



State Fiscal Note for Bill Number: 2023-H-5082

Date of State Budget Office Approval: Thursday, March 30, 2023

Date Requested: Wednesday, March 8, 2023

Date Due: Saturday, March 18, 2023

Impact on Expenditures

FY 2023 N/A

FY 2024 \$0

FY 2025 \$0

Impact on Revenues

FY 2023 N/A

FY 2024 N/A

FY 2025 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 they attend.

*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. Any additional expenditures experienced by municipal school districts and charter schools will be financed with local or charter school funds.

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*Summary of Facts
and Assumptions:*

1. The bill will take effect upon passage which is assumed to be late June 2023, and the bill will therefore have no fiscal impact in FY 2023.

2. 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 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

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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 costs 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 \$88,294,260 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 \$1,152 in the 2018-2019 academic year, which was the most recent year with data reported. This amount is not adjusted for inflation.

c.) The NCES reports that, when adjusted for inflation, the average expenditure per student transported in 2020-2021 dollars, was \$1,197. 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 provides an overview of transportation services provided by the following LEAs. Several districts responded to a survey conducted by the Budget Office in 2022 that contained identical provisions as H-5082. Responses from these districts are described below for informational purposes.

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



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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.

The above LEAs are not projected to incur additional costs due to the provisions of this bill. However, it is anticipated that some LEAs not included in the above responses may experience an increase in transportation expenditures or that actual costs may differ from the estimates presented in this fiscal note.

Summary of Fiscal Impact:

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

FY 2023: N/A
FY 2024: \$0
FY 2025: \$0

Local Funds:

FY 2023: N/A
FY 2024: Indeterminate
FY 2025: Indeterminate

Budget Office Signature:

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Fiscal Advisor Signature:

