

**Department of Legislative Services**  
Maryland General Assembly  
2003 Session

**FISCAL AND POLICY NOTE**

Senate Bill 202 (Senator Stoltzfus)  
Education, Health, and Environmental Affairs

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**Education - School Buses - Years of Operation**

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This bill extends the length of time, from 12 to 15 years, that a conventional school bus may remain in operation without obtaining approval from the State Superintendent of Schools.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Local boards of education could realize a reduction in student transportation expenditures by deferring the purchase of new school buses for three additional years. However, the savings would be partially offset by an increase in vehicle operating expenses from higher maintenance and fuel costs.

**Small Business Effect:** Meaningful.

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**Analysis**

**Current Law:** Unless it fails to meet safety standards, a school bus may be operated for up to 12 years. A school bus may be operated for more than 12 years if: (1) the State Superintendent of Schools grants approval; (2) the bus is maintained under a preventative maintenance plan that is approved by the Motor Vehicle Administration (MVA) and the Department of State Police and includes semiannual inspections; (3) any structural repairs to the bus meet or exceed the manufacturer's original manufacturing standards, as certified by an independent expert approved by the MVA; and (4) the bus is properly equipped with specified safety features.

**Background:** During the 1999-2000 school year, approximately 6,600 school buses were used to transport students. Local school systems operated 54% of the school buses and private contractors operated 46%. Sixteen local school systems used a combination of publicly-owned and contract buses, six used only contract buses, and two used only publicly-owned buses. School systems that primarily use publicly-owned buses to transport students are Baltimore, Frederick, Montgomery, Prince George's, and Talbot counties. School systems that do not use publicly-owned buses are Calvert, Howard, Kent, Somerset, Wicomico, and Worcester counties. Local school systems spent \$331.5 million on student transportation in fiscal 2000, or \$541 per student transported.

**Local Fiscal Effect:** In general, the Maryland State Department of Education does not allow school buses that are more than 14 years old to be used to transport students. During the 2002-2003 school year, the State Superintendent granted 268 school bus waivers. This represents less than 5% of the total number of school buses used to transport public school students in Maryland. Most of the waivers allowed a school bus to be operated for one additional year. Only four school buses in operation are over 14 years old. **Exhibit 1** shows the number of school bus waivers granted over the last three years. Pursuant to this legislation, local school systems can operate school buses for 15 years unless they do not meet applicable safety standards, without obtaining approval from the State Superintendent and conducting certain safety and maintenance inspections.

Local boards of education could realize a reduction in student transportation expenditures by deferring the purchase of new school buses for three additional years. A school bus costs in the range of \$68,000 to \$75,000, depending upon the specifications. For school systems that contract for student transportation services, contract prices could decrease if costs for school bus providers decrease. Any reduction in expenditures for local school systems, however, would be at least partially offset by increases in maintenance and fuel costs.

**Small Business Effect:** Private contractors operate over 3,000 school vehicles used to transport public school students in the State. Pursuant to this legislation, private contractors can operate a school bus for three additional years without obtaining approval from the State Superintendent of Schools, participating in a preventive maintenance plan, or meeting certain safety and certification requirements. This will enable private contractors to delay the purchase of new school buses while continuing to operate older school buses. The cost to purchase a new school bus can range from \$68,000 to \$75,000, depending upon the specifications.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland State Department of Education, Department of State Police, Montgomery County Public Schools, Department of Legislative Services

**Fiscal Note History:** First Reader - February 12, 2003  
mdf/jr

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**Exhibit 1**  
**Student Transportation - Number of School Bus Waivers**

School System	2001			2002			2003			
	13 <sup>th</sup> year	14 <sup>th</sup> year	15 <sup>th</sup> year	13 <sup>th</sup> year	14 <sup>th</sup> year	15 <sup>th</sup> year	13 <sup>th</sup> year	14 <sup>th</sup> year	15 <sup>th</sup> year	16 <sup>th</sup> year
Allegany	0	0	0	0	0	0	0	0	0	0
Anne Arundel	0	0	0	0	0	0	0	0	0	0
Baltimore City	54	41	0	99	62	0	0	0	0	0
Baltimore	0	0	0	29	0	0	35	0	0	0
Calvert	3	0	0	7	2	0	8	4	1	0
Caroline	0	0	0	0	0	0	0	0	0	0
Carroll	0	0	0	0	0	0	0	0	0	0
Cecil	0	0	0	5	1	0	3	2	0	0
Charles	3	0	0	1	0	0	3	0	0	0
Dorchester	4	0	0	4	3	0	2	3	1	0
Frederick	18	18	0	16	18	1	19	16	0	0
Garrett	0	0	0	0	0	0	0	0	0	0
Harford	0	0	0	0	0	0	0	0	0	0
Howard	0	0	0	0	0	0	0	0	0	0
Kent	2	0	0	2	1	0	2	0	0	0
Montgomery	0	118	8	9	0	34	47	5	0	0
Prince George's	71	14	0	13	56	0	94	0	0	0
Queen Anne's	0	0	0	0	0	0	0	0	0	0
St. Mary's	2	0	0	9	1	0	10	8	1	0
Somerset	1	0	0	3	0	1	1	2	0	1
Talbot	0	0	0	0	0	0	0	0	0	0
Washington	0	0	0	0	0	0	0	0	0	0
Wicomico	0	0	0	0	0	0	0	0	0	0
Worcester	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	158	191	8	197	144	36	224	40	3	1
<b>Total Buses Annually</b>	2001 - 357 Buses			2002 - 377 Buses			2003 - 268 Buses			