Testimony SB727.pdfUploaded by: All Members Position: FAV



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 (HB1300/CH0419) 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

SB 727 Written Testimony and Letters of Support.pd Uploaded by: Arthur Ellis

Position: FAV

SENATOR ARTHUR ELLIS SENATE CHAIR

SENATOR MICHAEL A. JACKSON



DELEGATE EDITH J. PATTERSON, ED.D. HOUSE CHAIR

DELEGATE DEBRA DAVIS

DELEGATE ELIZABETH "SUSIE" PROCTOR

DELEGATE C.T. WILSON

THE MARYLAND GENERAL ASSEMBLY Annapolis, Maryland 21401 CHARLES COUNTY DELEGATION

Senate Bill 727: Charles County – Student Bus Transportation Providers – Provider Displacement

February 25, 2025

Dear Chair Feldman, Vice Chair Kagan, and esteemed members of the Education, Energy, and the Environment Committee:

This letter is to advise the Judicial Proceedings Committee that Senate Bill 727 was voted on by the Charles County Senators and received a unanimous favorable vote.

Sincerely,

Senator Arthur Ellis

Senate Chair, Charles County Senator

Senator Michael A. Jackson Charles County Senator



Chairman Feldman, Vice Chair Kagan, and members of the committee. My name is Jennifer Jones, owner of D and J Buses servicing Charles County School kids.

This committee may ask...why can't this be addressed in your contract with CCPS rather than through legislation?

While it may seem that contractual agreements should be sufficient to address concerns about displacement and advance notice, there are several key reasons why legislation is necessary to ensure fairness, transparency, and stability for school bus contractors, employees, and families.

Contracts Are Controlled by CCPS

- Currently, CCPS dictates the terms of our contracts, and bus contractors have little to no leverage in negotiating protections such as displacement notice.
- Unlike other counties where transportation contracts may include long-term security measures, CCPS has declined to include such provisions, leaving contractors vulnerable to sudden termination.
- Without legislation, CCPS can continue to expand its in-house fleet without warning, despite our repeated requests for clarity and collaboration.

2. Lack of Transparency & Stakeholder Input

- CCPS has been expanding its fleet, growing from 8 to 78 buses in four years, without engaging contractors in discussions about their long-term plans.
- If this continues without notice, contractors, employees, and families will be left scrambling to adjust to a major transition with no input.
- SB727 ensures that CCPS must provide public notice and hold a hearing, allowing impacted stakeholders, including parents, employees, and local business partners—to be part of the conversation.
- 3. Financial Investments Require Long-Term Security

- Bus contractors take on significant personal financial risks—securing six-figure loans for buses and equipment with repayment plans stretching over six or more years.
- Neighboring counties already provide long-term security and notice requirements, and this bill seeks to align Charles County with those best practices.
- 4. Precedent Exists for Similar Protections
 - In 2017, Maryland passed HB1300/CH0419, which required advance notice for trash collection contractors in Charles County—who also invest heavily in equipment for county services.
 - SB727 follows the same logic as the legislation that provided advance notice for trash collectors in Charles County in 2017, we transport children should their safety and stability be protected as well.
- 5. Ensuring Stability for Employees & Families
 - My drivers as well as all drivers, attendants, and support personnel depend on their jobs to provide for their families.
 - Without fair notice, they could be abruptly unemployed, causing unnecessary hardship in our community.
 - SB727 ensures predictability for the workforce, helping maintain stability for families who rely on their livelihoods in school transportation.

Conclusion

- This is not about restricting CCPS's ability to make operational decisions—but about ensuring fair notice, transparency, and collaboration.
- Because CCPS has consistently refused to include displacement notice in contracts, legislation is necessary to provide a baseline level of fairness for contractors, employees, and the students we serve.
- SB727 is a reasonable solution that aligns Charles County with the best practices, protects small businesses, and ensures a stable and reliable student transportation system.

For these reasons, I urge a favorable report on SB727. Thank you, and I welcome any further questions.



Good afternoon, my name is Mark Koch, and I serve as the chair of the Charles County School Bus Contractors. I am here today on behalf of 24 small businesses, the majority of which are women- and minority-owned, in strong support of SB727.

Our organization operates 280 buses, safely transporting over 28,000 students every day. Many of our businesses span two to three generations, with deep pride in supporting the school system by ensuring safe, reliable transportation—allowing educators to focus on student learning, achievement, and equity.

SB727 is a simple request for fairness. It ensures adequate notice before the termination or displacement of a school bus contractor for reasons other than non-performance. This bill is necessary because:

- Bus contractors make significant financial investment, purchasing and mortgaging Charles County Specifically spec'd buses with the expectation of reimbursement over several years. Without adequate notice, these investments are at serious risk, threatening our businesses and the livelihoods of more than 380 local bus drivers, attendants, and support staff.
- Furthermore, similar legislation (HB1300/CH0419) was passed in 2017 to protect trash collectors in Charles County under comparable circumstances—this bill seeks the same level of fairness for school bus contractors.
- Despite repeated requests for advanced notice of their plans, CCPS has provided no insight, no shared plan, and no formal response—even as they expand their in-house bus fleet. Over the past four years, CCPS has increased their bus fleet from 8 to 78 buses, with more on order. This lack of communication leaves us uncertain about our future.

Our businesses are personally liable for millions of dollars in bus loans, insurance, workforce, parts, and other expenses—often personally guaranteed by our homes and personal assets. If CCPS moves student transportation entirely in-house without fair notice, it would cause irreparable financial harm and disrupt the lives of hundreds of employees and their families who depend on these jobs.

SB727 does not limit CCPS's authority to make operational decisions. It simply provides adequate notice, which:

- 1. Allow contractors to plan for the future and protect jobs.
- 2. Strengthens the partnership between CCPS and the contractors who serve the community.
- 3. Ensures the continued safe and efficient transportation of students without sudden disruptions.

We remain committed to working with CCPS and the County to serve our students and believe this legislation is a reasonable step toward ensuring fairness, transparency, and security for all parties involved.

