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LEGISLATIVE EDUCATION STUDY COMMITTEE BILL ANALYSIS

54th Legislature, 1st Session, 2019

Bill Number SB156	Sponsor Soules
Tracking Number211226.1	Committee Referrals SEC/SFC
Short Title School Bus Seat Belts	
Analyst Bedeaux	Original Date 1/25/19 Last Updated

BILL SUMMARY

Synopsis of Bill

Senate Bill 156 (SB156) would require the Public Education Department (PED) to adopt rules that require all school buses purchased on or after July 1, 2019 to be equipped with seat belts for all passengers. SB156 would make appropriation of \$8.5 million to purchase school buses with seat belts.

FISCAL IMPACT

SB156 would appropriate \$8.5 million from the general fund to PED for expenditure in FY20 for the purchase of school buses with passenger seat belts. Any unexpended or unencumbered balance remaining at the end of FY20 shall revert to the general fund.

The Legislative Finance Committee (LFC) and executive budget recommendations for FY20 both include \$32.9 million for school bus replacement in FY20. The \$8.5 million appropriation included in SB156 would supplement those funds, and would bring the total available funding for the replacement of school district-owned school buses in FY20 to \$41.4 million.

PED staff estimated the cost of a new bus without seatbelts to be \$85 thousand, while buses with seatbelts would cost \$92.5 thousand. PED notes 387 school district-owned buses are due for replacement in FY20 based on the state's 12-year school bus replacement cycle. The cost of buying 387 school buses with seat belts will be \$35.8 million, leaving \$5.6 million of the available bus replacement funds unspent. Requiring school buses to be equipped with seat belts increases the overall cost of school buses by 9 percent per year. However, the state funds school bus replacements using a non-recurring appropriation and the number of buses replaced per year is based on how much the Legislature appropriates for that specific purpose.

SB156 would also impact rental fees paid to school bus contractors, though the exact impact is difficult to quantify based on current data available to LESC. The state makes an annual categorical appropriation within the state public school support budget for the payment of rental fees to school bus contractors. Contractor-owned buses are amortized over a 5-year period based on their

purchase price. By increasing the initial cost of school buses, SB156 would impact rental fees paid to school bus drivers by approximately \$1,750 per bus per year, with the full impact being realized by the end of the state's 12-year replacement cycle.

SUBSTANTIVE ISSUES

The National Highway Traffic Safety Administration (NHTSA) regards school buses as the safest form of school transportation. School bus fatalities are exceedingly rare. According to the US Census, motor vehicle accidents cause approximately 40 thousand fatalities per year. The NHTSA Center for Statistics and Analysis reports that, between 2006 and 2015, the average number of occupant fatalities in school transportation-related crashes per year was 11 (0.0003 percent of total motor vehicle fatalities), and the average number of pedestrian fatalities in school transportation-related crashes per year was 22 (0.0006 percent of total pedestrian fatalities).

According to NHTSA Fatality Analysis Reporting System data, since 2010, New Mexico has had two school bus-related crashes, both of which occurred in 2013. One involved a brand new bus and two semi-trucks; while the driver of the bus was killed, there were no children on board at the time of the crash. The second was a bus that veered off the road carrying children. The 69-year-old driver was killed, and nine children sustained injuries. Authorities believe the driver was going 10 to 15 miles per hour over the speed limit at the time of the crash.

ADMINISTRATIVE IMPLICATIONS

SB156 would require PED to promulgate rules requiring all school buses purchased on or after July 1, 2019, to be equipped with seatbelts for all passengers. The rules would need to apply to both school district-owned and contractor-owned school buses.

PED staff notes buses to be purchased in FY20 have likely already been constructed based on current construction standards. In order to make buses from New Mexico dealers eligible for purchase, the dealers will need to retrofit the buses with seat belts. Retrofitting school buses with seat belts is significantly more expensive, though it is unclear by how much. PED staff recommended amending the bill to apply to school buses *manufactured*, rather than purchased, after the effective date.

OTHER SIGNIFICANT ISSUES

According to the National Conference of State Legislatures, only eight states require seat belts on full-size school buses: Arkansas, California, Florida, Louisiana, Nevada, New York, New Jersey, and Texas. The laws in Arkansas, Louisiana, and Texas, however, are contingent on appropriations and subject to approval or denial by the local school districts.

ALTERNATIVES

Because the bill as written would overfund school-district school bus replacement by \$5.6 million, the sponsor may wish to split the appropriation into two separate appropriations: one to support school district-owned school bus replacement, and another to subsidize rental fees for contractor-owned school buses. However, it is unlikely the entire \$5.6 million will be needed to fund the FY20 increase in contractor rental fees.

RELATED BILLS

Substantively duplicates HB265, Seat Belts in School Buses, which would become effective January 1, 2020, and does not make an appropriation.

Related to SB321, School Bus Air Conditioners, which would require all school buses purchased after July 1, 2019, to be equipped with air conditioning and create new provisions for school bus seating arrangements.

Related to an appropriation in the executive budget recommendation for FY20 and an appropriation in the LFC capital outlay framework for FY20 of \$32.9 million for school bus replacement.

SOURCES OF INFORMATION

- LESC Files
- PED

TB/mc/mhg