

SENATE AMENDMENTS

2nd Printing

By: Hamilton, Ritter, Anderson, Deshotel,
Howard of Travis

H.B. No. 323

A BILL TO BE ENTITLED

AN ACT

relating to three-point seat belts on buses that transport schoolchildren.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. The heading to Section 547.701, Transportation Code, is amended to read as follows:

Sec. 547.701. ADDITIONAL EQUIPMENT REQUIREMENTS FOR SCHOOL BUSES AND OTHER BUSES USED TO TRANSPORT SCHOOLCHILDREN.

SECTION 2. Section 547.701, Transportation Code, is amended by adding Subsection (e) to read as follows:

(e) In this subsection, "bus" includes a school bus and a school activity bus. A bus operated by or contracted for use by a school district for the transportation of schoolchildren shall be equipped with a three-point seat belt for each passenger, including the operator. This subsection applies to:

(1) each bus purchased by a school district on or after September 1, 2010, for the transportation of schoolchildren; and

(2) each school-chartered bus contracted for use by a school district on or after September 1, 2014, for the transportation of schoolchildren.

SECTION 3. The changes made by Section 2 of this Act do not take effect unless the legislature appropriates money specifically for the purpose of reimbursing school districts for expenses incurred in complying with that section.

1 SECTION 4. This Act takes effect September 1, 2007.

ADOPTED

MAY 17 2007

Atty. Gen.
Secretary of the Senate

By: Hamilton (Lucio)

H.B. No. 323

Substitute the following for H.B. No. 323 :

By: Watson

C.S. H.B. No. 323

A BILL TO BE ENTITLED

AN ACT

1

2 relating to three-point seat belts on buses that transport
3 schoolchildren.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. The heading to Section 547.701, Transportation
6 Code, is amended to read as follows:

7 Sec. 547.701. ADDITIONAL EQUIPMENT REQUIREMENTS FOR SCHOOL
8 BUSES AND OTHER BUSES USED TO TRANSPORT SCHOOLCHILDREN.

9 SECTION 2. Section 547.701, Transportation Code, is amended
10 by adding Subsection (e) to read as follows:

11 (e) In this subsection, "bus" includes a school bus and a
12 school activity bus. A bus operated by or contracted for use by a
13 school district for the transportation of schoolchildren shall be
14 equipped with a three-point seat belt for each passenger, including
15 the operator. This subsection applies to:

16 (1) each bus purchased by a school district on or after
17 September 1, 2010, for the transportation of schoolchildren; and

18 (2) each school-chartered bus contracted for use by a
19 school district on or after September 1, 2014, for the
20 transportation of schoolchildren.

21 SECTION 3. Chapter 34, Education Code, is amended by adding
22 Section 34.013 to read as follows:

23 Sec. 34.013. FUNDING FOR THREE-POINT SEAT BELTS. (a) A
24 person may offer to donate three-point seat belts or money for the

1 purchase of three-point seat belts for a school district's school
2 buses.

3 (b) The board of trustees of a school district shall
4 consider any offer made by a person under Subsection (a). The board
5 of trustees may accept or decline the offer after adequate
6 consideration.

7 (c) The board of trustees may acknowledge a person who
8 donates three-point seat belts or money for the purchase of
9 three-point seat belts for a school bus under this section by
10 displaying a small, discreet sign on the side or back of the bus
11 recognizing the person who made the donation. The sign may not
12 serve as an advertisement for the person who made the donation.

13 SECTION 4. The changes made by Section 2 of this Act do not
14 take effect unless the legislature appropriates money specifically
15 for the purpose of reimbursing school districts for expenses
16 incurred in complying with that section.

17 SECTION 5. This Act takes effect September 1, 2007.

ADOPTED

MAY 17 2007

Lotay Saw
Secretary of the Senate

FLOOR AMENDMENT NO. 1

José Luis Jr.

1 Amend CSHB 323 by adding new SECTIONS 3 and 4, and renumbering
2 the following SECTION accordingly:

3 SECTION 3. Chapter 34, Education Code, is amended by adding
4 Section 34.012 to read as follows:

5 Sec. 34.012. THREE-POINT SEAT BELT INSTRUCTION; INFORMATION
6 CLEARINGHOUSE. (a) The State Board of Education shall develop and
7 make available to each school district a program of instruction in
8 the proper use of a three-point seat belt.

