



State Fiscal Note for Bill Number: 2022-H-7018

Date of State Budget Office Approval:

Date Requested: Wednesday, January 26, 2022

Date Due: Saturday, February 5, 2022

Impact on Expenditures		Impact on Revenues	
FY 2022	\$0	FY 2022	N/A
FY 2023	\$0	FY 2023	N/A
FY 2024	\$0	FY 2024	N/A

Explanation by State Budget Office:	This Act amends RIGL Section 16-2-9, entitled "General powers and duties of school committees," requiring school committees to provide transportation to any student who lives two or more miles from the school he or she attends.
Comments on Sources of Funds:	No fiscal impact is projected on State expenditures. But if future transportation costs for the Central Falls School District, Davies Career and Technical High School, the Rhode Island School for the Deaf, or the Metropolitan Career and Technical Center increase, it would be financed with general revenue.
Summary of Facts and Assumptions:	<p>Any additional expenditures experienced by municipal school districts and charter schools will be financed with local or charter school funds.</p> <ol style="list-style-type: none"> 1. The bill will take effect upon passage which is assumed to be late June 2022, and the bill will therefore have no fiscal impact in FY 2022. 2. As of January 2022, the Council on Elementary and Secondary Education has not promulgated transportation standards and this bill will establish a minimum statewide standard for access to transportation. 3. It is assumed that all forms of transportation paid for by the school district that comply with Rhode Island General Law or Board of Education rules and regulations meet the transportation standard of this bill and does not have to be yellow bus service exclusively. 3. The bill applies to all students who attend the school, including students who live outside of the school district's boundaries. 4. The State of Rhode Island is financially responsible for the operations of the Davies Career and Technical High School and the Rhode Island School for the Deaf. Both schools provide transportation to all students who live more than two miles from their respective schools. Therefore, it is assumed the bill will have no incremental fiscal impact on the schools. 5. Additionally, the State of Rhode Island is financially responsible for the operations of the Central Falls School District and the Metropolitan Career and Technical Center. The Rhode Island Department of Education (RIDE) does not keep data on students who do not qualify for public transportation. As such, the exact impact of this bill is inestimable at this time. If the Central Falls School District or the

Prepared by:

Patrick Crawley / 4012226418 / patrick.J.crawley@budget.ri.gov

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Metropolitan Career and Technical Center are required to provide transportation access to students who previously did not qualify, it is assumed the schools will be able to absorb the additional cost within existing appropriations. Therefore, it is assumed the bill will have no fiscal impact on state expenditures.

6. All other Local Education Authorities (LEAs) will bear all financial responsibility for cost related to this bill. RIDE does not keep data on students who do not qualify for public transportation. As such, the exact impact of this bill is inestimable at this time. The fiscal impact to an individual district is dependent on multiple factors, including the number of new students qualifying for transportation, the distance they live from the school, and the terms of the contract with the bussing company. The fiscal impact of the bill could vary significantly by district, and to provide a baseline of a potential impact the Budget Office has compiled an estimate for a statewide average per-pupil cost based on the following assumptions and information:

a.) RIDE reports the annual expenditures for each Local Education Agency (LEA) through the Uniform Chart of Accounts (UCOA). In the 2019-2020 academic year 56 locally funded LEAs reported a total of \$79,456,836 in transportation costs. In the same academic year RIDE reported a March Average Daily Membership of 137,020 students for these LEAs.

b.) The National Center for Education Statistics (NCES) reports a national average for transportation costs per student transported. The average expenditures per student transported was \$982 in the 2016-2017 academic year, which was the most recent year with data reported.

c.) The average expenditures per student transported, as reported by NCES, increased by an average 0.6 percent from the 2012-2013 academic through the 2016-2017 academic year, when controlling for inflation.

d.) When the average annual growth rate of 0.6 percent is applied to the average expenditures per student transported for 2016-2017 academic year and the expenditures are adjusted for inflation, the estimated average expenditures per student transported is \$1,161 for the 2021-2022 academic year. The national average serves as a frame of reference for considering the potential impact of each additional student provided transportation by this bill.

7. To provide a better insight into the impact of Rhode Island LEAs, the Budget Office reached out to a sample of municipal LEAs and received the following answers:

Lincoln: The Lincoln Public School District provides transportation to all students, regardless of the distance they live from school.

Little Compton: The Little Compton Public School District provides transportation to all students, regardless of the distance they live from school.

Providence: The Providence Public School District currently provides transportation to all students who live two or more miles from school. This includes yellow bus

service for all elementary school students more than one (1) mile from school, yellow bus service for middle school students more than one and half (1.5) miles from school, and RIPTA access for high school students more than two (2) miles from school.

North Kingstown: The North Kingstown Public School District provides transportation to all students who live five eighths (5/8) to one (1) radial mile depending on grade level.

North Smithfield: The North Smithfield Public School District provides transportation to all students, regardless of the distance they live from school.

Westerly: The Westerly School District provides transportation to students in grades K-4 who live one-half (0.5) miles from school to all students in grades 5-8, and students in grades 9-12 who live one and one-half (1.5) miles from school.

All of the LEAs who answered the Budget Office's information request are not projected to incur additional costs from the provisions of this bill. However, it is anticipated that some LEAs not included in the above responses will experience an increase in transportation expenditures.

Summary of Fiscal Impact:

As discussed above, this bill presents the following impact for state (general revenue), local, and charter school funds:

State Funds (General Revenue):

FY 2022: \$0
FY 2023: \$0
FY 2024: \$0

Local/ Charter School Funds:

FY 2022: Indeterminate
FY 2023: Indeterminate
FY 2024: Indeterminate

Budget Office Signature:



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