In Closing we respectfully request a favorable report on SB727 to protect our businesses, our employees, and the families we serve. Thank you for your time & consideration



February 14, 2025

The Honorable Brian J. Feldman and Members Education, Energy, and the Environment Committee Senate Office Building Annapolis, MD 21401

Re: FAVORABLE - SB 727 - Charles County - Student Bus Transportation Providers - Provider Displacement

Dear Chair Feldman, Vice Chair Kagan, and Members of the Committee:

The Maryland School Bus Contractors Association (MSBCA) supports Senate Bill 727. MSBCA has supported our fellow school bus contractors in the past with various legislation including in 2023 with SB 491 Taskforce Legislation resulting in best practices from other county contractor bus systems and recommendations for a multi-year contract, increased wages, and an 8-hour workday for Charles County bus drivers and attendants, a workforce of more than 400 local workers. But there is still work to be done.

This bill specifically addresses notice of "displacement" for the 24 small student transportation businesses, mostly women and minority owned, that have provided student transportation to Charles County Public Schools (CCPS) for more than 100 years and ensuring "fair notification—at least 10 years—before termination or contract changes that result in the displacement of a Contractor". This gives all Bus Contractors, who personally buy and mortgage their buses, time to plan and maintain security for their more than 400 employees. This ten-year notice requested appears consistent with neighboring counties that provide School Bus Contracts for up to 10 to 12 years, such as Calvert County.

This is not about contracts or mandating the duration of contracts but about creating a secure operating environment for Contractors, their employees, their families and the school system.

The proposed legislation aims to establish a fair and balanced partnership between the school system and 24 local bus contractors, benefiting both sides. The Contractors have observed the significant increase in the number of school bus purchases by the CCPS school system and this observation alone has raised concern among the Contractors and their employees, that is the impetus and reasoning for this legislation. The 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 the County is a matter of fairness and equity.

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. We know that the 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.

Thank you for your time and consideration.

Sincerely,

Steve Nelson

Steve Nelson President

Maryland School Bus Contractors Association 15 School Circle Annapolis, MD 21401 202-386-3859

Subject: Support for SB727– Charles County Student Bus Transportation Providers – Provider Displacement

Dear Chairman Feldman, Vice Chairwoman Kagan, and Members of the Education, Energy and Environment Committee.

My name is Pascale Small, and I am a parent of three Charles County Public Schools scholars. I am writing to express my strong support for SB727, a crucial bill that ensures the stability and continuity of student transportation services in our county. Reliable and consistent transportation is a cornerstone of student success, and this legislation provides necessary protections for the individuals and companies that have been serving our children for years.

As a parent, I have seen firsthand the invaluable role that our bus drivers and transportation providers play in the daily lives of our children. These individuals do more than just transport our children to and from school—they provide a sense of safety, familiarity, and community. Many of these providers have built relationships with students and families over the years, offering consistency that is critical to our children's well-being. All of these businesses are led by local families and community members who pour into our local economy and county.

SB727 will require the Charles County Board of Education to provide at least 10 years' notice and hold a public hearing before taking any action that results in the displacement of a long-standing student transportation provider. Additionally, the bill mandates written notice by registered mail at least 5 years before any displacement occurs. This level of transparency and advanced notice is essential for ensuring that transportation providers can adequately prepare for any transitions and that parents and students are not left scrambling due to sudden changes.

Without these protections, we risk disrupting not only the employment of dedicated transportation providers and the community members who drive our children but also the stability of our children's way of getting to school and the ability of our parents to continue going to work. The disruption of transportation affects us all.

By passing SB727, the Maryland General Assembly will help safeguard the quality and reliability of student transportation in Charles County. I urge you to support this bill to ensure that our students continue to receive the safe, consistent, and trusted transportation services they deserve.

Thank you for your time and consideration.

Sincerely,

Pascale Small pascaledsmall@gmail.com



- Good Chairman Feldman, Vice Chair Kagan, and members of the committee. My name is Paula Stone, and I am a second-generation school bus contractor in Charles County, continuing the legacy my late father James Stone built over 30 years ago.
- I am here today in strong support of SB727, which simply requests adequate notice of displacement for 24 small businesses and the employees we support if—or more accurately, when—Charles County Public Schools (CCPS) decide to bring student transportation services in-house.
- There is no dispute that CCPS has the right to transition transportation services. SB727 does not challenge that authority. However, what this bill does seek is a reasonable courtesy—adequate notice—because the impact of an abrupt transition would be devastating to small business owners like me, our employees, and their families.
- Let me be clear:
- This bill is not about union or non-union contractors—we all face the same uncertainty. Without adequate notice, all contractors and all staff will all be impacted the same.
- This bill does not dictate the length of our CCPS contract.
- This bill does not change current contract performance standards—CCPS already has mechanisms to address underperformance or breaches.
- But this bill is about fairness and stability.
- If CCPS were to move student transportation in-house today or next year, we would still be personally liable for six-year or longer bus loans that we took out in good faith to meet our contractual obligations. Without adequate notice, our ability to plan for the future is severely impacted.
- This bill is not just about us as contractors—it's about the employees who rely on us for their livelihoods and the students and families we serve every day. With proper notice, we can make informed decisions, protect jobs, and ensure a smooth transition for everyone involved.
- Other neighboring counties have demonstrated collaborative partnerships with their school bus contractors, allowing them to plan ahead and continue providing safe, efficient transportation for students. SB727 will ensure that same stability here in Charles County.
- For these reasons, I respectfully urge a favorable report on SB727.
- Thank you for your time and consideration. I'm happy to answer any questions.

Jennifer Jordan Testimony SB727.pdfUploaded by: Ashley Koch Position: FAV



March 3, 2025

Chairwoman Atterbeary, Vice Chairwoman Wilkins, and members of the committee. My name is Jennifer Jordan, owner of D and J Buses for 43 years with 15 full time employees, 4 subs and 1 mechanic located in Bryan's Rd in Charles County servicing Charles County School Public Schools and families.

You may ask...why can't this be addressed in your contract with the school system rather than through legislation? Great question, and more insight into SB727 and why the Charles County Commissioners and the Delegation are supporting it.

While it may seem that contractual agreements should be sufficient to address concerns about "displacement and advance notice", there are several key reasons why in this case legislation is necessary to ensure fairness, transparency, and stability for school bus contractors, our employees, and the families we serve.

