



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 130** HLS 21RS 386
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action: **w/ SEN COMM AMD**
 Proposed Amd.:
 Sub. Bill For.:

Date: June 2, 2021	5:55 PM	Author: CARTER, ROBBY
Dept./Agy.: Education		
Subject: Occupant restraint systems in school buses		Analyst: Garrett Ordner

MTR VEHICLE/BUSES-SCHOOL RE1 INCREASE LF EX See Note Page 1 of 2
 Provides relative to occupant restraint systems on school buses

Proposed law requires every new bus used primarily for transportation of students that is placed into service after January 1, 2023, to be equipped with occupant restraint systems. Proposed law allows for the use of lap belts as occupant restraint systems in school buses. Proposed law provides that no public school governing authority or its employees, agents, or contractors shall have a duty to monitor students' use of an occupant restraint system on a school bus. Requires the manufacturer of a school bus sold for use in Louisiana to include lap belt occupant restraints as standard equipment at no extra cost.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	INCREASE	INCREASE	INCREASE	INCREASE	\$0
Annual Total	\$0					\$0

REVENUES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There will be an increase in expenditures by local school districts to include restraint systems on new buses placed in service. The cost will depend on the number of buses purchased and the type of restraint system installed. **Note: The proposed legislation requires the manufacturer of a school bus sold for use in Louisiana to include lap belt occupant restraints as standard equipment at no extra cost. The LFO is unsure how and whether this provision can be enforced.**

Restraint systems include compartmentalization, lap belts, and 3-point lap/shoulder belts. Per the Task Force on Student Transportation and School Bus Passenger Safety report (SR 122 of 2016), "[a]lthough most school buses in Louisiana are not equipped with seat belts, all passengers in Louisiana school buses are protected by some form of occupant restraint system." Federal law requires seat belts in school buses with a gross weight of 10,000 pounds or less, school buses that transport Head Start passengers and other pre-school age children, and restraint systems for children with special needs who require assisted seating. School buses with a gross weight more than 10,000 pounds are equipped with compartmentalized seating. Compartmentalization is a design method by which seats with higher, thicker backs absorb crash forces and protect the child. For the purposes of this fiscal note, the LFO assumes the term "occupant restraint system" refers to seat belts.

The proposed legislation will only apply to new buses placed in service after January 1, 2023. Based on bus inventory data provided by the Department of Education and survey data from the HCR 20 Task Force report (HCR 20 of the 2020 Regular Session), school districts own an estimated 4,870 school buses without seat belts. If each school bus is in service for the maximum operational life allowed by law (25 years), an estimated 195 district-owned school buses must be replaced each year.

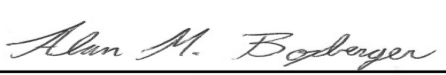
The LFO has obtained estimates detailing that the cost of a new school bus with installed lap belts ranges from \$1,000 to \$4,000 more per bus compared to those without. If all new buses are equipped with lap belts, **the cost to districts would range from \$195,000 to \$780,000 per year for 195 buses statewide.** If school districts choose to acquire buses with three-point seat belts installed, the cost will be higher than if installed with lap belts. Based on a survey by the National Conference of State Legislatures, a large school bus with three-point belts could cost between \$7,000 and \$10,000 more per bus. Acquiring buses with three-point belts would result in **annual costs to districts ranging from \$1.4 M to \$2 M for 195 buses statewide**, although actual costs will depend on the number of buses purchased each year and their capacity.

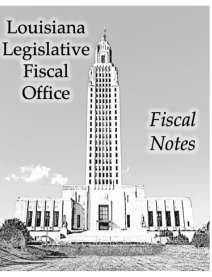
SEE EXPENDITURE EXPLANATION CONTINUED ON PAGE TWO

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}


Alan M. Boxberger
 Staff Director



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CONTINUED EXPLANATION from page one:

EXPENDITURE EXPLANATION CONTINUED FROM PAGE ONE

While some districts currently utilize school bus monitors on elementary school buses, it is unclear whether implementation would necessitate an increase in the number of monitors. The proposed legislation does not contemplate this provision; therefore, it will likely depend upon individual school district policies. Districts may incur additional training costs for transportation personnel to ensure proper seat belt usage and monitoring, as well as procedures for emergency situations. Finally, transportation maintenance staff may experience additional workload to provide repairs and upkeep of the new restraint systems.

Private carriers that contract with local school systems are also subject to the proposed requirements. Local school districts would also be required to monitor contractors to ensure their buses comply with the proposed legislation. Districts may experience increased contract costs due to the use of more expensive buses. To the extent carriers do not meet the proposed standards, districts would be required to provide transportation services directly, which would further impact costs to comply with the legislation.

State-operated schools may experience additional SGF expenditures due to increased contract rates with private carriers; however, these costs are indeterminable.

Senate Dual Referral Rules

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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