

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 668 (Montgomery County Delegation)
Ways and Means

Montgomery County - Maryland School for the Deaf - Bus Service
MC 612-96

This bill requires the Montgomery County Board of Education to provide daily bus service for county students attending the Maryland School for the Deaf. The bus service is not required if the trip to or from the school is longer than 90 minutes or over a distance of 65 miles, whichever takes a shorter period of time.

Fiscal Summary

State Effect: None.

Local Effect: Montgomery County expenditures could increase by up to \$346,600 annually beginning in FY 1997. Revenues would not be affected. **This bill imposes a mandate on a unit of local government.**

Fiscal Analysis

Background: The Maryland School for the Deaf has two branch campuses (Frederick and Columbia) that serve forty-two students from Montgomery County. The Frederick campus, approximately 30 miles from Rockville, serves 36 students, most of whom are in residential placements. The Columbia campus, approximately 20 miles from Rockville, serves six students, most of whom are in day placements. Most of these students should meet the time and distance requirements set forth in the legislation.

While the seating capacity on one school bus could handle all 42 students, having only one school bus traveling across the entire county would not be feasible due to time and distance constraints. With a land area of 495 sq. miles, Montgomery County is the fifth largest county in the State. In addition, many of the county's highways tend to be congested in the morning

and late afternoon hours due to commuter traffic.

The county has at least two options for providing bus services to these students: (1) create several new bus routes using minibuses to pickup and discharge students; or (2) utilize existing school bus routes and have buses drop students off at a centralized location and having two buses transport the students to the two campuses.

Local Expenditures: Option 1 (new bus routes) would require at least eight additional school buses and operators and require each bus to travel approximately 140 miles daily, resulting in an expenditure increase of \$346,600 annually. One cent of Montgomery County's property tax rate yields \$2.9 million in fiscal 1997. Accordingly, this \$346,600 expenditure increase is equivalent to \$0.001 on the county's property tax rate.

Option 1 - New Bus Routes

Labor Cost:	\$145,200
Mileage Cost:	120,200
Capital Cost:	<u>*81,200</u>
Total Cost:	\$346,600

*\$81,200 in capital costs occurs annually for the next four years and reflects the purchase of eight school buses at \$40,600 per bus.

Option 2 (centralized bus stops) would require two additional school buses and operators and require each bus to travel approximately 50 miles daily, resulting in an expenditure increase of \$41,900 annually. Option 2 reduces the county's mileage expenses and ensures that all students qualify for daily bus service. However, due to differences in school openings throughout the county, there could be some difficulty in getting the school buses to the centralized bus stops for the daily commute to the two campuses. The expenditure breakdown is provided below:

Option 2 - Centralized Bus Stops

Labor Cost:	\$10,900
Mileage Cost:	10,700
Capital Cost:	<u>*20,300</u>
Total Cost:	\$41,900

*\$20,300 in capital costs occurs annually for the next four years and reflects the purchase of two school buses at \$40,600 per bus.

Additional Comments: Montgomery County Public Schools budgeted \$39.5 million in fiscal 1996 for student transportation services. The \$346,000 expenditure increase pursuant to this bill reflects less than a 1% increase (0.9%) in the school system's transportation budget.

Information Source(s): Montgomery County, Maryland School for the Deaf, Department of Fiscal Services

Fiscal Note History: First Reader - February 9, 1996

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Analysis by: Hiram L. Burch Jr.

Reviewed by: John Rixey

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710