

NOTE: As provided in LFC policy, this report is intended for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used in any other situation.

Only the most recent FIR version, excluding attachments, is available on the Intranet. Previously issued FIRs and attachments may be obtained from the LFC office in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR:	Herrera	DATE TYPED:	02/16/00	HB	HM 24
SHORT TITLE:	Health Insurance for School bus Drivers			SB	
				ANALYST:	Baca

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
	NFI				

Duplicates/Conflicts with/Companion to/Relates to

SOURCES OF INFORMATION

State Department of Education (SDE)

LFC files

SUMMARY

Synopsis of Bill

House Memorial 24 requests that the appropriate interim legislative committee assigned to conduct the study requested by Senate Joint Memorial 28 consider the health care access and insurance needs of employees of private bus contractors.

Significant Issues

House Memorial 24 cites the disparities in benefits between the employees of private school bus contractors and public school district transportation employees, specifically the availability of "low cost" health insurance such as that obtained through the New Mexico Public School Insurance Authority (PSIA).

Making the employees of private school bus contractors eligible for coverage by PSIA will require a change in existing statutes and, in all probability in operations for private school bus contractors. Therefore, the interim committee dealing with Senate Memorial 28 and this issue should explore the following questions:

- Will there be additional cost to the state if these employees are covered by PSIA?
- Will making employees of private school bus contractors violate the anti-donation clause in the New Mexico State Constitution?
- Will the same statutory limitations on employer contributions for health insurance that apply to public school districts apply to private school bus contractors?
- Will making employees of private school bus operators eligible for coverage by PSIA include the private school bus contractor? All employees of the private school bus contractor? Would it be fair to exclude "other" private school bus contractor employees?
- If private employees of school bus contractors are covered by PSIA, will there be additional cost to

the state?

- If private school bus contractors are currently "funded" for employee benefits at the same level as school district employees, do private school bus contractors pay a portion of their employees' health care cost? If not, where does the amount intended for employees benefits go?
- If employees of private school bus contractors become eligible for coverage by PSIA, should they become eligible for the same retirement benefits under the Educational Retirement Association?
- If employees of private school bus contractors become eligible for health insurance and retirement coverage under the aegis of contracts the SDE, should school districts take over all pupil transportation activities and eliminate school bus contracting?

LB/njw