• Contracts Are Controlled by CCPS

- While Contractors bear the costs (some are reimbursable) including purchasing buses, employing the workforce, operations and servicing the buses in other words taking all the risks- Charles County Public Schools, CCPS, dictates the terms and length of our contracts with little input. Bus contractors have little to no leverage in negotiating financial investment protections such as a displacement notice.
- Most neighboring counties school systems offer their contractors a 6-12 year contract.; this period of time covers the financing period of the buses. CCPS currently has a 3-year contract in place at great risk to small businesses.
- Buses purchased by Contractors are Charles County Specific and cannot be used in neighboring jurisdictions or other states. If displaced, these buses would not have the opportunity to benefit the business owner outside of Charles County.
- Many owners have commercial and non-commercial lease agreements to house equipment and host operations in the county adding to our costs and the economy.
- More than 60 local businesses, community and the local economy benefits from school bus contractors.
- Our safety records are the best. Twenty of the 24 (83%) of our Contractors meet or exceed CCPS' own contractor performance evaluation tool. This tool was developed by CCPS Transportation department to evaluate contractor performance.
- Unlike other counties where transportation contracts include long-term job security measures, CCPS has declined to include such provisions, leaving contractors vulnerable to "sudden termination" and leaving all employees vulnerable to unemployment.
- CCPS continues to expand its in-house fleet without warning, despite our repeated requests for clarity and collaboration.

• Lack of Transparency & Stakeholder Input

 SB727 ensures that CCPS must provide public notice and hold a hearing, allowing impacted stakeholders, including parents, employees, and local business partners—to be part of the conversation.

• Precedent Exists for Similar Protections

- In 2017, Maryland passed HB1300/CH0419, which required advance notice for trash collection contractors in Charles County—who also invest heavily in equipment for county services.
- SB727 follows the same logic as the legislation that provided advance notice for trash collectors in Charles County in 2017.

• Ensuring Stability for Employees & Families

- My drivers as well as all drivers, attendants, and support personnel depend on their jobs to provide for their families.
- Without fair notice, they could be abruptly unemployed, causing unnecessary hardship in our community.
- SB727 ensures predictability for the workforce, helping maintain stability for families who rely on their livelihoods in school transportation.

Conclusion

- This is not about restricting CCPS's ability to make operational decisions—but about ensuring fair notice, transparency, and collaboration.
- Because CCPS has consistently refused to include displacement notice in contracts, legislation is necessary to provide a baseline level of fairness for contractors, employees, and the students we serve.
- SB727 is a reasonable solution that aligns Charles County with the best practices, protects small businesses, and ensures a stable and reliable student transportation system.
- For these reasons, I urge a favorable report on SB727. Thank you, and I welcome any further questions.

Jennifer Jordan, Owner of D and J Buses

Bryans Rd MD

dandjbuses@gmail.com

Jennifer Jordan Testimony SB727v1 (1).pdf Uploaded by: Ashley Koch

Position: FAV



March 5, 2025

Good Morning, My name is Jennifer Jordan, owner of D and J Buses for 43 years with 15 full time employees, 4 subs and 1 mechanic located in Bryan's Rd in Charles County servicing Charles County School Public Schools and families.

You may ask...why can't this be addressed in your contract with the school system rather than through legislation? Great question, and more insight into SB727 and why the Charles County Commissioners and the Delegation are supporting it.

While it may seem that contractual agreements should be sufficient to address concerns about "displacement and advance notice", there are several key reasons why in this case legislation is necessary to ensure fairness, transparency, and stability for school bus contractors, our employees, and the families we serve.

Contracts Are Controlled by CCPS

- While Contractors bear the costs (some are reimbursable) including purchasing buses, employing the workforce, operations and servicing the buses in other words taking all the risks- Charles County Public Schools, CCPS, dictates the terms and length of our contracts with little input. Bus contractors have little to no leverage in negotiating financial investment protections such as a displacement notice.
- Most neighboring counties school systems offer their contractors a 6-12 year contract.; this period of time covers the financing period of the buses. CCPS currently has a 3-year contract in place at great risk to small businesses.
- Buses purchased by Contractors are Charles County Specific and cannot be used in neighboring jurisdictions or other states. If displaced, these buses would not have the opportunity to benefit the business owner outside of Charles County.
- Many owners have commercial and non-commercial lease agreements to house equipment and host operations in the county adding to our costs and the economy.
- More than 60 local businesses, community and the local economy benefits from school bus contractors.
- Our safety records are the best. Twenty of the 24 (83%) of our Contractors meet or exceed CCPS' own contractor performance evaluation tool. This tool was developed by CCPS Transportation department to evaluate contractor performance.
- Unlike other counties where transportation contracts include long-term job security measures, CCPS has declined to include such provisions, leaving contractors vulnerable to "sudden termination" and leaving all employees vulnerable to unemployment.
- CCPS continues to expand its in-house fleet without warning, despite our repeated requests for clarity and collaboration.

• Lack of Transparency & Stakeholder Input

• SB727 ensures that CCPS must provide public notice and hold a hearing, allowing impacted stakeholders, including parents, employees, and local business partners—to be part of the conversation.

• Precedent Exists for Similar Protections

- In 2017, Maryland passed HB1300/CH0419, which required advance notice for trash collection contractors in Charles County—who also invest heavily in equipment for county services.
- SB727 follows the same logic as the legislation that provided advance notice for trash collectors in Charles County in 2017.

• Ensuring Stability for Employees & Families

- My drivers as well as all drivers, attendants, and support personnel depend on their jobs to provide for their families.
- Without fair notice, they could be abruptly unemployed, causing unnecessary hardship in our community.
- SB727 ensures predictability for the workforce, helping maintain stability for families who rely on their livelihoods in school transportation.

Conclusion

- This is not about restricting CCPS's ability to make operational decisions—but about ensuring fair notice, transparency, and collaboration.
- Because CCPS has consistently refused to include displacement notice in contracts, legislation is necessary to provide a baseline level of fairness for contractors, employees, and the students we serve.
- SB727 is a reasonable solution that aligns Charles County with the best practices, protects small businesses, and ensures a stable and reliable student transportation system.
- For these reasons, I urge a favorable report on SB727. Thank you, and I welcome any further questions.

Jennifer Jordan, Owner of D and J Buses

Bryans Rd MD

dandjbuses@gmail.com

SB727 - Education, Energy, and EnvironmentCommitteUploaded by: Kathryn Guzman

Position: FAV



03-03-2025

Education, Energy and the Environment Committee Senator Brian J. Feldman 2 West Miller Senate Office Building Annapolis, MD 21401

RE: SB727 – Charles County – Student Bus Transportation Providers – Provider Displacement - SUPPORT

Dear Committee Chair Senator Brian J. Feldman,

The Charles County Chamber of Commerce is a business advocacy organization with over 500 members. Our Legislative Committee has reviewed SB727 and has voted to support the proposed legislation.