9 (b) The State Board of Education shall serve as a
10 clearinghouse of best practices for school districts seeking the
11 most efficient and sensible information regarding school bus
12 safety, including possible compliance with Section 547.701 of the
13 Transportation Code using school buses originally purchased without
14 seat belts.

15 SECTION 4. At any time before the dates prescribed in SECTION
16 1 of this Act, a school district may, by its own initiative and at
17 its own expense, adapt any or all of its existing bus fleet with a
18 three-point seat belt.

4
5

ADOPTED

MAY 17 2007

Atty. Gen.
Secretary of the Senate

FLOOR AMENDMENT NO. H

BY: *Zaffini/Lucio*

1 Amend C.S.H.B. No. 323 (Senate committee printing) as
2 follows:

3 (1) In the introductory language to SECTION 3 of the bill
4 (page 1, line 30), strike "Section" and substitute "Sections 34.012
5 and".

6 (2) In SECTION 3 of the bill, after the introductory
7 language (page 1, between lines 30 and 31), insert:

8 Sec. 34.01³. BUS SEAT BELT POLICY. A school district shall
9 require a student riding a bus operated by or contracted for
10 operation by the district to wear a seat belt if the bus is equipped
11 with seat belts for all passengers on the bus. A school district
12 may implement a disciplinary policy to enforce the use of seat belts
13 by students.

ADOPTED

MAY 17 2007

Lately Spaw
Secretary of the Senate

FLOOR AMENDMENT NO. 5

BY: 
(Patrick)

1 Amend C.S.H.B. No. 323 in SECTION 2 of the bill, in proposed
2 Subsection (e)(2), Section 547.701, Transportation Code (Senate
3 committee printing, page 1, line 27), by striking "2014" and
4 substituting "2011".

ADOPTED

MAY 17 2007

FLOOR AMENDMENT NO. 6

Leta Spaw
Secretary of the Senate

J. Patrick
(Patrick)

1 Amend C.S.H.B. No. 323 (Senate committee printing) as
2 follows:

3 (1) In the introductory language to SECTION 3 of the bill
4 (page 1, line 30), strike "Section 34.013" and substitute "Sections
5 34.013 and 34.014".

6 (2) In SECTION 3 of the bill, immediately after proposed
7 Section 34.013, Transportation Code (page 1, between lines 44 and
8 45), insert:

9 Sec. 34.014. REPORTING OF BUS ACCIDENTS. (a) In this
10 section, "bus" means a bus operated by or contracted for use by a
11 school district to transport schoolchildren.

12 (b) A school district shall report annually to the Texas
13 Education Agency the number of accidents in which the district's
14 buses are involved. The agency by rule shall determine the
15 information to be reported, including:

16 (1) the type of bus involved in the accident;

17 (2) whether the bus was equipped with seat belts;

18 (3) the number of students and adults involved in the
19 accident;

20 (4) the number and types of injuries sustained by bus
21 passengers in the accident; and

22 (5) whether the injured passengers were wearing seat
23 belts at the time of the accident.

24 (c) The Texas Education Agency shall publish the reports
25 received under this section on its Internet website.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 8, 2007

TO: Honorable John Carona, Chair, Senate Committee on Transportation & Homeland Security

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB323 by Hamilton (Relating to three-point seat belts on buses that transport schoolchildren.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB323, Committee Report 2nd House, Substituted: an impact of \$0 through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	\$0
2009	\$0
2010	\$0
2011	(\$260,700,000)
2012	(\$318,500,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1
2008	\$0
2009	\$0
2010	\$0
2011	(\$260,700,000)
2012	(\$318,500,000)

Fiscal Analysis

The bill would require all school buses purchased by school districts purchased after September 1, 2010 to be equipped with seatbelts for each passenger. The bill also would require all buses operated or contracted for use by a district on or after September 1, 2014 to be equipped with seatbelts. The bill would take effect September 1, 2007. Section 4 of the bill would prohibit the bill from taking effect unless the legislature appropriates money specifically for the purpose of reimbursing school districts for expenses incurred in complying with the bill.

