

Department of Legislative Services
Maryland General Assembly
2003 Session

FISCAL AND POLICY NOTE
Revised

House Bill 358

(Delegates Bozman and Conway)

Ways and Means

Education, Health, and Environmental Affairs

**Somerset, Wicomico, and Worcester Counties - School Buses - Length of
Operation**

This bill extends the length of time from 12 to 15 years, that a conventional school bus may remain in operation in Somerset, Wicomico, and Worcester counties.

The bill takes effect July 1, 2003 and terminates on June 30, 2006.

Fiscal Summary

State Effect: None.

Local Effect: Local boards of education in Somerset, Wicomico, and Worcester counties could realize a reduction in student transportation expenditures by enabling private contractors to defer purchasing 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.

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. For the counties affected by the legislation, Somerset County had four school bus waivers in 2003, while Wicomico and Worcester had no waivers. **Exhibit 1** shows the number of school bus waivers granted over the last three years. Pursuant to this legislation, local school systems in Somerset, Wicomico, and Worcester counties 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.

Private contractors 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 \$52,500 to \$75,000, depending upon the specifications. These savings would be passed along to the local school systems through lower contract prices.

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 working for Somerset, Wicomico, and Worcester counties 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 \$52,500 to \$75,000, depending upon the specifications.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - February 11, 2003
mld/jr Revised - Enrolled Bill - April 22, 2003

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Exhibit 1
Student Transportation - Number of School Bus Waivers

School System	2001			2002			2003			
	13th	14th	15th	13th	14th	15th	13th	14th	15th	16th
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
Total	158	191	8	197	144	36	224	40	3	1
Total Buses Annually	2001 - 357 Buses			2002 - 377 Buses			2003 - 268 Buses			

Source: Maryland State Department of Education