On behalf of the Charles County Chamber of Commerce, it is our pleasure to express the Chamber's Support of SB727, "Charles County – Student Bus Transportation Providers – Provider Displacement."

SB727 protects our small local businesses by providing sufficient notice to Local School Bus Contractors should the Board of Education determine to provide student transportation services that result in the displacement of a current School Bus Contractor. This notice is balanced with appropriate safeguards that protect the Board of Education and the public.

SB727 represents the collective work and agreement of our State Delegation, Charles County Commissioners and local businesses. SB727 is an example of what can be accomplished when government and business work together. More importantly, it is an important acknowledgment of the substantial investment these 24 small locally owned businesses make and risk they take when they invest in their business and the community.

The Board of Education requires Bus Contactors to purchase buses which are manufactured according to the Board's specifications. The buses are financed over a period of years, the term of which exceeds the term of the contract between the Board and the Contractor. Lenders require the Contractors to pledge their homes as security for bus acquisitions. In the event the Board determines the bring School Bus Transportation in-house, the Contractor cannot simply contract with a neighboring jurisdiction as these jurisdictions have different specifications. Thus, the Contractor is at risk of being left liable for an unusable asset.

SB727 is about equity and balance. It enables and balances the needs of the Board of Education (Should the Board decide to bring student transportation in-house,) while enabling and balancing the needs of the private business (to develop a financial exit strategy and develop an employee transition plan). These 24 businesses employ over 380 bus drivers, attendants and support personnel, own and operate over 280 buses and serve over 28,000 students. They are vital to the local economy, at a time when growing private enterprise is crucial to Mayland's success.



For these reasons, we therefore, respectfully request that your committee give this bill a favorable report.

The Chamber commends the Delegation and the County Commissioners for their proactive, forward-thinking action. Please do not hesitate to contact the Chamber, should you require additional information.

Sincerely,

Kathy Guzman, President & CEO Charles County Chamber of Commerce

Natonya Thomas, Board Chair Charles County Chamber of Commerce

CC: Senator Cheryl C. Kagan, Vice Chair, Education, Energy, and the Environment Delegate Edith J. Patterson
Delegate Debra M. Davis
Delegate C.T. Wilson
Delegate Kevin M. Harris
Senator Arthur C. Ellis
Senator Michael A. Jackson

Koch Testimony SB727 Final (1).pdf Uploaded by: Mark Koch Position: FAV



Good afternoon, my name is Mark Koch, and I serve as the Chair of the Charles County School Bus Contractors. I am here today on behalf of our 24 small businesses, the majority of which are women- and minority-owned, in Strong Support of SB727.

Our organization operates 315 buses, safely transporting over 28,000 students every day. Many of our businesses span two to three generations, with deep pride in supporting the school system by ensuring safe, reliable transportation—allowing educators to focus on student learning, achievement, and equity.

SB727, supported by our County Commissioners and the Charles County Delegation, is a simple request for fairness and good business practice. It ensures adequate notice before the termination or displacement of a school bus contractor for reasons other than non-performance. This bill is necessary because:

- Bus contractors make significant financial investment at \$150,000 per bus, purchasing and mortgaging Charles County Specifically spec'd buses with the expectation of reimbursement over several years. Without adequate notice, these investments are at serious risk, threatening our businesses and the livelihoods of more than 400 local bus drivers, attendants, and support staff.
- Furthermore, similar legislation (HB1300/CH0419) was passed in 2017 to protect trash collectors in Charles County under comparable circumstances—this bill seeks to apply the same level of fairness for school bus contractors and remedy the jeopardy of financial ruin of our small businesses.
- Despite repeated requests for advanced notice of their plans, Charles County Public Schools (CCPS) has provided no insight, no plan, and no formal response—and they continue to buy buses and expand their in-house bus fleet. Over the past four years, CCPS has increased their bus fleet from 22 to 69 buses, with more on order. This lack of communication leaves us very uncertain about our future and the future of our employees...bus drivers, attendants and mechanics.

As a Contractor, our businesses are personally liable for millions of dollars in bus loans, insurance, workforce, parts, and other expenses—often personally guaranteed by our homes and our personal assets. If CCPS moves student transportation in-house without fair notice, it would cause irreparable financial harm and disrupt the lives of hundreds of employees and their families who depend on these jobs. Our Commissioners and our Delegation recognize this.

SB727 does not limit CCPS's authority to make operational decisions. It simply <u>provides adequate</u> notice, which:

- 1. Allow contractors to plan for the future and protect jobs.
- 2. Strengthens the partnership between CCPS and the contractors who serve the community.

3. Ensures the continued safe and efficient transportation of students without sudden disruptions.

We remain committed to working with CCPS and the County to serve our students and believe this legislation is a reasonable step toward ensuring fairness, transparency, and security for all parties involved.

In Closing we thank our county and state legislators for your support and respectfully request a favorable report on SB727 to protect our businesses, our hundreds of employees, and the families we serve. Thank you for your time & consideration.

On behalf of:

Alpert Bus Service, L.L.C

BJ's Transportation, L.L.C

Buck & Sons Bus Service, L.L.C

Celestine C. Dyson, Inc.

Dyson Bus Service, Inc.

Dyson Trucking, Inc.

Compton Bus Service, Inc.

D&J Buses, Inc.

Dink's Bus Service, Inc.

G&M Transportation, Inc.

G. Wade Compton, Inc.

H&H Bus Service, Inc.

H.O. Sheff & Sons, L.L.C

Nannie's Bus Co., L.L.C

Helen E. Keller

Keller III Bus Service, Inc.

Keller Transportation, Inc.

James H. Duffy Company

James H. Stone Jr., L.L.C

P&C Dunnington, Inc.

Ruth E. Koch, Inc.

Koch Trucking, Inc.

Stanley Bus Company, Inc.

Swann Transportation, Inc.

Mark Koch
Chair Charles County School Bus Contractors Association (CCSCBA)
Koch Trucking
Mark kochtrucking@comcast.net

PSmall Support for HB1359.pdfUploaded by: Pascale Small Position: FAV

Subject: Support for HB1359- Charles County Student Bus Transportation Providers - Provider Displacement

Dear Chairwoman Atterbeary, Vice Chairwoman Wilkins, and Members of the Ways and Means Committee.

