



Reprinted
April 12, 2001

ENGROSSED SENATE BILL No. 501

DIGEST OF SB 501 (Updated April 11, 2001 6:10 PM - DI 51)

Citations Affected: IC 20-9.1; IC 36-9; noncode.

Synopsis: Use of school buses. Eliminates the requirement that the name of the school district operating the school bus on the roof of the vehicle. Requires a person that transports children in the care of a preschool operated by a school corporation, a public elementary school, or a public secondary school to transport the children in a school bus or, in certain circumstances permitted under Indiana law, a special purpose bus. Requires the driver of the school bus or a special purpose bus to meet certain requirements under Indiana law. Provides that person who violates certain provisions regarding the transportation of school children commits a Class B infraction. Amends the definition of "special purpose bus" to mean a vehicle that accommodates more than 10 passengers and meets federal school bus safety requirements with the exception of requirements of a signal arm and flashing lamps. Permits the use of a public transportation system to transport school children if the motor carriage used is designed to carry at least 30 passengers. Authorizes the governing body of a school corporation to permit, by written authorization, the use of school buses owned in
(Continued next page)

Effective: July 1, 2001.

Rogers, Landske, Antich

(HOUSE SPONSORS — BROWN C, DILLON, SMITH V)

January 22, 2001, read first time and referred to Committee on Transportation and Interstate Cooperation.

March 1, 2001, amended, reported favorably — Do Pass.

March 6, 2001, read second time, amended, ordered engrossed.

March 7, 2001, engrossed. Read third time, passed. Yeas 44, nays 5.

HOUSE ACTION

March 12, 2001, read first time and referred to Committee on Roads and Transportation.

April 9, 2001, amended, reported — Do Pass.

April 11, 2001, read second time, amended, ordered engrossed.

C
o
p
y

ES 501—LS 8033/DI 97+



Digest Continued

certain nonprofit fairs or festivals. Provides that if before July 1, 2001, a person owns a vehicle other than a school bus or a special purpose bus that is used to transport school children, the vehicle may be used to transport children until June 30, 2007. Authorizes a public transportation corporation to provide expanded service outside the county in which the corporation is located for the purpose of providing transportation to school children.

C
o
p
y



Reprinted
April 12, 2001

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

ENGROSSED SENATE BILL No. 501

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 20-9.1-1-4.5 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 4.5. ~~Definition;~~
3 "~~Special Purpose Bus~~": As used in this article, the term "special
4 purpose bus" means any motor vehicle designed and constructed:

5 (1) for the accommodation of more than ~~six (6)~~ **ten (10)**
6 passengers;

7 (2) **that meets the federal school bus safety requirements**
8 **under 49 U.S.C. 30125 except the:**

9 (A) **stop signal arm required under federal motor vehicle**
10 **safety standard (FMVSS) no. 131; and**

11 (B) **flashing lamps required under federal motor vehicle**
12 **safety standard (FMVSS) no. 108; and**

13 (3) **that is** used by a school corporation for transportation
14 purposes not appropriate for school buses.

15 SECTION 2. IC 20-9.1-4-4.5, AS ADDED BY P.L.51-2000,
16 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2001]: Sec. 4.5. (a) As used in this section, "committee" refers

ES 501—LS 8033/DI 97+



C
o
p
y

1 to the state school bus committee created by this chapter.

2 (b) The committee shall adopt and enforce rules under IC 4-22-2 to
3 require that each new school bus operated by or on behalf of a school
4 corporation bear

5 ~~(1) the name of the school district on the top of the school bus;~~
6 ~~and~~

7 ~~(2) the number of the school district on the back of the school bus~~
8 ~~in black letters that are between four (4) inches and six (6) inches~~
9 ~~high.~~

10 SECTION 3. IC 20-9.1-5-3.5 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 3.5. (a) In addition to
12 the exemptions granted in this chapter and notwithstanding the
13 provisions of section 18 of this chapter, any school corporation may
14 permit a school bus operated under a fleet or transportation contract,
15 and not owned in whole or in part by a public agency, to be used for
16 transporting any group or organization for any distance, if that group
17 or organization agrees to maintain the condition of the bus and to
18 maintain order on the bus while in use.

