



PSSAM
Public School Superintendents' Association
OF MARYLAND

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BILL: HB 1359

TITLE: Charles County - Student Bus Transportation Providers - Provider Displacement

DATE: March 6, 2025

POSITION: Unfavorable

COMMITTEE: House Ways and Means 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** House Bill 1359.

This legislation requires the Charles County Board of Education to provide certain notice and hold a 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.

House Bill 1369 also requires that contracts be renewed upon expiration unless a valid reason is provided for non-renewal. This contradicts long-standing public policy, which generally allows contracts to end naturally without justification. In effect, the bill creates contracts that can only be terminated for cause, ensuring indefinite agreements with specific private companies—even when better alternatives may exist.

Further, House Bill 1359 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 ability 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** House Bill 1359 and requests an **unfavorable report**.