My name is Pascale Small, and I am a parent of three Charles County Public Schools scholars. I am writing to express my strong support for HB1359, a crucial bill that ensures the stability and continuity of student transportation services in our county. Reliable and consistent transportation is a cornerstone of student success, and this legislation provides necessary protections for the individuals and companies that have been serving our children for years.

As a parent, I have seen firsthand the invaluable role that our bus drivers and transportation providers play in the daily lives of our children. These individuals do more than just transport our children to and from school—they provide a sense of safety, familiarity, and community. Many of these providers have built relationships with students and families over the years, offering consistency that is critical to our children's well-being. All of these businesses are led by local families and community members who pour into our local economy and county.

HB1359 will require the Charles County Board of Education to provide at least 10 years' notice and hold a public hearing before taking any action that results in the displacement of a long-standing student transportation provider. Additionally, the bill mandates written notice by registered mail at least 5 years before any displacement occurs. This level of transparency and advanced notice is essential for ensuring that transportation providers can adequately prepare for any transitions and that parents and students are not left scrambling due to sudden changes.

Without these protections, we risk disrupting not only the employment of dedicated transportation providers and the community members who drive our children but also the stability of our children's way of getting to school and the ability of our parents to continue going to work. The disruption of transportation affects us all.

By passing HB1359 the Maryland General Assembly will help safeguard the quality and reliability of student transportation in Charles County. I urge you to support this bill to ensure that our students continue to receive the safe, consistent, and trusted transportation services they deserve.

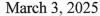
Thank you for your time and consideration.

Sincerely,

Pascale Small pascaledsmall@gmail.com

Paula Stone testimony-SB727-3-5-25.pdf Uploaded by: Paula Stone

Position: FAV





- Good morning. My name is Paula Stone, and I am a second-generation Charles County School bus contractor, continuing a 30-year legacy of my late father.
- I am here today **in strong support of SB727**, which requests that Charles-County Public Schools (CCPS) give adequate notice and public notice of displacement to our 24 small businesses and our 400 employees when they decide to bring student transportation services in-house.
- There is no dispute that CCPS has the right to transition transportation services in-house. SB727 does not challenge that authority. However, this bill does seek a reasonable courtesy --adequate notice-- to us because an abrupt transition could have a devastating impact on small business owners like me, and our 400 employees and their families.
- The plan to bring bus ownership and services in house has been mentioned in public by CCPS for the last 5 years as they grow their fleet. But on the contractor's end, it is difficult to make business decisions because uncertainty and not knowing is a difficult way to operate a business with excellence. Adequate notice of a transition is important for all business planning.
- I have also seen a 2015 study referenced in the DLS Fiscal & Policy note. Substantial changes have occurred since the study, including extensive CCPS fleet and staffing growth, new school and programs serviced by transportation, infrastructure for new bus parking and more. Without current data considering these factors, the 10-year-old, 2015 study is not an accurate estimate of cost for in-house transportation services versus private contractors. But SB727 is not about the study.

Additionally, this bill:

- has no financial impact on the opposition, it is a bill of Notice.
- does not dictate the length of our future contract.
- does not mandate contract terms.
- does not change current CCPS contract performance standards for underperformance or breaches, and finally:
- this bill does not interfere with the Union efforts. All contractors will be impacted the same if we do not receive adequate notice of a transition to "in-house" transportation services.

This bill is about fairness and stability.

- If CCPS were to move student transportation in-house today, next year or the following year, we would be left personally liable for our six-year or longer bus loans that we personally assumed in good faith to provide our services. Without adequate notice of displacement, many of us & our employees will be in financial ruin.
- With proper notice to make changes to the services we provide, everyone can make informed decisions, protect jobs, and ensure a smooth transition for everyone involved.
- For these reasons, I respectfully urge a favorable report on SB727.

Paula Stone Stone Bus at Stonebus@Outlook.com

SB727.Bus Contractors.pdfUploaded by: Reuben Collins Position: FAV



CHARLES COUNTY COMMISSIONERS

Reuben B. Collins, II, Esq., President
Ralph E. Patterson, II, M.A., Vice President
Gilbert O. Bowling, III
Thomasina O. Coates, M.S.
Amanda M. Stewart, M.Ed.

Mark Belton County Administrator

February 19, 2025

Re: Support for SB 727 Charles County – Student Bus Transportation Providers – Provider Displacement

Dear Chairman Feldman, Vice Chairwoman Kagan and Committee Members:

On behalf of the Charles County Board of County Commissioners, I write to express our support for passage of Senate Bill 727, which requires the Charles County Board of Education to provide certain notice and hold a public hearing before taking any action that results in the displacement of a person that has been providing student bus transportation.

Senate Bill 727 seeks to provide the private bus transportation companies for the Charles County Public Schools, with no less than ten (10) years advance notice of intent to no longer utilize their services as determined by the Charles County Board of Education, with certain exceptions. The intent is to ensure the bus contractors have the ability to financially plan for such termination of their services with the school system. Specifically, school buses are typically financed for five to six years, and secured by the residences or other property of the individual bus companies. Seventeen out of the twenty-four companies are small, minority and women-owned businesses, who need notice in order to determine an appropriate financial exit strategy for both the contractor and the over 450 employees of the contractors. Additionally, members of the public would have the ability to address the Charles County Board of Education on the topic of terminating the bus contracts before such action is taken.

In an effort to mitigate financial risk for our bus contractors, and ensure the public may speak to potential changes to how their children are transported to and from school, we are seeking approval of SB 727 Charles County – Student Bus Transportation Providers – Provider Displacement. We urge a favorable committee report. Thank you for your consideration.

Sincerely,

Reuben B. Collins, II, Esq., President County Commissioners of Charles County

cc: Charles County Delegation



SB727.Bus Contractors.pdfUploaded by: Reuben Collins Position: FAV



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Support_SB727_Bus.pdf Uploaded by: Reuben Collins Position: FAV



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Mark Belton
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March 7, 2025

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Support_SB727_Bus.pdf Uploaded by: Reuben Collins Position: FAV



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SB727 - Charles Co Bus Drivers Displacement.pdf Uploaded by: Steve Nelson

Position: FAV



February 14, 2025

The Honorable Brian J. Feldman and Members Education, Energy, and the Environment Committee Senate Office Building Annapolis, MD 21401

Re: FAVORABLE - SB 727 - Charles County - Student Bus Transportation Providers - Provider Displacement

Dear Chair Feldman, Vice Chair Kagan, and Members of the Committee:

The Maryland School Bus Contractors Association (MSBCA) supports Senate Bill 727. MSBCA has supported our fellow school bus contractors in the past with various legislation including in 2023 with SB 491 Taskforce Legislation resulting in best practices from other county contractor bus systems and recommendations for a multi-year contract, increased wages, and an 8-hour workday for Charles County bus drivers and attendants, a workforce of more than 400 local workers. But there is still work to be done.