Methodology

According to the Texas Education Agency (TEA), seating capacity of school buses would be reduced by 20 percent once seat belt systems are included. Once a school district purchased or retrofitted buses

with seat belts, it would need to acquire additional buses and travel additional route miles to transport the same number of students to and from school. Additional miles would generate additional Foundation School Program (FSP) state costs in the transportation allotment. Due to changes made by House Bill 1, 79th Legislature, 3rd Called Session, increases to Foundation School Program formula funding elements are generally either offset by a decrease in districts' entitlement to hold harmless funds or an increase in funds dragged back to hold districts to a total revenue target. Since the bill does not amend Texas Education Code 42.2516 regarding the calculation of school district entitlements under the Foundation School Program, no net cost to the state associated with increases to the transportation allotment is expected.

If Texas Education Code 42.2516 were amended to allow for changes in the transportation allotment to impact state aid, the estimated state cost through the transportation allotment would be approximately \$18.4 million in fiscal year 2011 and \$36.8 million in fiscal year 2012. These costs would increase until full implementation in fiscal year 2015.

Based on the language in Section 4 of the bill, it is assumed for the purposes of this fiscal note that the legislature would appropriate funds to reimburse districts for incurred expenses. As a result, it is assumed that the state would reimburse in full local costs resulting from the provisions of the bill.

The Texas Department of Criminal Justice estimates the cost of equipping a new bus with safety seats at about \$6,300 inclusive of labor. Buses outfitted with safety seats decrease school bus seating capacity by an estimated 20 percent, which would affect the number of school buses districts would need to purchase to meet demand. Assuming that districts would replace 25 percent of school buses each year between fiscal year 2011 and 2014 in order to meet the 2014-15 school year deadline, the incremental local cost associated with the cost of retrofitting existing buses with safety seats, the cost of purchasing and staffing additional buses due to lost seating capacity, and additional costs associated with increased route miles due to the lower seating capacity per bus outfitted with safety seats would be about \$260.7 million in fiscal year 2011 and \$318.5 million in fiscal year 2012. Costs would increase at a similar rate annually and continue into future years until full implementation in fiscal year 2015. To the extent that school districts opted to retrofit buses with seat belt systems on a more aggressive schedule, costs could begin as early as fiscal year 2008 but annual amounts would decrease somewhat as costs are spread across a longer timeframe.

Local Government Impact

Local costs to implement the provisions of the bill are estimated to cost \$260.7 million in fiscal year 2011 and \$318.5 million in fiscal year 2012, increasing by a like amount in fiscal year 2013 and 2014. Based on the language in Section 4 of the bill, for the purposes of this fiscal note, it is assumed that the state would fully reimburse districts for these costs.

If Texas Education Code 42.2516 were amended to allow for changes in the transportation allotment to impact state aid, districts would experience an increase to their transportation allotment state aid by an estimated \$18.4 million in fiscal year 2011 and \$36.8 million in fiscal year 2012. These costs would increase until full implementation in fiscal year 2015. It is assumed that this state aid would be part of the overall reimbursement of local costs by the state as assumed under the language of Section 4 of the bill.

Source Agencies: 601 Department of Transportation, 701 Central Education Agency

LBB Staff: JOB, SD, KJG, UP, MW, JGM, TG

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 6, 2007

TO: Honorable John Carona, Chair, Senate Committee on Transportation & Homeland Security

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB323 by Hamilton (Relating to three-point seat belts on buses that transport schoolchildren.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB323, As Engrossed: an impact of \$0 through the biennium ending August 31, 2009.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2008	\$0
2009	\$0
2010	\$0
2011	(\$260,700,000)
2012	(\$318,500,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1
2008	\$0
2009	\$0
2010	\$0
2011	(\$260,700,000)
2012	(\$318,500,000)

Fiscal Analysis

The bill would require all school buses purchased by school districts purchased after September 1, 2010 to be equipped with seatbelts for each passenger. The bill also would require all buses operated or contracted for use by a district on or after September 1, 2014 to be equipped with seatbelts. The bill would take effect September 1, 2007. Section 3 of the bill would prohibit the bill from taking effect unless the legislature appropriates money specifically for the purpose of reimbursing school districts for expenses incurred in complying with the bill.

