

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3770-01  
Bill No.: HB 1180  
Subject: Education, Elementary and Secondary: Elementary and Secondary Education Dept  
Type: Original  
Date: February 13, 2006

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
General Revenue	(\$420,121 to Unknown)	(\$420,121 to Unknown)	(\$420,121 to Unknown)
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>(\$420,121 to Unknown)</b>	<b>(\$420,121 to Unknown)</b>	<b>(\$420,121 to Unknown)</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### **FISCAL ANALYSIS**

#### **ASSUMPTION**

Officials from the **Department of Transportation** and the **Department of Public Safety - Office of the Director** assumed no fiscal impact to their respective agencies as a result of this proposed legislation.

Officials from the **Department of Elementary & Secondary Education (DESE)** do not have data specifically relating to students living less than one mile from school and being transported due to safety concerns.

Using the 2005-06 payment year transportation data, the minimum expense for all districts, whose square mileage is 15 miles or less, that are currently transporting students that live less than one mile from school to receive state transportation aid for these students and to remove any penalty that is being applied if they are exceeding the current 12% allowance would be \$420,121.48.

If all districts whose square miles are 15 or less would transport at least 12% (the current maximum allowance to be transported less than 1 mile from school without a penalty) of the eligible ridership and receive state transportation aid under this legislation the cost would be

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approximately \$686.7 million. DESE assumes the proposed legislation doesn't set a maximum number of students who can be transported living less than one mile from school and assuming that all districts could prove all students have to cross a "major barrier that constitutes a safety problem", the cost of this legislation could be much higher than \$686.7 million. For fiscal note purposes only, **Oversight** assumes an unknown number of students could be transported as a result of this proposal and therefore assumes the upper range of cost to be unknown.

<u>FISCAL IMPACT - State Government</u>	FY 2007	FY 2008	FY 2009
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**GENERAL REVENUE**

Cost - Department of Elementary and  
 Secondary Education - Transportation  
 Expenses

(\$420,121 to <u>Unknown</u> )	(\$420,121 to <u>Unknown</u> )	(\$420,121 to <u>Unknown</u> )
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**ESTIMATED NET EFFECT ON  
 GENERAL REVENUE**

<u>(\$420,121 to Unknown)</u>	<u>(\$420,121 to Unknown)</u>	<u>(\$420,121 to Unknown)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2007	FY 2008	FY 2009
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This bill allows certain geographically small school districts to provide transportation to students who live less than one mile from their assigned school and be reimbursed by the state if the district can demonstrate that the students must cross a major highway or face an unsafe traffic situation.

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 Transportation  
Department of Public Safety  
Office of the Director  
Department of Elementary and Secondary Education

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
February 13, 2006