This bill specifically addresses notice of "displacement" for the 24 small student transportation businesses, mostly women and minority owned, that have provided student transportation to Charles County Public Schools (CCPS) for more than 100 years and ensuring "fair notification—at least 10 years—before termination or contract changes that result in the displacement of a Contractor". This gives all Bus Contractors, who personally buy and mortgage their buses, time to plan and maintain security for their more than 400 employees. This ten-year notice requested appears consistent with neighboring counties that provide School Bus Contracts for up to 10 to 12 years, such as Calvert County.

This is not about contracts or mandating the duration of contracts but about creating a secure operating environment for Contractors, their employees, their families and the school system.

The proposed legislation aims to establish a fair and balanced partnership between the school system and 24 local bus contractors, benefiting both sides. The Contractors have observed the significant increase in the number of school bus purchases by the CCPS school system and this observation alone has raised concern among the Contractors and their employees, that is the impetus and reasoning for this legislation. The 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 the County is a matter of fairness and equity.

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. We know that the 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.

Thank you for your time and consideration.

Sincerely,

Steve Nelson

Steve Nelson President

Maryland School Bus Contractors Association 15 School Circle Annapolis, MD 21401 202-386-3859

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Written Testimony HB 1359 & SB727 – Charles County Uploaded by: Brian Wivell

Position: FWA

Amalgamated Transit Union Local 689

2701 Whitney Place, Forestville, Maryland 20747-3457 Telephone: 301-568-6899 Facsimile: 301-568-0692 www.atulocal689.org



Raymond N. Jackson President & Business Agent Keith M. Bullock Financial Secretary Treasurer Barry D. Wilson Recording Secretary Romoan C. Bruce First Vice President Theus R. Jones Second Vice President

Statement of the Amalgamated Transit Union (ATU) Local 689

HB 1359 – Charles County – Student Bus Transportation Providers – Provider Displacement SB 727 – Charles County – Student Bus Transportation Providers – Provider Displacement Favorable with Amendments

March 6th and 7th, 2025

HB 1359 / SB 727 is of great interest to ATU Local 689 and the Union strongly urges the Committee to pass this bill, albeit with substantial amendments. While this bill has the aim of protecting contracted school bus worker jobs, as currently drafted it primarily protects the contractors themselves and not their employees. Changes are necessary to ensure that it truly fulfills the aim of preventing displacement of contracted school bus workers.

At Local 689, we represent over 15,000 transit workers and retirees throughout the Washington DC Metro Area performing many skilled transportation crafts for the Washington Metropolitan Area Transit Authority (WMATA), MetroAccess, 9 Charles County School Bus Contractors, DASH, and DC Streetcar among others. Our union helped turn low-wage, exploitative transit jobs into transit careers. We became an engine for the middle-class of this region.

Today, in Charles County, the vast majority of school bus workers are employed by over a dozen private contractors hired by Charles County Public School (CCPS). The CCPS school bus system is fairly unique in this region, with most school systems either providing the transportation services in-house or with far fewer, but larger contractors.

The school bus workers' livelihoods must be a major priority in any plan where the work is brought in-house by CCPS. These workers gave decades of their lives to moving the school children of Charles County. The contractors understandably want to avoid bus services being brought in-house. However, the current status quo is unacceptable for CCPS school bus contracted workers. As such, Local 689 urges amendments to ensure that this Committee passes a bill that is truly protective of school bus worker jobs that provide living wages, fair benefits, and dignity to each and every worker.

We offer this committee two amendments to strengthen this bill.

The first way would be to mandate that any new school bus worker hirings by CCPS to run the service must be done from a list of workers (i.e. displaced worker preferential hiring list) that were displaced by their contractor laying them off or shuttering service. This follows best practices and similar processes in place for large service worker contracts, where the contracting entity has an interest in a stable workforce. We believe that DLS would provide the best language on this, but we suggest the following text for an example:

After any school bus service provider contract is terminated, every school bus driver and attendant employed by that contractor will be recorded in the Charles County Displaced School Bus Worker Preferential Hiring Program. The program will list and rank every worker participating in the program by their original date of hire at their contractor or the total time of service provided to Charles County Public Schools transportation, whichever is greater.

During the five years following the displacement of the last school bus service provider, Charles County Public Schools must fill any newly created school bus driver or attendant positions from workers in the program, starting with the most senior. Workers may request to be removed from the program. Any additional positions needed beyond those included on the list may be filled with outside hires.

This ensures that any of the workers who already have given years of their life to helping CCPS transport its students are not left without jobs doing the work they already do best.

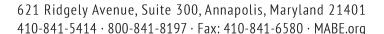
The second amendment to the bill that we propose would be to prevent these workers from "starting over" as if they never had given years of service to the County. Workers are often paid based on the number of years they've worked for a particular employer. In this case, many CCPS contracted workers have given decades of their lives to CCPS. For them to be hired by CCPS directly might mean that they start over at the bottom of a pay scale. There is an easy solution to this, this bill should require that they are given "service credit" for the time that they worked for CCPS contractors if they work for CCPS directly. We would not encourage this to apply to any other components of seniority, just wages and benefits for pay scale calculations.

For the purposes of determining pay and benefits, workers hired from the program shall be granted service time for the cumulative amount of time that they were employed and working for CCPS school bus service providers.

ATU Local 689 and our school bus worker members thank this committee for considering our views and urge our proposed amendments to HB 1359 / SB 727.

SB 727 - Charles County - Student Bus Transportati Uploaded by: Brian Dulay

Position: UNF





BILL: Senate Bill 727

TITLE: Charles County – Student Bus Transportation Providers –

Provider Displacement

HEARING DATE: March 7, 2025
POSITION: UNFAVORABLE

COMMITTEE: Education, Energy, and the Environment Committee

CONTACT: Brian Dulay, Government Relations Director (<u>bdulay@mabe.org</u>)

The Maryland Association of Boards of Education (MABE), representing all the state's local boards of education, opposes Senate Bill 727, Charles County – Student Bus Transportation Providers – Provider Displacement.

