

Date: February 19, 2025
To: The Honorable Brian Feldman, Chair
From: Charles County School Bus Contractors Association (CCSBCA)
Cc: Members, Senate Education, Environment and Energy Committee
Re: Favorable SB727- Charles County – Student Bus Transportation Providers – Provider Displacement

Background and Purpose:

The Charles County School Bus Contractors Association (CCSBCA) comprises 24 small businesses, predominantly women and minority-owned, which own and operate 280 buses serving over 28,000 students and their families. This association has been in operation for over a century. Many businesses have ownership that spans 2 to 3 family generations – these are generational small businesses that take pride in transporting school age students so that the school system can focus on learning and student achievement and equity.

SB727 specifically addresses "notice of displacement" to our Charles County Bus Contractors and to the public that depends on us every day to pick up and deliver their children on time and safely. This bill will ensure "fair notification— of at least 10 years—before termination or contract changes that result in the displacement of a Contractor". The bill includes provisions for non-performance.

All bus contractors purchase and mortgage their buses, with reimbursement over several years by the school system. This bill allows time to plan for the future and maintain security for employees, including more than 380 local bus drivers, attendants and support personnel. The requested 10-year notice aligns with neighboring counties that operate by way of school bus contractors.

A similar bill was passed into legislation in 2017 (<u>HB1300/CH0419</u>) requiring notice to be given to trash collectors in Charles County. This is a similar situation of large personal financial investments and the lack of partnership and goodwill.

In 2023 legislation was drafted and passed, SB491, that required the Charles County Public Schools (CPS) and bus contractors to conduct a study of best practices, wages, and 8-hours of employment for bus drivers. Recommendations were issued, some implemented and others not. Lack of collaboration, communication and joint planning with CCPS persist despite many attempts to partner on operations using good will.

SB 727 Displacement bill simply requires fair and sufficient notice to the Contractors and to the public. Such notice to small local businesses that have diligently served Charles County for decades is a matter of fairness and equity.

Justification of SB727:

This bill aims to protect our financial investments made on behalf of and solely for the purpose of serving the CCPS system.

Our substantial investments in buses, parts, insurance, workforce, additional insurance, fuel, and other necessities necessitate that we carry significant amounts of debt against our homes and personal assets. If we lose our contract, we would be personally liable for all of this debt, and our workforce would be adversely impacted. We regard them as an integral part of our organization.

Over the past four years, CCPS significantly increased its school bus fleet from 22 to 78, using operating and end-of-year funds. This has raised major concerns. Surprisingly, many of these new buses are underutilized and parked at Stethem Park in Promfret, MD, instead of the school lot.

CCPS and the Board of Education have intimidated the bus contractors at BOE meetings, without a shared plan, their desire to bring some or all the student transportation fleet to be operated and owned by CCPS. As mentioned above, they continue to purchase brand new buses for some reason. We have repeatedly requested advance notice of their plans since we carry millions of dollars in mortgaged debt on all our buses and support equipment. No insight, no plan, no response.

The proposed legislation is crucial for ensuring stability and long-term planning not only for the School Bus Contractors but also for the County's school system, providing mutual benefits and a stronger foundation for collaboration.

Charles County School Bus Contractors remain committed to working together, and we believe this legislation would enhance that partnership by bringing fairness, transparency, and security to all parties involved. We urge your support for SB727.M