19 (b) When authorizing such transportation, the school corporation
20 shall require the owner of the bus to:

21 (1) obtain written authorization of the superintendent of the
22 contracting school corporation;

23 (2) clearly identify the bus with the name of the sponsoring group;
24 and

25 (3) provide proof to the superintendent and the sponsoring group
26 of financial responsibility, as required by IC 9-25 and
27 IC 20-9.1-2-6 for such transportation.

28 **(c) The governing body of a school corporation may permit, by**
29 **written authorization, the use of school buses owned in whole or in**
30 **part by the school corporation for the transportation needs of a**
31 **fair or festival operated by or affiliated with a nonprofit**
32 **organization exempt from federal taxation under Section 501(c)(3)**
33 **through 501(c)(7) of the Internal Revenue Code.**

34 SECTION 4. IC 20-9.1-5-3.6 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 3.6. (a) As used in this
36 section, "developmentally disabled person" means a person who has a
37 developmental disability (as defined in IC 12-7-2-61).

38 (b) A special education cooperative operating under IC 36-1-7,
39 IC 20-1-6-20, or IC 20-5-11, or a school corporation, may enter into an
40 agreement with a state supported agency serving developmentally
41 disabled persons whereby **school buses or special purpose buses** used
42 by the special education cooperative or school corporation may be used

C
O
P
Y



1 to transport developmentally disabled persons who:

2 (1) are two (2) years of age or older; and

3 (2) live within the boundaries of the special education cooperative
4 or school corporation;

5 to and from programs for the developmentally disabled.

6 (c) An increased cost of transportation for developmentally disabled
7 persons not reimbursed under IC 21-3-3.1 shall be borne by the persons
8 transported or the state supported agency serving the developmentally
9 disabled. However, a developmentally disabled person may not be
10 required to pay for transportation provided under this section where the
11 required payment is contrary to law.

12 SECTION 5. IC 20-9.1-5-6.6 IS ADDED TO THE INDIANA
13 CODE AS A NEW SECTION TO READ AS FOLLOWS
14 [EFFECTIVE JULY 1, 2001]: **Sec. 6.6. (a) This subsection does not
15 apply to a developmentally disabled or physically disabled person
16 who is provided transportation by a school corporation by means
17 of a special purpose bus as provided in section 2.6(a)(3) of this
18 chapter. An individual or entity who transports children in the
19 care of a:**

20 (1) preschool operated by a school corporation;

21 (2) public elementary school; or

22 (3) public secondary school;

23 on a public highway (as defined in IC 9-25-2-4) within or outside
24 of Indiana, shall transport the children only in a school bus.
25 However, a special purpose bus may be used for transportation of
26 the children to activities other than regular transportation between
27 the residences of the children and the school.

28 (b) The operator of a:

29 (1) school bus that transports children as required under
30 subsection (a) shall meet the requirements of IC 20-9.1-3; and

31 (2) special purpose bus that transports children as required
32 under subsection (a) shall meet the requirements of section
33 2.6(c) of this chapter.

34 (c) This section does not prohibit the use of a public
35 transportation system for the transportation of children if the
36 motor carriage used is designed to carry thirty (30) or more
37 passengers.

38 SECTION 6. IC 20-9.1-5-22 IS AMENDED TO READ AS
39 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 22. ~~Penalties.~~ (a)
40 Except as provided in subsection (b) or in another section of this
41 article, a person who violates chapter 2, 2.5, 3, 4, or 5 of this article
42 commits a Class C misdemeanor.

ES 501—LS 8033/DI 97+



C
O
P
Y

1 **(b) A person who violates section 6.6 of this chapter commits a**
 2 **Class B infraction.**

3 SECTION 7. IC 36-9-4-29.4 IS AMENDED TO READ AS
 4 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 29.4. (a) This section
 5 does not apply to a public transportation corporation located in a
 6 county having a consolidated city.

7 (b) A public transportation corporation may provide regularly
 8 scheduled passenger service to specifically designated locations outside
 9 the system's operational boundaries as described in IC 36-9-1-9 if all
 10 of the following conditions are met:

11 (1) The legislative body of the municipality approves any
 12 expansion of the service outside the municipality's corporate
 13 boundaries.