The 24 school districts in Maryland each depend upon the ability to make sound, fiscal decisions based upon local needs. Transportation expenses have increased considerably this decade, and local school districts are best positioned to address budget concerns and to determine the necessary balance between system-operated vehicles and private provider means of transportation.

The needs and uses of public-school transportation systems are dynamic, and local boards of education must be able to adequately address and finance these ranges in their annual budgets. Preventing a local board of education from making fiscal decisions is inappropriate; this legislation would mandate contractual renewal guidelines and potentially diminish cost-savings by eliminating a competitive bidding process. Though the proposed guidelines under the design of this bill would apply to only one county, the principle of striking such a poor balance between private providers and local school district services is deeply concerning in the context of similar settings and conditions statewide.

For these reasons, MABE respectfully requests an **UNFAVORABLE REPORT for Senate Bill 727**.

AFSCME Council 3 SB727 Testimony_UNFAV.pdf Uploaded by: Christian Gobel

Position: UNF

Patrick Moran - President

SB727 – Charles County – Student Bus Transportation Providers – Provider Displacement Education, Energy, and the Environment Committee February 19, 2025

UNFAVORABLE

AFSCME Council 3 respectfully opposes Senate Bill 727. Senate Bill 727 requires the Charles County Board of Education to provide at least ten years' notice before taking any action that results in the displacement of a private operator who is providing student bus transportation services in Charles County. Additionally, the legislation requires the local school system to hold a public hearing on the advisability of the Charles County Board of Education providing the student bus transportation services, which must be done at least 5 years before the displacement.

AFSCME Council 3 represents approximately 45,000 public service workers at the state, county, and municipal levels of government. AFSCME Council 3 also represents school support staff, including bus drivers and attendants, in certain local school systems across the state. In the Charles County Public School System, our union represents approximately 60 bus drivers and attendants that operate the student transportation system provided by the local school system.

Our union is concerned with the notice provisions in this legislation, which appear to be without precedent across the state of Maryland. Certain other local school systems across the state operate a mixed fleet of publicly and privately operated student bus transportation systems yet there does not appear to be any other provision in law that requires this amount of notice when a local school system wishes to directly operate their own student bus transportation system. The notice provisions in the legislation may inhibit the local school system's ability to directly operate and manage more student bus transportation services in-house.

Our union believes that local school systems should have the ability to operate student transportation systems in-house with the use of public employees, particularly where the use of public services saves money in contrast to contracting with the private sector. AFSCME Council 3 respectfully opposes this legislation and is concerned with the precedent this legislation could establish if enacted.

We respectfully urge the committee to issue an unfavorable report on SB727.

AFSCME Council 3 SB727 Testimony_UNFAV.pdf Uploaded by: Christian Gobel

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SB727 – Charles County – Student Bus Transportation Providers – Provider Displacement Education, Energy, and the Environment Committee March 7, 2025

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Our union believes that local school systems should have the ability to operate student transportation systems in-house with the use of public employees, particularly where the use of public services saves money in contrast to contracting with the private sector. A 2015 study by the Charles County Board of Education found that transportation costs could be lowered on average by 3.3% a year by in-sourcing bus services rather than utilizing private contractors. Based on the CCBOE FY25 budget, the cost savings to the local school system could total over \$1.5 million annually.

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SB727 – Charles County – Student Bus Transportation Providers – Provider Displacement Education, Energy, and the Environment Committee February 19, 2025

UNFAVORABLE

AFSCME Council 3 respectfully opposes Senate Bill 727. Senate Bill 727 requires the Charles County Board of Education to provide at least ten years' notice before taking any action that results in the displacement of a private operator who is providing student bus transportation services in Charles County. Additionally, the legislation requires the local school system to hold a public hearing on the advisability of the Charles County Board of Education providing the student bus transportation services, which must be done at least 5 years before the displacement.

AFSCME Council 3 represents approximately 45,000 public service workers at the state, county, and municipal levels of government. AFSCME Council 3 also represents school support staff, including bus drivers and attendants, in certain local school systems across the state. In the Charles County Public School System, our union represents approximately 60 bus drivers and attendants that operate the student transportation system provided by the local school system.

Our union is concerned with the notice provisions in this legislation, which appear to be without precedent across the state of Maryland. Certain other local school systems across the state operate a mixed fleet of publicly and privately operated student bus transportation systems yet there does not appear to be any other provision in law that requires this amount of notice when a local school system wishes to directly operate their own student bus transportation system. The notice provisions in the legislation may inhibit the local school system's ability to directly operate and manage more student bus transportation services in-house.

Our union believes that local school systems should have the ability to operate student transportation systems in-house with the use of public employees, particularly where the use of public services saves money in contrast to contracting with the private sector. AFSCME Council 3 respectfully opposes this legislation and is concerned with the precedent this legislation could establish if enacted.

We respectfully urge the committee to issue an unfavorable report on SB727.

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Position: UNF

5980 Radio Station Road P.O. Box 2770 La Plata, MD 20646 www.ccboe.com

Maria V. Navarro, Ed.D. Superintendent of Schools

Office of the Superintendent

301-934-7223 Fax: 301-932-6651

February 13, 2025

Testimony in OPPOSITION to Senate Bill 727

Charles County – Student Bus Transportation Providers – Provider Displacement

On behalf of the Board of Education of Charles County, I urge this Committee to issue an <u>unfavorable report</u> on Senate Bill 727. Simply put, this bill represents bad public policy. The bill would mandate the privatization of public services and promote the interest of private companies without concern for fiscal responsibility and to the detriment of public employees. Nowhere are the best interests of the public addressed in the bill. Rather, this is bill solely intended to promote the interests of private bus contractors.

Charles County Public Schools currently balances the use of private providers and system-operated buses to meet the transportation needs of the students in the county. Currently, approximately 80% of the services are provided through private contractors. As transportation costs continue to rise from time to time, Charles County Public Schools may determine that the balance may need to shift to promote fiscal responsibility. Every dollar spent on rising transportation costs comes directly out of other necessary programs within the school system budget.

