

January 24, 2017

The Honorable Richard Proehl, Chairperson
House Committee on Transportation
Statehouse, Room 581-W
Topeka, Kansas 66612

Dear Representative Proehl:

SUBJECT: Fiscal Note for HB 2008 by Representative Swanson

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2008 is respectfully submitted to your committee.

HB 2008 would require that on and after January 1, 2018, any school bus purchased must be equipped with factory-installed lap-shoulder seat belts for each seating position. The State Board of Education would be required to develop and implement a school bus safety program covering loading zone behavior when boarding, being discharged from and being transported in school buses, and the proper use of seat belts.

The Kansas Department of Education estimates that the purchase of new school buses with lap-shoulder seat belts would increase the cost of each bus by approximately \$10,000. The Department estimates that approximately 250 school buses are purchased each year. As a result, school districts would experience additional statewide costs of approximately \$2,500,000 each year ($\$10,000 \times 250 \text{ buses} = \$2,500,000$).

Because the state's school block grant finance formula currently sunsets on June 30, 2016, the Department has based its estimated state fiscal effect using the transportation state aid weighting in effect prior to the 2015-16 school year. Using this prior formula, the Department estimates that the lap-shoulder seat belt requirement would require additional transportation state aid totaling approximately \$250,000 each year. This is based upon depreciating school buses over eight years (12.5 percent annual depreciation), with the state reimbursing an average 80.0 percent of a district's transportation costs ($\$2,500,000 \times 12.5 \text{ percent depreciation} \times \text{estimated } 80.0 \text{ percent transportation weighting costs} = \$250,000$). The Division of the Budget notes that any state fiscal effect would depend on potential action taken by the 2017 Legislature regarding a new school finance formula for FY 2018 and beyond. Any fiscal effect associated with HB 2008 is not reflected in *The FY 2018 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Dale Dennis, Education