funds may also be used to pay for professional development of the PED employees to ensure the Department continues to provide high quality training to drivers and inspectors.

At present, the Department does not have an appropriate fund to deposit fees received and as such contracts with an REC to collect funds, schedule the trainings and pay conference costs. While the REC accounts for funds received, these funds are not under the direct control of the Department and the Department's external auditors have noted that they would like for the Department to receive and deposit fees directly.

PERFORMANCE IMPLICATIONS

The PED notes that the creation of the fund will provide transparency of the revenues collected from school districts and contractors for providing these trainings as well as transparency of expenditures of these funds.

ADMINISTRATIVE IMPLICATIONS

No administrative implications as the PED and school districts currently have a process in place. HB 533 creates the fund for better management and accounting purposes.

MIR/blm:svb