Methodology

According to the Texas Education Agency (TEA), seating capacity of school buses would be reduced by 20 percent once seat belt systems are included. Once a school district purchased or retrofitted buses

with seat belts, it would need to acquire additional buses and travel additional route miles to transport the same number of students to and from school. Additional miles would generate additional Foundation School Program (FSP) state costs in the transportation allotment. Due to changes made by House Bill 1, 79th Legislature, 3rd Called Session, increases to Foundation School Program formula funding elements are generally either offset by a decrease in districts' entitlement to hold harmless funds or an increase in funds dragged back to hold districts to a total revenue target. Since the bill does not amend Texas Education Code 42.2516 regarding the calculation of school district entitlements under the Foundation School Program, no net cost to the state associated with increases to the transportation allotment is expected.

If Texas Education Code 42.2516 were amended to allow for changes in the transportation allotment to impact state aid, the estimated state cost through the transportation allotment would be approximately \$18.4 million in fiscal year 2011 and \$36.8 million in fiscal year 2012. These costs would increase until full implementation in fiscal year 2015.

Based on the language in Section 3 of the bill, it is assumed for the purposes of this fiscal note that the legislature would appropriate funds to reimburse districts for incurred expenses. As a result, it is assumed that the state would reimburse in full local costs resulting from the provisions of the bill.

The Texas Department of Criminal Justice estimates the cost of equipping a new bus with safety seats at about \$6,300 inclusive of labor. Buses outfitted with safety seats decrease school bus seating capacity by an estimated 20 percent, which would affect the number of school buses districts would need to purchase to meet demand. Assuming that districts would replace 25 percent of school buses each year between fiscal year 2011 and 2014 in order to meet the 2014-15 school year deadline, the incremental local cost associated with the cost of retrofitting existing buses with safety seats, the cost of purchasing and staffing additional buses due to lost seating capacity, and additional costs associated with increased route miles due to the lower seating capacity per bus outfitted with safety seats would be about \$260.7 million in fiscal year 2011 and \$318.5 million in fiscal year 2012. Costs would increase at a similar rate annually and continue into future years until full implementation in fiscal year 2015. To the extent that school districts opted to retrofit buses with seat belt systems on a more aggressive schedule, costs could begin as early as fiscal year 2008 but annual amounts would decrease somewhat as costs are spread across a longer timeframe.

Local Government Impact

Local costs to implement the provisions of the bill are estimated to cost \$260.7 million in fiscal year 2011 and \$318.5 million in fiscal year 2012, increasing by a like amount in fiscal year 2013 and 2014. Based on the language in Section 3 of the bill, for the purposes of this fiscal note, it is assumed that the state would fully reimburse districts for these costs.

If Texas Education Code 42.2516 were amended to allow for changes in the transportation allotment to impact state aid, districts would experience an increase to their transportation allotment state aid by an estimated \$18.4 million in fiscal year 2011 and \$36.8 million in fiscal year 2012. These costs would increase until full implementation in fiscal year 2015. It is assumed that this state aid would be part of the overall reimbursement of local costs by the state as assumed under the language of Section 3 of the bill.

Source Agencies: 601 Department of Transportation, 701 Central Education Agency

LBB Staff: JOB, SD, KJG, UP, MW, JGM, TG

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

April 5, 2007

TO: Honorable Mike Krusee, Chair, House Committee on Transportation

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB323 by Hamilton (Relating to seat belts on buses that transport schoolchildren.),
Committee Report 1st House, Substituted

No fiscal implication to the State is anticipated.

The bill would require all school buses purchased by school districts purchased after September 1, 2010 to be equipped with seatbelts for each passenger. The bill also would require all buses operated or contracted for use by a district on or after September 1, 2014 to be equipped with seatbelts. The bill would take effect September 1, 2007.

According to the Texas Education Agency (TEA), seating capacity of school buses would be reduced by 20 percent once seat belt systems are included. Once a school district purchased or retrofitted buses with seat belts, it would need to acquire additional buses and travel additional route miles to transport the same number of students to and from school. Additional miles would generate additional Foundation School Program (FSP) state costs in the transportation allotment. Due to changes made by House Bill 1, 79th Legislature, 3rd Called Session, increases to Foundation School Program formula funding elements are generally either offset by a decrease in districts' entitlement to hold harmless funds or an increase in funds dragged back to hold districts to a total revenue target. Since the bill does not amend Texas Education Code 42.2516 regarding the calculation of school district entitlements under the Foundation School Program, no net cost to the state associated with increases to the transportation allotment is expected.

If Texas Education Code 42.2516 were amended to allow for changes in the transportation allotment to impact state aid, the estimated state cost would be approximately \$18.4 million in fiscal year 2011 and \$36.8 million in fiscal year 2012. These costs would increase until full implementation in fiscal year 2015.

