## Local Government Mandate Statement Kentucky Legislative Research Commission 2020 Regular Session

## **Part I: Measure Information**

Bill Request #: 117	3		
Bill #: HB 274			
Document ID #: 28	19		
Bill Subject/Title: _	AN ACT relating to bus	s operation safety.	
Sponsor: Represent	tative Jeffery Donohue		
Unit of Government:	X City	X County	X Urban-County Unified Local
	X Charter County	X Consolidated Local	
Office(s) Impacted:	Local Governments		
Requirement: X	Mandatory Opt	tional	
Effect on Powers & Duties:	Modifies Existing	X Adds New El	liminates Existing

## Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

Section 1 of this legislation creates a new section to KRS Chapter 158. Section 2 creates a new section to KRS Chapter 281. This legislation requires the Transportation Cabinet to develop a risk reduction program for bus operators, to improve safety by reducing the number and rate of accidents, injuries, and assaults on bus operators and also reduce the number of fatalities.

No later than one year from the effective date of this legislation, the risk reduction program shall be developed by conducting risk analysis on bus operations and shall include an implementation plan that would significantly reduce the number and rate of accidents, injuries, assaults on bus operators, and fatalities related to bus operations.

Within two years, the risk reduction program shall be implemented by school boards, any transit authority, holder of a bus certificate, or holder of a charter bus certificate.

Each entity required to develop and implement a risk reduction program shall report to the Transportation Cabinet any information on each assault of a bus driver.

KRS 281.990 is also amended to include fines for non-compliance. It creates a fine of \$5,000 dollars for not complying with the safety program implementation plan provisions of this legislation. If, after 14 days the program is not implemented, the legislation applies a fine of \$250 dollars per day until the program is implemented.

Rural transportation agencies cover all but 5 counties in the state. The majority of the transportation fleet across these agencies are comprised of cut-away buses, commonly known as shuttle buses.

Most of the funding for these agencies comes from the federal government through Kentucky's Transportation Cabinet, Office of Transportation Delivery. The grant funds available to these agencies for equipment requires a 20% match. Matching funds in the past have come from toll credits. Toll credits available to match these funds have been exhausted, and were not renewed under the current state budget.

The large urban agencies of Louisville's Transit Authority of River City (TARC), Transit Authority of Northern Kentucky (TANK) and LexTran in Lexington, receive local funding according to the Kentucky Public Transit Association.

Most of the rural transit agencies are nonprofits or affiliated with Community Action Agencies. Most of their ridership is either low-income, elderly, disabled, or a combination of these traits. Funds from local government for the rural transit agencies is minimal and not all local governments provide resources.

The Kentucky Public Transit Association (KPTA) states that transit authorities are working to upgrade vehicles in their fleet in order to stay compliant with current federal safety requirements. Additionally, as they purchase new vehicles, they bid as a statewide association and have already included many of the safety systems required by this legislation.

Comments from several rural transit agencies indicated they are concerned that the costs of the measures related to this bill may be so costly to the transit agencies, that implementation would not be feasible.

As this legislation does not provide specific requirements that must be included in the risk reduction program, agencies used different technologies in their cost estimates for implementing the plan. Cost estimates for retrofitting existing fleets ranged from approximately \$6,000 dollars to \$38,000 dollars per vehicle. The KPTA estimates that for the 35 agencies in their association, it would cost approximately \$24.5 million dollars or more, to fund the proposed safety initiative.

Northern Kentucky's TANK estimates costs related to fully implementing the proposed legislation on their fleet of 100 vehicles would be approximately \$3.8 million dollars.

TANK currently receives approximately \$17 million dollars in total operating from Boone, Campbell and Kenton County Fiscal Courts.

The Green River Intra-county Transit System known as GRITS, estimates that the cost to meet proposed requirements would be in excess of \$650,000. They stated they do not receive local funding other than a very small amount that can only be used within the city limits of Owensboro.

The fiscal impact on local governments is indeterminable. The financial impact on rural local governments is different than the impact to large urban local governments operating their own municipal transit authorities. Very few rural transit agencies receive financial assistance from local government. Rural agencies may not be able to comply with the legislation or may be forced to reduce or eliminate services because of the lack of funds necessary to match federal funds. Local impact in these areas would be socioeconomic in nature and indirectly impact the service area. Large urban areas would see a direct fiscal impact as local government would be expected to cover the costs not offset by federal funds. They also may have to reduce or eliminate services if local funds were not sufficient to cover costs. Reduction or elimination of services could also lead to the same indirect impacts the rural areas of the state would experience.

## Part III: Differences to Local Government Mandate Statement from Prior Versions

The Part II section above pertains to the bill as introduced.

**Data Source(s):** <u>Kentucky Public Transit Authority Association; Kentucky Transportation</u>

<u>Cabinet, Office of Transportation Delivery; Transit Authority of Northern KY, GRITS Transportation, Rural Transit Enterprises Coordinated, LRC</u>

Staff

**Preparer:** Mark Offerman **Reviewer:** KHC **Date:** 2/21/20