

AN ACT

RELATING TO SCHOOL BUS SERVICE CONTRACTS; PROVIDING FOR STATUS CHANGES FOR ONE-BUS CONTRACTORS; AMENDING A SECTION OF THE NMSA 1978.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 22-16-3 NMSA 1978 (being Laws 1967, Chapter 16, Section 221, as amended) is amended to read:

"22-16-3. SCHOOL BUS SERVICE CONTRACTS.--

A. A school district may provide transportation services to students through the use of school bus service contracts. School districts may enter into school bus service contracts with individual school bus owner-operators or with school bus fleet owners or with both. A school district shall not enter into any school bus fleet service contract with any person who is simultaneously employed by that school district as an individual school bus owner-operator.

B. All contracts entered into by a school district to provide school bus service to students attending public school within the school district shall be approved by the local school board. The contracts shall be in writing on forms approved by the state board.

C. In addition to approving the form of the contract, the state board shall, by regulation, establish the parameters of school bus service contracts to include recognition of fuel costs, operation and maintenance costs and employee salary and benefits costs. In entering into school bus service contracts, school districts shall give preference to in-state service providers and the use of

multiple providers. Upon request, the department of education shall provide assistance to local school districts in the negotiation and award of school bus service contracts.

D. A school district may enter into a school bus service contract for a term not to exceed five years. A school bus service contract may provide, at the expiration of the term of the contract, for annual renewal of the school bus service contract on the same terms and conditions at the option of the local school board.

E. In the event a contract with a school bus operator is terminated, the buses owned by the operator that are used pursuant to his school bus service contract shall be appraised by three qualified appraisers appointed by the local school board and approved by the state transportation director. The operator succeeding to the contract shall purchase, with the approval of the operator whose contract was terminated, all of the buses owned by the former operator at their appraised value.

F. Notwithstanding any provisions in the Procurement Code or any other provision of law to the contrary, a person who has a service contract as an individual school bus owner-operator may exercise an option to convert his contract to a fleet operator contract without being required to submit to a competitive bidding process."