



## Fiscal Estimate Narratives

DPI 11/20/2013

LRB Number	13-0645/4	Introduction Number	SB-304	Estimate Type	Original
<b>Description</b> Safety belts on certain school buses that are purchased or sold and making an appropriation					

### Assumptions Used in Arriving at Fiscal Estimate

Under current law, if a motor vehicle is required by federal law to be equipped with seat belts, the motor vehicle cannot be bought, sold, or leased in Wisconsin unless the vehicle is so equipped. Federal law does not require school buses weighing more than 10,000 pounds to be equipped with seat belts for passengers.

Also under current law, the Department of Transportation (DOT) must adopt and enforce rules, in the interests of safety, to cover the design, construction, inspection, and operation of school buses. Prior to the use of a motor vehicle as a school bus, the seller of the school bus must obtain a presale inspection of the school bus by DOT verifying compliance with DOT's rules relating to design and construction of school buses, and a copy of the presale inspection report must be provided to the purchaser. However, the purchaser and seller of the school bus may agree that the purchaser will obtain the presale inspection. Certain consequences follow if the presale inspection report shows that the school bus is not in compliance with DOT's rules relating to design and construction of school buses.

Also under current law, contracts for the transportation of pupils must, by reference, incorporate DOT's school bus rules.

Under this bill, a school bus that weighs more than 10,000 pounds and that is manufactured on or after a date approximately six months following the bill's enactment cannot be bought, sold, or leased in Wisconsin unless the school bus is equipped with seat belts for passengers that include both pelvic and upper torso restraints. The bill also requires DOT's rules relating to design and construction of school buses to include this requirement, which results in inclusion of the requirement in DOT's school bus presale inspection reports and in contracts for the transportation of pupils.

Under current law, a school district may provide pupil transportation by contracting with a common carrier, taxi company, or other party, including a pupil's parent, or by purchasing and operating a motor vehicle. This bill establishes a grant program to defray the costs to a school district that provides pupil transportation on school buses equipped with safety belts. Under the grant program, a school district may apply to receive a grant equal to 50 percent of the difference between the cost to the school district to provide pupil transportation on a school bus equipped with safety belts and the cost to the school district to provide pupil transportation on a school bus without safety belts.

#### Local:

It is estimated that a new large school bus with seat belt restraints costs \$7,000 to \$9,000 more than one without seat belt restraints. The average life of a new school bus is estimated at 12 to 16 years. At a cost of \$9,000, a life of 12 years, and usage of 180 days a year the increased cost of belts is estimated to be \$4.17 per day for a school bus.

The current life of school buses in use in Wisconsin school districts is also unknown. It is also unknown how long Wisconsin school districts or companies they contract with keep school buses in service; therefore it is unknown how many school buses school districts will replace each year. In addition, it is unknown how many school districts currently utilize school buses with seat belt restraints. Thus, the fiscal effect on school districts is indeterminate.

#### State:

The bill creates a sum sufficient appropriation to offset 50 percent of the additional cost incurred by school districts to comply with the seat belt requirements in the bill. It is unknown how many school districts will apply for grants and at what amounts. Therefore, the cost of the grant program is indeterminate.

The bill requires the department to promulgate rules for and implement the grant program. The cost of both of these are expected to be absorbed under current budgets.

**Long-Range Fiscal Implications**