

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

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**FISCAL IMPACT STATEMENT**

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

**DATE PREPARED: Mar 2, 2001**  
**BILL AMENDED: Mar 1, 2001**

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

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**FUNDS AFFECTED:  GENERAL**  
 **DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill 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 or, in certain circumstances permitted under Indiana law, a special purpose bus. It requires the driver of the school bus or a special purpose bus to meet certain requirements under Indiana law. It 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. 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:** (Revised) 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 or special purpose buses (as defined in Indiana law) 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 and special purpose 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 and special purpose 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 and special purpose 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:** (Revised) It is not likely that school corporations would experience an increase in administrative expenses due to the provisions of this bill. Typically, school corporations utilize conforming school buses to transport students to and from extra-curricular events. In the cases where a non-conforming vehicle such as a parent's van would have normally been used (absent this bill), school corporations would incur little or no difficulty locating buses from their existing fleets.

**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>.