

Fiscal Note

State of Alaska
2017 Legislative Session

Bill Version: HB 189
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB189-EED-SFF-3-31-17
Title: SCHOOL BUS INSPECTION FEES
Sponsor: WILSON
Requester: House Education Committee

Department: Department of Education and Early Development
Appropriation: Education Support Services
Allocation: School Finance & Facilities
OMB Component Number: 2737

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2018 Appropriation Requested	Included in Governor's FY2018 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2018	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Personal Services							
Travel							
Services	4.0			(97.0)	(107.9)	(136.6)	(147.1)
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	4.0	0.0	0.0	(97.0)	(107.9)	(136.6)	(147.1)

Fund Source (Operating Only)

1004 Gen Fund (UGF)	4.0			(97.0)	(107.9)	(136.6)	(147.1)
Total	4.0	0.0	0.0	(97.0)	(107.9)	(136.6)	(147.1)

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

1005 GF/Prgm (DGF)			95.6	97.0	107.9	136.6	147.1
Total	0.0	0.0	95.6	97.0	107.9	136.6	147.1

Estimated SUPPLEMENTAL (FY2017) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2018) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 06/30/18

Why this fiscal note differs from previous version:

Not applicable, initial version.

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Agency: Department of Education & Early Development

Phone: (907)465-2875
Date: 03/31/2017 04:00 PM
Date: 03/31/17

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2017 LEGISLATIVE SESSION

BILL NO. HB189

Analysis

HB 189 would allow the department to establish and collect fees to cover the costs of school bus inspections. The school bus inspection fees would be charged to a school bus operator. The department would collect the fee from school districts where the school district operates the school buses and would collect the fee from school bus contractors where the school district has contracted with a school bus operator to provide transportation services.

The department would start collecting the fee for inspections on district operated school buses after regulations become effective, in FY2019. Included in this fiscal note is \$4.0 legal service costs associated with these new regulations. The department would have to wait until a district entered into a new contract with a pupil transportation company before the department could start collecting the fee from the contractor.

The number of buses inspected each year varies, but on average there are 1,055 buses that are inspected each year. The department would establish the school bus inspection fee at \$175 per bus per inspection.

There are approximately 215 buses operated by school districts and approximately 840 buses operated by various contractors. The four largest school districts have recently entered into new contracts and buses inspected under these contracts (approximately 635) would not be charged the inspection fee until their current contracts expire in FY2026.

In FY2019 through FY2023, the 215 district operated buses, multiplied by \$175 and then multiplied for two inspections during the year would be \$75.3. In addition, for the contractor operated buses, there would be inspection fees collected for an additional 58 buses in FY2019 (\$20.3); 62 buses in FY2020 (\$21.7); 93 buses in FY2021 (\$32.6); 175 buses in FY2022 (\$61.3); and 205 buses in FY2023 (\$71.8).

Fiscal Year	District Operated Bus	Contractor Operated Buses	Total Fees Collected
FY2018	\$ 0.0	\$ 0.0	\$ 0.0
FY2019	\$75.3	\$20.3	\$95.6
FY2020	\$75.3	\$21.7	\$97.0
FY2021	\$75.3	\$32.6	\$107.9
FY2022	\$75.3	\$61.3	\$136.6
FY2023	\$75.3	\$71.8	\$147.1

The fiscal note does not include a reduction to the unrestricted general funds currently allocated for school bus inspections until FY2020, because the department is under contract with the inspector to provide inspections twice per year and there would be insufficient fees collected to meet the contract obligation if reductions occurred any sooner than FY2020.

HB 189 does not provide for an effective date.