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FISCAL IMPACT REPORT

SPONSOR Stewart DATE TYPED 3/6/05 HB 1044/aHEC

SHORT TITLE Air-Conditioned Wheelchair Lift School Buses SB _____

ANALYST Chabot

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			\$210.0	Non-Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Transportation (DOT)

Public Education Department (PED)

SUMMARY

Synopsis of HEC Amendment

House Education Committee amendment to House Bill 1044 strikes the requirement for PED to retrofit existing buses and leaves the requirement for new purchases only.

The LFC cost estimate in the table has been reduced based on replacing 250 buses over a 12 year period.

Synopsis of Original Bill

House Bill 1044 enacts a new section of Chapter 22, Article 16 NMSA 1978 requiring PED establish standards for school buses equipped with wheelchair lifts purchased after June 30, 2005 to be equipped with factory-installed air conditioning. Other buses currently in use will be retrofitted with air conditioning as funding is available.

Significant Issues

PED assesses special needs students may require air-conditioning due to health problems if they are “heat” or “cold” sensitive and medically fragile. The Individuals with Disabilities Education Act (IDEA) does not require air-conditioning on school buses. IDEA leaves it up to a child’s Individual Education Plan (IEP) to determine specific needs for the child. The following items are the only specialized equipment specifically mentioned in IDEA: special or adapted buses, lifts and ramps.

Further, PED states “a retrofit or installation of air-conditioning on equipment already manufactured changes the integrity and design of the vehicle...and may affect any warranty...”

FISCAL IMPLICATIONS

The bill has no appropriation. In testimony before LESC, PED estimated there were about 250 school buses with wheel chair lifts. Replacement costs would be \$2.5 million spread out over the fleet life or 12 years. Retrofit costs would be approximately \$375 thousand for existing buses.

PED estimates the cost of factory installed air-conditioning increases the cost per bus by \$10 to \$12 thousand. Retrofit with air conditioning is estimated at \$1,500.

ALTERNATIVES

PED suggests a viable alternative would be to require school buses to be equipped with tinted windows and white-painted roofs to help reduce interior temperatures. This can be accomplished as buses are replaced and add only \$750 to the cost of each bus.

LFC suggests that buses be retrofit when a IEP requires it.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

Comments before the LESC hearing in August 2004 suggested failure to equip these buses with air conditioning could lead to lawsuits against the school districts or school bus operators.

PED assesses its regulation require school districts to provide a unified system of transportation to meet IDEA requirements. These determinations are based on each individual student’s need as determined by the IEP. Therefore, no negative consequences or impact to the current level of service being provided will result if the bill is not passed.

POSSIBLE QUESTIONS

1. Are there any students whose IEP requires transport in an air-conditioned vehicle?
2. How long does it take to retrofit a bus with air-conditioning?
3. Is retrofit air-conditioning as effective as factory installed?

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