14 (2) The expanded service is reasonably required to do any of the
 15 following:

16 (A) Enhance employment opportunities in the new service area
 17 or the existing service area.

18 (B) Serve the elderly, disabled, or other persons who are in
 19 need of public transportation.

20 (3) The rates or compensation for the expanded service are
 21 sufficient, on a fully allocated cost basis, to prevent a property tax
 22 increase in the taxing district solely as a result of the expanded
 23 service.

24 (4) **Except as provided in subsection (e),** the expanded service
 25 does not extend beyond the boundary of the county in which the
 26 corporation is located.

27 (5) The corporation complies with sections 29.5 and 29.6 of this
 28 chapter.

29 (c) Notwithstanding section 39 of this chapter, a public
 30 transportation corporation may provide demand responsive service
 31 outside of the system's operational boundaries as described in
 32 IC 36-9-1-9 if the conditions listed in subsection (b) are met.

33 (d) The board may contract with a private operator for the operation
 34 of an expanded service under this section.

35 **(e) Subsection (b)(4) does not apply to a special purpose bus (as**
 36 **defined in IC 20-9.1-1-4.5) or a school bus (as defined in**
 37 **IC 20-9.1-1-5) that provides expanded service for a purpose**
 38 **permitted under IC 20-9.1-5.**

39 SECTION 8. [EFFECTIVE JULY 1, 2001] (a) **If an individual or**
 40 **entity described in IC 20-9.1-5-6.6, as added by this act, owns a**
 41 **vehicle other than a school bus (as defined in IC 20-9.1-1-5) or a**
 42 **special purpose bus (as defined in IC 20-9.1-1-4.5, as amended by**

C
O
P
Y



1 this act) before July 1, 2001, the person may continue to use the
2 vehicle to transport children until June 30, 2007.

3 (b) If a person described in IC 20-9.1-5-6.6, as added by this act,
4 has contracted for the use of a vehicle other than a school bus (as
5 defined in IC 20-9.1-1-5) or a special purpose bus (as defined in
6 IC 20-9.1-1-4.5, as amended by this act) before July 1, 2001, the
7 person may continue to use the vehicle to transport children until
8 the contract expires.

C
o
p
y



SENATE MOTION

Mr. President: I move that Senator Landske be added as second author and Senator Antich be added as coauthor of Senate Bill 501.

ROGERS

C
o
p
y



COMMITTEE REPORT

Mr. President: The Senate Committee on Transportation and Interstate Cooperation, to which was referred Senate Bill No. 501, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, line 20, after "bus" insert "**(as defined in IC 20-9.1-1-5) or a special purpose bus (as defined in IC 20-9.1-1-4.5).**".

Page 2, delete lines 21 through 22.

Page 2, line 23, delete "30125".

Page 2, line 27, delete "a" and insert "**a:**
(1)".

Page 2, line 29, delete "IC 20-9.1-3-1." and insert "**IC 20-9.1-3; and
(2) special purpose bus that transports children as required under subsection (d) shall meet the requirements of IC 20-9.1-5-2.6.**".

Page 2, delete lines 30 through 42, begin a new paragraph and insert:

"SECTION 2. IC 20-9.1-1-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 4.5. ~~Definition;~~ "~~Special Purpose Bus~~". As used in this article, the term "special purpose bus" means any motor vehicle designed and constructed:

(1) for the accommodation of more than ~~six (6)~~ **ten (10)** passengers;

(2) that meets the federal school bus safety requirements under 49 U.S.C. 30125 except the:

(A) stop signal arm required under federal motor vehicle safety standard (FMVSS) no. 131; and

(B) flashing lamps required under federal motor vehicle safety standard (FMVSS) no. 108; and

(3) that is used by a school corporation for transportation purposes not appropriate for school buses."

Page 3, delete lines 1 through 25.

Page 3, line 33, delete "with a capacity of at least" and insert "**or special purpose buses**".

Page 3, delete line 34.

Page 3, line 35, delete "requirements under this chapter and 49 U.S.C. 30125".

