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Testimony

Senate Education Subcommittee on Support Services and Transportation

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Good Afternoon,

On behalf of the Pennsylvania School Bus Association (PSBA), I would like to thank the members of the Senate Education Subcommittee for Support Services and Transportation for the invitation to appear before you to talk about student transportation. My name is Fred Bennett, I am the President of Fishing Creek Transportation located in Columbia County. I currently serve as President of PSBA. Joining me today is PSBA First Vice President, Richard Wolfington, Jr., President of Eagle Wolfington, located in Chester County.

The Pennsylvania School Bus Association was founded in 1980 and consists of over 350 school bus contractors and industry partners who have come together to be a strong voice for school bus safety and the school bus contracting industry. Our mission is to provide programs, education, and services to promote and foster the highest degree of safety in the transportation of school children. The value of busing has been proven time and again. We are proud that school buses are considered the safest mode of transportation for our students. According to the National Highway Traffic Safety Administration, students are 70 times more likely to get to school safely if they take a school bus instead of traveling by car, bike or foot. According to the American School Bus Council, school buses keep over 17 million cars off the road each year.

There are over 45,000 licensed school bus drivers in Pennsylvania who we consider our unsung heroes. These men and women from all walks of life go through 12 weeks of screening, preparation and training before they get behind the wheel to transport our most precious cargo. Each year, PSBA, through its Safe Driver Awards Program, helps contractors to recognize their drivers for their time and dedication to Pennsylvania's children. Many of these fine people have driven a school bus for over 25 years and logged in hundreds of thousands of miles accident free. In fact, the theme for this year's School Bus Safety Week, which take place in October, is "My Driver – My Safety Hero." We at PSBA could not agree more!

School districts operate under increasing financial constraints. The enactment of Act 1 of 2006 placed a cap on tax increases that can be passed by local school boards. This law coupled with the increased contributions districts are making to the state retirement system has created budgeting challenges for school districts. School bus contractors work with their local school districts to identify efficiencies and curtail expenses. This collaborative approach to transportation often results in savings for school districts. However, these are often one-time fixes and do not represent decreases to recurring expenses. While it appears as though these financial pressures will continue to mount, school bus contractors remain committed to working with school districts to help find ways to efficiently deliver transportation for students without sacrificing safety.

As you are aware, the Governor has recommended a \$50 million reduction in funding for pupil transportation in the 2017-18 budget proposal which represents a 10% cut of the total line item. The Governor's proposed cut will hurt school districts and jeopardize the safety of the over 1.5 million students who are transported to school each day on a school bus within the Commonwealth of Pennsylvania.

The Administration's proposal is based on the premise that fuel prices have declined over the last decade. Fuel prices are impacted by many factors including world events. When reviewing diesel fuel prices over the past 20 years, you will see a number of price spikes, some more severe than others. In addition, new buses now run an emissions reduction system which requires a special additive known as Diesel Exhaust Fluid ("DEF"). The inclusion of DEF results in an approximate increase of \$.40/gallon above the hard cost of diesel fuel.

Fuel costs are not the only factors to be considered when discussing pupil transportation costs. There are a myriad of expenses impacting school bus contractors and school districts. Many of these annual expenses, including insurances, tires, maintenance and the like increase beyond the annual CPI changes applied to the pupil transportation formula.



I would like to take a few moments to review some of these expenses:

- **Personnel** – The shortage of school bus drivers is perhaps the biggest issue affecting the school transportation community. The process for screening, training and licensing a driver can take up to twelve weeks with a cost of between \$2,500 and \$3,000 per driver. Quite often, after a contractor makes this investment, the school bus driver is recruited by trucking companies and other industries in need of CDL drivers. Many potential drivers simply cannot afford to wait 12 weeks to get their first paycheck and pursue other employment opportunities. Contractors continue to look for innovative ways to recruit candidates and provide incentives once drivers are on the job.
- **School Buses and Parts** – Over the past 12 years, the cost of a bus has increased from **\$55,000 to \$90,000**. The cost of a bus on an annualized basis far exceeds the core inflation rate over the same period. The increase in parts needed for buses also continues to increase. For example, in 2017, the major tire manufacturers announced price increases of 8%. As school buses become more advanced in technology, the cost to maintain those vehicles increases.
- **Insurances** – Expenses related to insurances continue to rise as well. Keystone, an insurance provider for school bus operators across the nation, is anticipating a 6-7% increase in 2017.

Another assumption advanced by the Administration points to a drop in school bus ridership. PennDOT figures reveal that ridership has dropped a mere .3%. However, the number of miles driven by school buses continues to increase. Last year, Pennsylvania school buses drove over 394 million miles, more than any year in history. This increase can be traced to a number of factors, including the transportation of charter school and homeless students. However, perhaps the biggest impact on miles driven is related to the transportation of our exceptional learners (special needs students). These students are often transported to schools outside of their home district as mandated by their Individualized Education Program (IEP). Many special needs students have spatial needs and can only be seated with a small number of fellow students. In serving our students with autism, many of them need one-on-one attention by aides during a ride to and from school.



We are grateful for the opportunity to appear before this subcommittee so we can provide you with some insight on our successes and our challenges. Close to 70% of our membership operate fleets between 1 and 25 buses. These small business owners support the local economy by employing local residents and purchasing many of their business goods and services locally.

As you, our elected officials, consider policy and budgetary issues related to school transportation, I ask that you consider their impact on these small business owners specifically as well as the school bus industry as a whole which is made up largely of local, family -owned businesses.

The Pennsylvania School Bus Association will continue to make itself available as a resource to legislators, PDE and PennDOT. We look forward to working together on the important issues that impact the safest method of transporting our school children.

Thank you.