Local Government Impact

The Texas Department of Criminal Justice estimates the cost of equipping a new bus with safety seats at about \$6,300 inclusive of labor. Buses outfitted with safety seats decrease school bus seating capacity by an estimated 20 percent, which would affect the number of school buses districts would need to purchase to meet demand. Assuming that districts would replace 25 percent of school buses each year between fiscal year 2011 and 2014 in order to meet the 2014-15 school year deadline, the incremental local cost associated with the cost of retrofitting existing buses with safety seats, the cost of purchasing and staffing additional buses due to lost seating capacity, and additional costs associated with increased route miles due to the lower seating capacity per bus outfitted with safety seats would be about \$260.7 million in fiscal year 2011 and \$318.5 million in fiscal year 2012. Costs would increase at a similar rate annually and continue into future years until full implementation in fiscal year 2015. To the extent that school districts opted to retrofit buses with seat belt systems on a more aggressive schedule, costs could begin as early as fiscal year 2008 but annual amounts would decrease somewhat as costs are spread across a longer timeframe.

If Texas Education Code 42.2516 were amended to allow for changes in the transportation allotment to impact state aid, local costs would be offset by about \$18.4 million in fiscal year 2011 and \$36.8 million in fiscal year 2012. These costs would increase until full implementation in fiscal year 2015.

Source Agencies: 601 Department of Transportation, 701 Central Education Agency

LBB Staff: JOB, KJG, UP, MW, JGM, TG

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 12, 2007

TO: Honorable Mike Krusee, Chair, House Committee on Transportation

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB323 by Hamilton (Relating to seat belts on buses that transport schoolchildren.), **As Introduced**

No fiscal implication to the State is anticipated.

This bill would require all school buses purchased by school districts purchased after September 1, 2008 to be equipped with seatbelts for each passenger. The bill also would require all buses operated or contracted for use by a district on or after September 1, 2017 to be equipped with seatbelts. The bill would take effect September 1, 2007.

According to the Texas Education Agency (TEA), seating capacity of school buses would be reduced by 20 percent once seat belt systems are included. Once a school district purchased buses with seat belts, it would be required to acquire additional buses and travel additional route miles to transport the same number of students to and from school. Additional miles would generate additional Foundation School Program (FSP) state costs in the transportation allotment. Due to changes made by House Bill 1, 79th Legislature, 3rd Called Session, increases to Foundation School Program formula funding elements are generally either offset by a decrease in districts' entitlement to hold harmless funds or an increase in funds dragged back to hold districts to a total revenue target. Since the bill does not amend Texas Education Code 42.2516 regarding the calculation of school district entitlements under the Foundation School Program, no net cost to the state associated with increases to the transportation allotment is expected.

If Texas Education Code 42.2516 were amended to allow for changes in the transportation allotment to impact state aid, the estimated state cost would be approximately \$8.1 million in fiscal year 2009, \$16.2 million in fiscal year 2010 and increasing by approximately the same amount in the out years.

Local Government Impact

The Texas Department of Criminal Justice estimates the cost of equipping a new bus with safety seats at about \$6,300 inclusive of labor. Buses outfitted with safety seats decrease school bus seating capacity by an estimated 20 percent, which would affect the number of school buses districts would need to purchase to meet demand. Assuming that districts would replace 11 percent of school buses per year in order to meet the 2017 deadline, the incremental local cost associated with the cost of purchasing new buses with safety seats, the cost of purchasing additional buses due to lost seating capacity, and additional costs associated with increased route miles due to the lower seating capacity per bus outfitted with safety seats would be about \$114.7 million in fiscal year 2009 and \$140.2 million in fiscal year 2010. Costs would increase at a similar rate annually and continue into future years. To the extent that school districts opted to purchase new buses with seat belt systems on a more aggressive schedule, costs would be expected to be higher.

If Texas Education Code 42.2516 were amended to allow for changes in the transportation allotment to impact state aid, local costs would be offset by about \$8.1 million in fiscal year 2009, \$16.2 million in fiscal year 2010 and increasing by approximately the same amount in the out years.

Source Agencies: 601 Department of Transportation, 701 Central Education Agency

LBB Staff: JOB, KJG, UP, MW, JGM, TG