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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/2/06

SPONSOR Vigil LAST UPDATED 2/6/06 HB 350/aHEC

SHORT TITLE School Bus Security & GPS Devices SB \_\_\_\_\_

ANALYST Hoffmann

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$2,400,000	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY06	FY07	FY08	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		\$244.5	\$489.0	\$733.5	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

### SUMMARY

#### Synopsis of HEC Amendment

The House Education Committee amendment eliminates the component of the appropriation that would have provided cellular services and cell phones for school bus drivers.

#### Synopsis of Original Bill

House Bill 350 appropriates \$2,400,000 from the general fund to the Public Education Department for the purpose of equipping up to 3,000 school buses with security and global positioning devices statewide, including cellular services and cell phones for bus drivers.

**FISCAL IMPLICATIONS**

The appropriation of \$2,400,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

**SIGNIFICANT ISSUES**

This proposal was not included as a part of the Executive budget or of the LFC's budget recommendations.

The House Education Committee amendment eliminates the cellular service and cell phones. This eliminates an estimated annual cost of \$1,440,000 that would have reduced the number of school buses that could be equipped with GPS tracking equipment.

The Public Education Department notes that New Mexico school buses transport 183,744 students daily covering 34,836,914 annual miles on 2,369 school buses. There are approximately 700 activity school buses which are used outside of normal school hours to transport students on activities and athletic events. This is a total of approximately 3,069 buses.

The start-up costs (capital (\$850), extended warranty (\$85), and installation (\$125)) for the GPS and security, along with the operating costs for six months (assuming the project could be completed in six months) are approximately \$1,060 per bus. At the funding level of \$2,400,000 the Public Education Department could equip approximately 2,264 buses ( $\$2,400,000 / \$1,060 \sim 2,264$ ).

The amendment does not address the increase in the Department of Education's operating budget that would be necessary to pay for the GPS tracking service cost of \$18/month or approximately \$489,000 per year. The "ADDITIONAL ESTIMATED OPERATING BUDGET IMPACT" table above assumes that the GPS tracking units in the buses will be in operation only half of fiscal year 2007.

CH/mt