A 2015 independent study of the school system's transportation program concluded at the time that the school system could save up to 3.3% of its costs if services were to be brought in-house. At the time of the study, all services were provided by private contractors. Since then, the school system has purchased some buses and has operated in a more fiscally balanced manner.

Senate Bill 727 would lock in the current structure for the next ten years, regardless of rising costs and regardless of other factors that are simply unforeseeable. The bill fails to account for cost savings that might accrue from a more balanced approach to transportation services. Additionally, the bill would establish a monopoly for those private companies that would no longer have to compete with the school system's own potentially more cost-effective program. Negotiations of future contracts would become completely one-sided, dominated by private contractors who would use Senate Bill 727 to guarantee additional profits.

On top of the practical costs of implementing this mandate, the bill represents a terrible, precedent-setting approach to the provision of public services in the state. Maryland has always been and continues to be a leader in the protections of public employment. Obviously, there are circumstances where the private sector plays a supporting role in the provision of public services. But the balance is the key, and removing the ability of a publicly-elected board of education in making fiscally responsible decisions is not appropriate.

I urge this Committee to issue an unfavorable report on Senate Bill 727. If you have any questions, please feel free to contact me.

Sincerely.

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Maria V. Navarro, Ed.D. Superintendent of Schools

SB 727 - Education - Charles County - Student Bus Uploaded by: Mary Pat Fannon

Position: UNF



Mary Pat Fannon, Executive Director

1217 S. Potomac Street Baltimore, MD 21224 410-935-7281 marypat.fannon@pssam.org

BILL: SB 727

TITLE: Charles County - Student Bus Transportation Providers - Provider

Displacement

DATE: February 19, 2025

POSITION: Unfavorable

COMMITTEE: Senate Education, Energy and the Environment Committee

CONTACT: Mary Pat Fannon, Executive Director, PSSAM

The Public School Superintendents' Association of Maryland (PSSAM), on behalf of all twenty-four public school superintendents, **opposes** Senate Bill 727.

This legislation requires the Charles County Board of Education to provide certain notice and hold a certain public hearing before taking any action that results in a displacement of a person that has been providing student bus transportation.

PSSAM rarely weighs in on local legislation but due to the far-reaching implications of this legislation, **we strongly oppose this bill.** Beyond the financial implications, this bill sets a dangerous precedent for the management of public services in Maryland school districts. Stripping a publicly elected board of education of its ability to make fiscally responsible decisions is neither appropriate nor in the best interest of Maryland's students, employees, or taxpayers.

This bill creates poor public policy by mandating the privatization of certain services, namely, prioritizing the interests of private transportation companies over fiscal responsibility and stewardship of public funds to education. The bill does nothing to address the best interests of the public; instead, it is designed solely to benefit private bus contractors.

A 2015 independent study of Charles County's school system's transportation program found that bringing services in-house could reduce costs by up to 3.3%. At that time, all transportation services were outsourced to private contractors. Since then, the school system has begun purchasing its own buses, resulting in a more financially balanced operation, but 80% of transportation services are still provided by private contractors.

Senate Bill 727 would lock the current structure in place for the next ten years, disregarding potential cost increases and unforeseen factors. As costs fluctuate, the school system must retain the flexibility to be fiscally responsible. This legislation expressly prohibits the school system from realizing any savings that could result from a more flexible approach. And, it creates a monopoly for private companies, eliminating competition with the school system's potentially more cost-effective transportation program.

For these reasons, PSSAM opposes Senate Bill 727 and requests an unfavorable report.

SB0727 Howard Co BOE Testimony 030725 for B&T - CC Uploaded by: Staff Howard County

Position: UNF





Board of Education of Howard County

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William J. Barnes Superintendent, Secretary/Treasurer Board of Education of Howard County Testimony Submitted to the Maryland Senate, Education, Energy, and the Environment Committee March 7, 2025

SB0727: UNFAVORABLE

Charles County - Student Bus Transportation Providers - Provider Displacement

The Board of Education of Howard County (the Board) opposes **Charles County - Student Bus Transportation Providers - Provider Displacement** for the potential implications for other local school systems who use external bus contractors.

SB0727 is a local bill for the Charles County Public School System that sets an untenable precedent for all school systems in Maryland and contracting of public services in general. Specifically, the bill requires that before taking any action that results in the displacement of a person that has been providing student bus transportation services in Charles County, the local board of education must provide notice of the intent to displace persons providing that service in Charles County at least ten years in advance, and at least five years in advance hold at least one public hearing with notice of the hearing published in a newspaper of general circulation in the county one per week for two successive weeks before the hearing. The bill defines "displacement" as the provision of student bus transportation services by the Charles County Board of Education that precludes a private person that has been providing the services and is licensed and certified to provide the services from continuing to provide the services. Circumstances that would not constitute displacement include when the local board does not renew a contract and at the end of the contract term contracts with another person to provide the service, or the person providing the student bus transportation services has acted in a manner threatening to public health or safety, has committed a breach of contract, or refuses to continue to provide services under the terms and conditions of an existing agreement.

In Howard County, student bus transportation is currently provided entirely by private bus contractors. For FY25, the Howard County Public School System (HCPSS) serves nearly 40,000 general education students with close to 500 transportation buses. Additional services for students with disabilities and those traveling to non-public placements include over 50 alternative vehicles as well, also largely provided by outside contractors. As transportation costs continue to increase, local school systems need the flexibility to determine if contracting, in-house, or a combination of both are the best fit based on budgetary constraints, availability of drivers, and other operational considerations.

Beyond the unknowns in terms of planning for school bus operations ten years into the future, if passed SB0727 has the potential to stifle competitive contracting. Private bus companies would no longer have to compete with other potentially cost-effective alternatives, driving up public costs at the expense of other school system priorities. Transportation services should not be hamstrung to a ten or even five year limitations to protect existing vendors at the expense of innovation, taking advantage of technological improvements in routing, and exercising options in energy efficiency, or even change their delivery model or area of provided transportation. This bill could potentially inhibit all of these and more.

Board of Education of Howard County Testimony Submitted to the Education, Energy, and the Environment Committee March 5, 2025

Furthermore, school systems need to be able to professionally manage performance and make adjustments to contracts based on performance in accordance with the expectations set in the bid. As written, the proposed legislation could supersede what a local board of education has in their contract with the provider. In any contracting, whether for buses or other services used by government agencies, giving a vendor this advantage is bad public policy.

For these reasons, we urge an UNFAVORABLE report on SB0727 from this Committee.