

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2022-01
Bill No.: HB 769
Subject: Children and Minors: Education, Elementary and Secondary; Elementary and Secondary Education Dept; Transportation
Type: Original
Date: April 26, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	\$0	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
School Bus Seat Belt Fund	\$0*	\$0 to \$69,495	\$0 to \$69,495
Total Estimated Net Effect on <u>Other</u> State Funds	\$0*	\$0 to \$69,495	\$0 to \$69,495

***Transfers in and out total \$57,913**

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	(\$52,140,000 to \$365,875,000)	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue, Department of Public Safety, Department of Transportation** and the **Office of the State Treasurer** stated this proposal has no fiscal impact on their agency.

According to the **Office of State Courts Administrator (CTS)**, the proposed legislation provides for a surcharge of \$1.00 for "each motor vehicle moving violation, as defined in section 302.010, RSMo," to be credited to the fund. CTS assumes that between 25% and 50% of the traffic dispositions with guilty outcomes would receive this surcharge (many traffic cases are "non-moving" violations). Based on data for FY 04, CTS will assume that there were approximately 69,495 traffic cases on which this \$1.00 surcharge could be applied. There may be some unknown costs associated with re-programming software used by the courts because the legislation only assumes the surcharge on "moving" violations. **Oversight** assumes the reprogramming costs, if incurred, could be absorbed with existing resources. If there is a need for additional funding to implement this proposal, funds may be requested through the appropriation process.

ASSUMPTION (continued)

Officials from the **Department of Elementary and Secondary Education** provided the following estimate of the fiscal impact of this proposal:

Cost Estimates:

300	Estimated number of small buses (with required built-in seat belts)
<u>11,850</u>	Estimated number of large buses (66 passenger)
12,150	Total
22	Number of seats in the average 66 passenger bus
33%	Loss of capacity when two-passenger lap/shoulder belts are used (requires additional buses)
\$50,000	Acquisition cost of a 66 passenger bus
\$200	Cost of restraint frame with lap belt (retrofits existing seat)
\$500	Cost of lap/shoulder belt two-passenger school bus seat

Range of Cost Estimate

Low end of estimate

Estimated cost to retrofit large school buses with lap belts:

$$11,850 \quad \times \quad 22 \quad \times \quad \$200 \quad = \quad \$52,140,000$$

High end of estimate

Estimated cost to retrofit large school buses with lap/shoulder belts (recommended type of seat belt for school buses) and the purchase of additional buses to account for loss of capacity:

11,850	x	22	x	\$500	=	\$130,350,000
11,850	x	33%	x	\$50,000	=	<u>\$195,525,000</u>
TOTAL					=	\$325,875,000

ASSUMPTION (continued)

Oversight assumes this cost will incur to the school districts, rather than General Revenue. Also, unknown costs are shown in subsequent fiscal years for bus replacement and replacement and maintenance of seat belts. **Oversight** also assumes the retrofit costs would be incurred in FY 06.

Officials from the **Nixa R-II School District** did not give a cost estimate, but indicated this proposal would have a negative fiscal impact on their district.

Officials from the **Poplar Bluff School District** assume this proposal would put financial restraints on both DESE and public schools.

Officials from the **Lee's Summit** project the cost to install seat belts on buses to be \$717,600 which includes the materials and labor, but does not include on-going maintenance and replacement costs.

Officials from the **Salisbury School District** state this proposal would cost their district approximately \$20,000 to buy and install seat belts on all of their buses.

Officials from the **Parkway School District** state their district already has seat belts on every bus, therefore there would be no fiscal impact to their district.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
SCHOOL BUS SEAT BELT FUND			
<u>Income</u> - Surcharge for moving vehicle violations	\$57,913	\$69,495	\$69,495
<u>Transfer Out</u> - To School Districts to equipment school buses with seat belts	(\$57,913)	(\$0 to \$69,495)	(\$0 to \$69,495)
ESTIMATED NET EFFECT ON SCHOOL BUS SEAT BELT FUND	<u>\$0</u>	<u>\$0 to \$69,495</u>	<u>\$0 to \$69,495</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
SCHOOL DISTRICTS			
<u>Income</u> - School Bus Seat Belt Fund	\$57,913	\$0 to \$69,495	\$0 to \$69,495
<u>Cost</u> - Seat belt installation, replacement, maintenance	(\$52,140,000 to \$365,875,000)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>(\$52,082,087 to \$365,817,087)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT - Small Business

Small businesses doing the retrofitting of the school buses could see a positive fiscal impact as a result of this proposal.

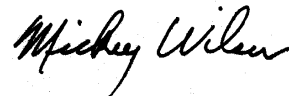
DESCRIPTION

This proposed legislation requires, beginning with the 2005-2006 school year, that every school bus must be equipped with seat belts. The School Bus Seat Belt Fund is created for the deposit of moneys collected from a surcharge of \$1 assessed on every motor vehicle moving violation to be administered by the Department of Elementary and Secondary Education and used to equip school buses with seat belts. Any school district in the state with insufficient funds to install the seat belts may apply to DESE for moneys from the fund.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Department of Public Safety
Department of Transportation
Office of State Courts Administrator
Department of Revenue
Office of State Treasurer
School Districts
 Nixa
 Parkway
 Poplar Bluff
 Lee's Summit
 Salisbury



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