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## FISCAL IMPACT REPORT

SPONSOR Stewart ORIGINAL DATE 2/02/17  
LAST UPDATED 2/15/17 HB \_\_\_\_\_

SHORT TITLE Increase School Student Walking Distance SB 170/ec

ANALYST Liu

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		Indeterminate				

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to HB47, SB66, SB89  
Relates to Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files  
Legislative Education Study Committee (LESC) Files

Responses Received From  
Public Education Department (PED)

### SUMMARY

#### Synopsis of Bill

Senate Bill 170 amends the school transportation section of the Public School Code, increasing the maximum student walking distances to schools by half a mile to decrease transportation costs for school districts with solvency issues. The bill contains an emergency clause.

### FISCAL IMPLICATIONS

The bill aims to save school district transportation funds by minimizing the number of students districts will have to transport. According to PED, extending the walking distances may save money in some school districts through the consolidation or elimination of bus routes and reduction in the number of students transported. However, PED notes some school districts may not be able to significantly adjust routes, so the only effects may be fewer students but similar routes. For those scenarios, no cost savings will be realized. According to PED, urban school districts are more likely to realize cost savings from the provisions of this bill as most students in rural areas still reside outside of the new walking distances proposed in the bill. Given the significant scale of bus route configurations, population densities in New Mexico, school sites,

and alternative routes, the fiscal impact of this bill is indeterminate at this time.

## **SIGNIFICANT 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.

The bill increases each aforementioned student walking distance by 0.5 miles, which will allow school districts to potentially transport fewer students. Transportation reports to PED on the required reporting dates will contain fewer students, effectively reducing future transportation allocations. This bill could potentially save school districts funding in FY17 and FY18 however, schools may receive lower allocations in the future due to lower ridership in the current years.

PED notes hardships may exist for families that must make alternative transportation arrangements if their children are no longer eligible to ride a school bus.

LESC notes school districts must provide student transportation no matter the student's distance from school if the local school board determines that hazardous walking conditions exist in the student's geographic area. Additionally, three- and four-year-olds categorized as developmentally disabled may be transported no matter their distance from school.

## **ADMINISTRATIVE IMPLICATIONS**

LESC notes the bill would require school districts to alter bus routes in the middle of the school year due to the emergency clause. School district administrators set bus routes at the beginning of the year. Making required changes to bus routes and notifying affected students and parents could prove challenging for district administrators, especially in large school districts with many bus routes.

## **RELATIONSHIP**

This bill relates to HB47, which extends the school bus replacement cycle; SB66, which creates separate transportation distributions for school districts and charter schools; and SB89, which caps a school district to 40 thousand students.

## **OTHER SUBSTANTIVE ISSUES**

A 2015 report from the Southeastern Transportation Research, Innovation, Development, and Education Center (STRIDE) studied the costs of school transportation between North Carolina and Florida, which had different minimum busing distance eligibilities. The STRIDE study acknowledged that minimum busing distance eligibility, which was a 2 mile minimum for Florida and 1.5 mile minimum for North Carolina, could have an effect on school travel trends and transportation costs. Longer minimum busing distances redistributed the responsibility of school travel to families, as observed in Florida's higher private passenger vehicle and active school travel rates (compared to North Carolina). State-level averages of the study schools suggested the two states had differences, notably the difference in school bus ridership (60.3 percent bus ridership in North Carolina and 28 percent bus ridership in Florida). Comparing both the least dense and moderate density schools in the two state samples showed higher bus rates in North Carolina and higher passenger vehicle and active school travel rates in Florida. Due to higher bus ridership rates, the North Carolina schools averaged lower public costs annually.

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.

## **ALTERNATIVES**

PED recommends extending the walking distance beginning in FY18 so parents and school districts will have sufficient time to plan for the required changes in the bill.

SL/sb