Page 4, line 18, delete "A person" and insert "**An individual or entity**".

Page 4, line 25, delete "with a" and insert "**. However, a special purpose bus may be used for transportation of the children to**

ES 501—LS 8033/DI 97+



C
O
P
Y

activities other than regular transportation between the residences of the children and the school."

Page 4, delete lines 26 through 27.

Page 4, line 28, delete "a" and insert "**a:
(1)**".

Page 4, line 30, delete "IC 20-9.1-3-1." and insert "**IC 20-9.1-3; and
(2) special purpose bus that transports children as required
under subsection (b) shall meet the requirements of section 2.6
of this chapter.**".

Page 4, line 35, delete "a person" and insert "**an individual or
entity**".

Page 4, line 39, delete "with a capacity of at least" and insert "**(as
defined in IC 20-9.1-1-5) or a special purpose bus (as defined in
IC 20-9.1-1-4.5, as amended by this act)**".

Page 4, line 40, delete "sixteen (16) passengers".

Page 5, line 4, delete "with" and insert "**(as defined in
IC 20-9.1-1-5) or a special purpose bus (as defined in
IC 20-9.1-1-4.5, as amended by this act)**".

Page 5, line 5, delete "a capacity of at least sixteen (16) passengers".
and when so amended that said bill do pass.

(Reference is to SB 501 as introduced.)

RIEGSECKER, Chairperson

Committee Vote: Yeas 7, Nays 0.

C
O
P
Y



SENATE MOTION

Mr. President: I move that Senate Bill 501 be amended to read as follows:

Page 2, line 18, delete "or child care".

Page 2, line 19, delete "home".

Page 3, delete lines 27 through 35 and insert **""child care center" means a nonresidential building where at least one (1) child receives child care from a provider licensed under IC 12-17.2-4:**

(1) while unattended by a parent, legal guardian, or custodian;

(2) for regular compensation; and

(3) for more than four (4) hours but less than twenty-four (24) hours in each of ten (10) consecutive days per year, excluding intervening Saturdays, Sundays, and holidays."

Page 3, line 37, delete "public or private".

Page 3, line 38, delete "day" and insert **"child"**.

Page 3, line 39, after "preschool" insert **"operated by a school corporation"**.

Page 3, line 40, after "(3)" insert **"public"**.

Page 3, line 41, after "(4)" insert **"public"**.

(Reference is to SB 501 as printed March 2, 2001.)

ROGERS

C
O
P
Y



COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred Senate Bill 501, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17.

Page 2, delete lines 1 through 31.

Page 3, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 3. IC 20-9.1-5-3.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 3.5. (a) In addition to the exemptions granted in this chapter and notwithstanding the provisions of section 18 of this chapter, any school corporation may permit a school bus operated under a fleet or transportation contract, and not owned in whole or in part by a public agency, to be used for transporting any group or organization for any distance, if that group or organization agrees to maintain the condition of the bus and to maintain order on the bus while in use.

(b) When authorizing such transportation, the school corporation shall require the owner of the bus to:

- (1) obtain written authorization of the superintendent of the contracting school corporation;
- (2) clearly identify the bus with the name of the sponsoring group; and
- (3) provide proof to the superintendent and the sponsoring group of financial responsibility, as required by IC 9-25 and IC 20-9.1-2-6 for such transportation.

(c) The governing body of a school corporation may permit, by written authorization, the use of school buses owned in whole or in part by the school corporation for the transportation needs of a fair or festival operated by or affiliated with a nonprofit organization exempt from federal taxation under Section 501(c)(3) through 501(c)(7) of the Internal Revenue Code."

Page 3, line 26, delete "As used in this section,".

Page 3, delete lines 27 through 35.

Page 3, line 36, delete "(b)" and insert "**This subsection does not apply to a developmentally disabled or physically disabled person who is provided transportation by a school corporation by means of a special purpose bus as provided in section 2.6(a)(3) of this chapter.**"

Page 3, run in lines 26 through 36.

Page 3, delete line 38.

Page 3, line 39, delete "(2)" and insert "(1)".

