

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

House Bill 727
Ways and Means

(Delegate Eckardt, *et al.*)

Education, Health, and Environmental Affairs

Caroline County - School Buses - Length of Operation

This bill exempts Caroline County from the requirement that conventional school buses more than 12 years old meet specific standards and be approved for use by the State Superintendent of Schools. The bill allows conventional school buses in Caroline County to operate for 15 years before these requirements apply.

Fiscal Summary

State Effect: Any reduction in the number of school buses the Maryland State Department of Education must approve for use each year will not materially affect State finances.

Local Effect: Caroline County will realize a reduction in local board of education expenditures of approximately \$44,000 annually beginning in FY 2010 due to a reduction in student transportation costs. Revenues are not affected.

Small Business Effect: Minimal.

Analysis

Current Law: Unless it fails to meet applicable safety standards, a conventional school bus may be operated for up to 12 years, except in Dorchester, Somerset, Wicomico, and Worcester counties where it may be operated for up to 15 years. The additional three-year exemption period for Dorchester County is subject to termination on June 30, 2011.

Conventional school buses may be operated beyond the 12- and 15-year limits if (1) the State Superintendent of Schools grants approval; (2) the bus is maintained under a preventive maintenance plan that is approved by the Motor Vehicle Administration (MVA) and the Department of State Police and includes semi-annual 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 MVA; and (4) the bus is properly equipped with specified safety features.

Background: Caroline County's public school system owns 14 school buses, but contracts for 43 of its 57 buses. In fiscal 2007, the county spent \$3.5 million on student transportation, or an estimated \$732 per rider. Statewide, counties spent an average of \$867 per rider in fiscal 2007, or \$135 more per rider.

The Maryland State Department of Education (MSDE) grants waivers to the 12-year limitation on the duration of school bus operation. **Exhibit 1** shows the number of buses for which MSDE approved waivers in school years 2007, 2008, and 2009, by county. MSDE also advises that older school buses do not have the most up-to-date safety features and do not meet new diesel emissions standards.

Local Fiscal Effect: Caroline County advises it will save approximately \$44,000 in equipment costs annually. This estimate is based on foregoing on average the replacement of four contractor owned school buses, and one board owned school bus per year. These savings will result in reduced student transportation costs in Caroline County. Such savings have been observed in Somerset, Wicomico, and Worcester counties since they received statutory exemptions from the 12-year rule in 2003. In those counties, per pupil transportation expenditures have grown at a significantly slower pace than statewide per pupil transportation costs. Savings will be partially offset by higher maintenance costs associated with older buses.

Small Business Effect: Minimal. Private student transportation contractors working for Caroline County can continue to 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. However, any reduction in costs for the contractors will be at least partially offset by a decrease in the contracts paid by the Caroline County public school system.

Additional Information

Prior Introductions: None.

Cross File:SB 965 (Senators Colburn and Pipkin) - Education, Health, and Environmental Affairs.

Information Source(s): Caroline County, Maryland State Department of Education, Maryland Department of Transportation, Department of Legislative Services

Fiscal Note History: First Reader - March 1, 2009
ncs/mwc

Analysis by: Scott P. Gates

Direct Inquiries to:
(410) 946-5510
(301) 970-5510

Exhibit 1
Student Transportation – Number of School Bus Waivers by School Year

County	2007			2008			2009		
	13th	14th	15th	13th	14th	15th	13th	14th	15th
Allegany	0	0	0	0	0	0	0	0	0
Anne Arundel	0	0	0	0	0	0	0	0	0
Baltimore City	0	0	0	0	0	0	0	0	0
Baltimore	0	0	0	40	0	0	0	0	0
Calvert	18	9	0	18	11	0	11	15	0
Caroline	0	0	0	1	0	0	3	1	0
Carroll	0	0	0	0	0	0	0	0	0
Cecil	10	1	1	4	5	0	5	1	3
Charles	0	1	0	0	0	0	0	0	0
Dorchester	3	1	0	4	2	0	0	0	0
Frederick	20	11	5	39	10	2	29	31	4
Garrett	0	0	0	0	0	0	0	0	0
Harford	0	0	0	0	0	0	0	0	0
Howard	0	0	0	0	0	0	0	0	0
Kent	2	0	0	0	0	0	0	0	0
Montgomery	77	13	0	24	77	9	0	0	0
Prince George's	0	0	0	0	0	0	0	0	0
Queen Anne's	0	0	0	0	0	0	0	0	0
St. Mary's	16	8	12	22	10	8	20	14	18
Somerset	0	0	0	0	0	0	0	0	0
Talbot	0	0	0	4	0	0	0	0	0
Washington	0	0	0	0	0	0	0	0	0
Wicomico	0	0	0	0	0	0	0	0	0
Worcester	0	0	0	0	0	0	0	0	0
Total	146	44	18	156	115	19	68	62	25
Total Annually		208			290			155	

Source: Maryland State Department of Education

