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FISCAL IMPACT REPORT

SPONSOR HTPWC ORIGINAL DATE 2/16/17
 LAST UPDATED 3/16/17 HB 392/HTPWCS

SHORT TITLE Alternative School Transportation SB _____

ANALYST Liu

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY17	FY18		
	NFI	Recurring	Public School Support Transportation Distribution

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See Fiscal Implications			Recurring	School District Budgets

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB47, SB66, SB170
 Duplicates SB381

SOURCES OF INFORMATION

LFC Files
 Legislative Education Study Committee (LESC) Files

SUMMARY

Synopsis of HTPWC Substitute

The House Transportation, Public Works and Capital Improvements Committee substitute for House Bill 392 amends Article 16 of the Public School Code, relating to transportation of students, to allow certain school districts to provide transportation to-and-from school by means of a sport utility vehicle (SUV). Eligible school districts must:

- have one to six students whose residence, within the school district boundaries, is five or more miles from the school;
- use a minimum six-passenger, full-size, extended-length, SUV driven by a school district employee certified as an activity driver;

- insure both the SUV and driver through PSIA; and
- demonstrate a need.

PED will adopt rules to provide for the safety of students transported in an SUV. The bill further amends the Motor Vehicle Code to exclude SUV from the definition of “school bus.”

FISCAL IMPLICATIONS

It is likely small, rural school districts will qualify for a SUV transportation option given large school district boundaries and the specific parameters of the bill. For rural school districts, costs of purchasing an SUV to transport up to six students may exceed maintenance and fuel costs expended from existing school bus transportation for these districts (assuming students use bus transportation) in the first year; however, cost savings from higher fuel efficiencies and lower maintenance costs may be experienced in subsequent years (or in the first year if the district already owns an SUV).

Assuming a qualified school currently buses six students to-and-from school within a 5-mile radius, the estimated fiscal impact of purchasing an SUV and transporting six students could be up to \$21 thousand more than maintaining bus transportation in the first year of implementation. Cost savings in for school districts that already own an SUV could potentially be up to \$15.9 thousand annually if these students are currently utilizing school bus transportation. It is unclear how many schools currently have between one and six students residing outside of a five-mile radius of their school site, so exact estimates of statewide fiscal impacts are indeterminate at this time. LESC notes only eight school districts enroll fewer than 100 students and an additional 10 districts enroll between 100 and 200 students. PSIA notes district vehicles and drivers are already included in PSIA coverage.

SIGNIFICANT ISSUES

According to PED, school buses are required to undergo annual safety inspections and daily pre-operation safety checks. Further, school bus drivers maintain a commercial driver’s license and must undergo annual physical examinations. Finally, one of the main safety features on school buses are its warning lights. The full-size, extended-length, sports utility vehicles contemplated in this bill are visibly identical to all other full-size, extended-length, sports utility vehicles on the road and, if seen on the side of the road, may not have mechanisms to indicate that students are being picked up or dropped off, potentially a safety issue. PED recommends that flashing lights, similar to those on public safety vehicles in the appropriate color, should be considered as a requirement to be installed on these vehicles.

According the National Traffic Safety Board, one of the safest modes of transportation is the use of a school bus. The Federal Motor Vehicle Carrier Administration (FMVSA) requires that school buses be designed, engineered and constructed to ensure the protection of passengers in major traffic collisions. Substantial improvements are made and approved annually by the FMVSA and are aimed at improving crashworthiness. The chassis of a school bus is almost identical to that of a semi-truck.

School buses are designed and can be distinguished from other vehicles, most notably by the use of the color “national school bus yellow” which is not allowed on any other vehicle on the road. School buses often operate in low-visibility conditions, such as early morning, or in poor

weather, as well as in rural areas. The use of school bus yellow paint color gives them a conspicuous advantage over other vehicles. Another tool to improve their visibility of a school bus is the use of reflective tape. Marking the length, width, height, and in some cases, identifying the bus as a school bus, reflective tape makes the vehicle easier to see. The reflective tape is also used to mark all emergency exits, so rescue personnel can quickly find them in darkness.

In addition to their distinctive paint color, school buses are required to be fitted with warning lights, stop arms and multiple safety devices. To increase safety around school bus stops and to decrease confusion over traffic priority, school buses are equipped with eight-way warning lights. The eight-way flashing lights and stop arms provide an added degree of protection for students loading and unloading a school bus. The amber lights are intended to show other vehicle drivers that a school bus is about to drop off or load students. In addition, to keep drivers from passing a stopped school bus in low visibility, the stop arm on the side of the bus is also designed with a set of flashing lights.

Sports utility vehicles do not have any of the safety components that school buses contain and are not as safe to transport students. Due to the mandated construction standards from the FMVSA, school buses are very safe. Furthermore, the State of New Mexico has very rigorous school bus construction standards above the minimum standards of the FMVSA that make school buses in New Mexico even safer.

Provisions of this bill provide options for school districts to use SUVs for transporting students over five miles away from their school site, thus allowing school buses to arrange more efficient routes. Additional provision requiring only one to six students to reside over five miles away from their school site limits its applicability to very rural and small school districts.

ADMINISTRATIVE IMPLICATIONS

PED may need to change regulations and transportation distribution funding formula components to account for use of SUVs used by eligible schools districts. School districts using SUVs would need to alter bus routes and notify affected parents or guardians.

RELATIONSHIP

This bill duplicates SB381. The bill also relates to HB47, which extends the replacement cycle for school buses; SB66, which adjusts school bus routes; and SB170, which allocates transportation funding separately for school districts and charter schools.

OTHER SUBSTANTIVE ISSUES

Section 22-8-29 NMSA 1978 requires each local school board to report the:

- Number and designation of school bus routes in operation;
- Number of miles traveled by each school bus on each school bus route, showing the route mileage in accordance with the type of road surface traveled;
- Number of students transported on the first reporting date, adjusted for special education students;
- Projected number of students to be transported in the next school year;
- Seating capacity, age, and mileage of each bus used; and

- Number of total miles traveled for each school district's per capita feeder routes.

The state transportation director calculates the transportation distribution using factors such as the total operations expenditures from the two years prior, number of students transported, and various site characteristics in the aforementioned list. These factors are multiplied by a transportation distribution adjustment factor, which is based on the change in total operational transportation distribution legislative appropriation for the current year.

Currently, school districts must maintain bus routes for students over a certain distance from school, depending on grade level:

- over 1 mile for kindergarten through sixth graders;
- over 1.5 miles for seventh through ninth graders; and
- over 2 miles for tenth through 12th graders.

A 2004 British study by Black, Collins, and Snell on walking in urban areas found a significant relationship between transportation mode choice and perceived distance from home to school, with the probability of traveling by automobile instead of by foot increasing from 20 percent at a 0.5 mile distance to 50 percent at 1.25 miles and 80 percent at 2 miles. Household automobile ownership and parent employment status were also significant determinants of school transportation mode choice, as were parental attitudes about the natural environment and automobile culture.

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