

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7177

BILL NUMBER: HB 1267

DATE PREPARED: Jan 7, 2000

BILL AMENDED:

SUBJECT: School bus seat belts and identification markings.

FISCAL ANALYST: David Hoppmann

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**FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL**

IMPACT: State & Local

Summary of Legislation: (1) This bill requires the State School Bus Committee (the Committee) to adopt and enforce rules requiring each school bus to bear the name of the school district on the back and top of the school bus in black letters that are four to six inches high.

(2) It requires the Committee to adopt rules requiring that each school bus registered for the first time in Indiana after December 31, 2001, be equipped with safety belts that are sufficient to provide one belt for each individual who could be seated in the school bus, according to the listed seating capacity of the school bus.

Effective Date: Upon passage.

Explanation of State Expenditures: (1 & 2) The Committee would not experience an increase in administrative time or cost regarding the provisions of this bill since school buses are inspected annually. Additional requirements could be added to school bus checklists at a minimal cost.

Explanation of State Revenues:

Explanation of Local Expenditures: (1) **Existing School Bus Fleet-** School corporations and private entities owning school buses would incur additional time and cost in fulfilling the provisions of this bill. Currently, there are approximately 14,000 to 15,000 school buses in existence (both public and private) that would be affected by the requirements of this bill.

The total approximate cost to public school corporations and private entities owning school buses to fulfil the lettering requirements of this bill is currently indeterminable. However, existing staff could be utilized to apply "peel and stick" vinyl lettering to each school bus. (Such vinyl lettering could be purchased at a minimal cost).

Newly Purchased School Buses- In addition to existing school buses, public school corporations and private entities owning school buses would be required to letter 1,400 to 1,500 newly purchased school buses each year. (Based on 10% of the currently existing fleet of school buses.)

(2) School corporations and private entities purchasing new school buses would incur additional annual cost in fulfilling the provisions of this bill. These entities would be required to purchase new school buses equipped with safety belts that meet federal standards. Approximately 1,400 to 1,500 newly purchased school buses each year (both public and private) would be affected by the requirements of this bill.

The total approximate annual cost to public school corporations and private entities owning school buses to fulfil the seatbelt requirements of this bill would total \$2.8M to \$3M (@ \$2,000 seatbelt installation cost * 1,400 to 1,500 school buses). School corporation expenses would be paid from school corporation Transportation Fund property taxes based on a ten-year replacement plan. The exact increase in property taxes would vary from school corporation to school corporation, and would depend upon factors such as assessed valuations and the number of school buses purchased by each school corporation.

This analysis is based on a “66 student capacity” school bus. Of the current 14,000 to 15,000 existing school buses, approximately 57% to 60% are “66 student capacity.” Actual annual costs for fitting seatbelts to the 40% to 43% that are not “66 student capacity” would fluctuate depending upon student capacity.

Explanation of Local Revenues:

State Agencies Affected: State School Bus Committee, State Police.

Local Agencies Affected: School Corporations.

Information Sources: Pete Baxter, Chairman, State School Bus Committee (317) 232-0890.