ES 501—LS 8033/DI 97+



C
O
P
Y

Page 3, line 40, delete "(3)" and insert "(2)".

Page 3, line 41, delete "(4)" and insert "(3)".

Page 4, line 5, delete "(c)" and insert "(b)".

Page 4, line 5, delete "driver" and insert "**operator**".

Page 4, line 7, delete "(b)" and insert "(a)".

Page 4, line 9, delete "(b)" and insert "(a)".

Page 4, line 9, delete "2.6" and insert "**2.6(c)**".

Page 4, line 11, delete "(d)" and insert "(c)".

Page 4, between lines 14 and 15 begin a new paragraph and insert:
 "SECTION 4. IC 20-9.1-5-22 IS AMENDED TO READ AS
 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 22. ~~Penalties:~~ **(a)**
Except as provided in subsection (b) or in another section of this
article, a person who violates chapter 2, 2.5, 3, 4, or 5 of this article
 commits a Class C misdemeanor.

(b) A person who violates section 6.6 of this chapter commits a
Class B infraction.

SECTION 5. IC 36-9-4-29.4 IS AMENDED TO READ AS
 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 29.4. (a) This section
 does not apply to a public transportation corporation located in a
 county having a consolidated city.

(b) A public transportation corporation may provide regularly
 scheduled passenger service to specifically designated locations outside
 the system's operational boundaries as described in IC 36-9-1-9 if all
 of the following conditions are met:

(1) The legislative body of the municipality approves any
 expansion of the service outside the municipality's corporate
 boundaries.

(2) The expanded service is reasonably required to do any of the
 following:

(A) Enhance employment opportunities in the new service area
 or the existing service area.

(B) Serve the elderly, disabled, or other persons who are in
 need of public transportation.

(3) The rates or compensation for the expanded service are
 sufficient, on a fully allocated cost basis, to prevent a property tax
 increase in the taxing district solely as a result of the expanded
 service.

(4) **Except as provided in subsection (e)**, the expanded service
 does not extend beyond the boundary of the county in which the
 corporation is located.

(5) The corporation complies with sections 29.5 and 29.6 of this
 chapter.

C
o
p
y



(c) Notwithstanding section 39 of this chapter, a public transportation corporation may provide demand responsive service outside of the system's operational boundaries as described in IC 36-9-1-9 if the conditions listed in subsection (b) are met.

(d) The board may contract with a private operator for the operation of an expanded service under this section.

(e) Subsection (b)(4) does not apply to a special purpose bus (as defined in IC 20-9.1-1-4.5) or a school bus (as defined in IC 20-9.1-1-5) that provides expanded service for a purpose permitted under IC 20-9.1-5."

Page 4, line 16, delete "in:" and insert "**in**".

Page 4, line 17, delete "(1)".

Page 4, run in lines 16 and 17.

Page 4, line 17, delete "act; or" and insert "**act**".

Page 4, delete line 18.

Page 4, run in lines 17 and 19.

Page 4, line 22, delete "2006." and insert "**2007**".

Page 4, line 23, delete "in:" and insert "**in**".

Page 4, line 24, delete "(1)".

Page 4, run in lines 23 and 24.

Page 4, line 24, delete "act; or" and insert "**act**".

Page 4, delete line 25.

Page 4, run in lines 24 and 26.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 501 as reprinted March 7, 2001.)

COOK, Chair

Committee Vote: yeas 10, nays 1.

C
O
P
Y



HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 501 be amended to read as follows:

Page 1, between lines 14 and 15, begin a new paragraph and insert:
"SECTION 2. IC 20-9.1-4-4.5, AS ADDED BY P.L.51-2000, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 4.5. (a) As used in this section, "committee" refers to the state school bus committee created by this chapter.

(b) The committee shall adopt and enforce rules under IC 4-22-2 to require that each new school bus operated by or on behalf of a school corporation bear

- (1) the name of the school district on the top of the school bus;
- and
- (2) the number of the school district on the back of the school bus in black letters that are between four (4) inches and six (6) inches high."

Renumber all SECTIONS consecutively.

(Reference is to ESB 501 as printed April 9, 2001.)

GOODIN

C
o
p
y

