

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 8033**  
**BILL NUMBER: SB 501**

**DATE PREPARED:** Jan 16, 2001  
**BILL AMENDED:**

**SUBJECT:** Use of school buses to transport children.

**FISCAL ANALYST:** David Hoppmann  
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**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill prohibits the use of a special purpose bus to transport school children or disabled persons who are less than 18 years of age. It requires a person that transports children in the care of a public or private day care center, preschool, elementary school, or secondary school to transport the children in a school bus with a capacity of at least 16 passengers that meets state and federal school bus safety standards. It requires the driver of the school bus to meet the requirements for school bus drivers under Indiana law. It permits the use of a public transportation system to transport the children if the motor carriage used is designed to carry at least 30 passengers.

**Effective Date:** July 1, 2001.

**Explanation of State Expenditures:** The Family and Social Services Administration (FSSA) could experience a minimal increase in administrative expenses regarding the requirement that public and private child care homes/centers utilize school buses (with at least a 16-seat capacity) and qualified drivers when transporting children. Additional expenses could be absorbed within FSSA's existing budget.

The Department of Education, via the State School Bus Committee (the Committee), could experience a minimal increase in administrative expenses regarding the oversight of additional school buses utilized by public and private child care homes/centers. Since the Committee is already responsible for establishing minimum standards for school bus inspections conducted by the Indiana State Police (State Police), and is responsible for setting performance standards and measurements for determining the physical ability necessary to become a school bus driver, the effects of this bill could be absorbed within DOE's existing budget.

The Indiana State Police, via the Commercial Vehicle Division (the Division), could experience an increase in administrative expenses regarding the inspections of additional school buses utilized by public and private child care homes/centers. Under current Indiana law, the Division already inspects school buses utilized by

these entities, and would be required to inspect any additional buses acquired to transport children due to the provisions of this bill.

The specific effects of this bill are currently indeterminable, and would depend upon the number of additional school buses utilized by local entities, and the number of those entities that choose to utilize public transportation instead of purchasing additional buses.

*Background-* Currently there are approximately 14,000 school buses (public and private) operating in Indiana that are required to be inspected by the Division at least annually. (Some school buses are inspected multiple times due to re-inspections, spot-inspections, and 12-year old inspections.) For 1999, approximately 18,000 school bus inspections were conducted by the Division.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** School corporations may be required to purchase additional school buses with at least a 16-seat capacity to replace special purpose buses. School corporation expenses would be paid from school corporation Transportation Fund property taxes based on a ten-year replacement plan. The exact increase in property taxes would vary from school corporation to school corporation, and would depend upon factors such as assessed valuations and the number of school buses purchased by each school corporation.

The expenses mentioned above could be mitigated by utilizing existing school buses that already fulfill the criteria of this bill. This mitigating factor would vary between school corporations, and would depend upon local action.

**Explanation of Local Revenues:**

**State Agencies Affected:** Family and Social Services, Department of Education, State Police.

**Local Agencies Affected:** School Corporations; Private and Public Childcare Facilities.

**Information Sources:** Indiana State Police *1999 Annual Report*; State School Bus Committee Website: <http://www.doe.state.in.us/safety/welcome.html>.