



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 130** HLS 21RS 386
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 30, 2021	12:52 PM	Author: CARTER, ROBBY
Dept./Agy.: Education		
Subject: Occupant restraint systems in school buses		Analyst: Garrett Ordner

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

Current law requires that every bus used primarily for transportation of students to be equipped with occupant restraint systems no later than June 30, 2004, subject to appropriation of funds. Proposed law replaces the effective date with January 1, 2025, and repeals the law that implementation is subject to appropriation of funds.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
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	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Annual Total						
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There will be a significant increase in expenditures by local school districts to retrofit existing buses with restraint systems, purchase new school buses, and increase transportation personnel. The extent of the costs will be determined by the type of restraint systems required or selected.

Restraint systems include compartmentalization, seat belts, and 3-point lap/shoulder restraints. 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.

Many older school bus seats are not equipped to install a seat belt and would require outfitting the bus with new seats. According to the Department of Education (LDE), there are an estimated 7,500 school buses in operation statewide. Excluding contractor-owned school buses, as well as special needs school buses, which are assumed to be equipped with seatbelts, school districts would need to outfit an estimated 4,873 existing buses to comply with proposed law. Based on a survey by the National Conference of State Legislatures, equipping a large school bus with lap or shoulder belts could cost between \$7,000 and \$10,000 per bus. This would result in \$34.1 M in increased costs to districts at \$7,000 per school bus, although actual costs are likely to exceed this estimate if bus owners also need to install new seats compatible with seat belt installation.

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.

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|--|----------------------------|--|
| <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
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 Staff Director



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CONTINUED EXPLANATION from page one:

EXPENDITURE EXPLANATION CONTINUED FROM PAGE ONE

Installing seats capable of supporting seat belts may reduce capacity and result in reduced capacity for transporting children with the existing school bus fleet and route schedule. Estimates range from 16%-33% reduced capacity for elementary school buses. This reduction in capacity may require the purchase of additional buses to provide sufficient coverage, but the number of such purchases will vary depending upon the current utilization levels of existing capacity, as well as the number of spare buses the district can bring into service. A new 72-passenger bus with three-point seat belts costs approximately \$97,000. Additional ongoing costs would be incurred for fuel, inspections, and maintenance.

Expanded fleet capacity would result in an increase in personnel costs for districts for new bus drivers; however, this will depend upon the number of students being transported and the number of contracted buses utilized by each district. Assuming an average salary of \$20,000, plus \$8,000 in related benefits (40%), would result in a expenditure of \$28,000 per additional position. Alternatively, contracting expenses would likely increase by an indeterminable amount for districts whose buses are primarily operated by private operators.

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 and potential expansion of the bus fleet size.

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 will experience additional expenditures as a result of the proposed legislation, however these costs are indeterminable. Any expenditure exposure for the state-operated schools will incur costs paid by SGF.

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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