ACTION: Original

DATE: 09/03/2008 3:44 PM

Rule Summary and Fiscal Analysis (Part A)

Department of Public Safety

Agency Name

James Dinsmore

Division

Contact

1970 West Broad St., Suite 531 P.O. Box 182081

614-466-7014

614-752-6063

Columbus OH 43218-2081

Agency Mailing Address (Plus Zip)

Phone

Fax

<u>4501-5-02</u>

NEW

TYPE of rule filing

Rule Title/Tag Line

Rule Number

School bus construction standards.

RULE SUMMARY

- 1. Is the rule being filed consistent with the requirements of the RC 119.032 review? N_0
- 2. Are you proposing this rule as a result of recent legislation? No
- 3. Statute prescribing the procedure in accordance with the agency is required to adopt the rule: 119.03
- 4. Statute(s) authorizing agency to adopt the rule: **R.C.** 4511.76
- 5. Statute(s) the rule, as filed, amplifies or implements: **R.C. 4511.76**
- 6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

This proposed new rule reflects amendment of existing rule 4501-5-02 and a combination of provisions from existing rules 4501-5-03, -04, -05, and -06 of the Administrative Code. Simultaneously, those five existing rules are being proposed for rescission. Proposed changes are for the purpose of updating equipment requirements, enhancing readability, clarity, uniformity, and usability, removing confusion and repeated language, to increase reader understanding, and to enhance the organization of OAC Chapter 4501-5.

7. If the rule is an AMENDMENT, then summarize the changes and the content

Page 2 Rule Number: 4501-5-02

of the proposed rule; If the rule type is RESCISSION, NEW or NO CHANGE, then summarize the content of the rule:

Rule changes include new locations for reflective vehicle markings ("school bus" label and stripe on the vehicle side), and as recommended by the National Transportation Safety Board for all school buses and as already provided by bus manufacturers, a requirement for installation of a noise suppression device. In line with Federal Motor Vehicle Safety Standards, the rule also reduces the number of emergency window exits required from four to two.

8. If the rule incorporates a text or other material by reference and the agency claims the incorporation by reference is exempt from compliance with sections 121.71 to 121.74 of the Revised Code because the text or other material is **generally available** to persons who reasonably can be expected to be affected by the rule, provide an explanation of how the text or other material is generally available to those persons:

Revised Code (R.C.) 121.75 provides that provisions of R.C. 121.71 to R.C. 121.24 do not apply with regard to the incorporation by reference of a federal regulation or other text, including generally accepted industry standards, that is generally available to persons who reasonably can be expected to be affected by the rule, so long as the reference consists of a citation that will be intelligible to the persons who reasonably can be expected to be affected by the rule and that if the incorporated material was, is, or reasonably can be expected to be subject to change, identifies and specifies the date of the particular version that is incorporated. This rule sets forth that specified vehicle equipment be in compliance with Federal Motor Vehicle Safety Standard requirements (FMVSS) of the Code of Federal Regulations (C.F.R.) and the applicable dates of the regulations incorporated in the rules are provided in rule 4501-5-01 (R). To remain current and in compliance with all federal and other applicable safety and equipment requirements and guidelines, school bus manufacturers, dealers, and owners (the persons who reasonably can be expected to be affected by the rules of OAC Chapter 4501-5) already stay abreast of industry standards incorporated by reference in OAC Chapter 4501-5 (Industry standards include those of the Society of Automotive Engineers, The American Society for Testing and Materials and the National School Transportation Specifications and Procedures) and of all applicable C.F.R. standards incorporated by reference in this rule. Additionally, in Rule 4501-5-01 we have provided the address, telephone number, applicable date(s), and website information for these organizations and the address and website information for obtaining the federal regulations. Also, the books containing the C.F.R. are generally available at depository libraries where people can access them.

Additionally, as provided in Rule 4501-5-01, the rules of OAC Chapter 4501-5 incorporate earlier versions of Ohio school bus construction standards in effect on the bid date, or if the bid date is unknown, on the manufacture date of older buses.

Page 3 Rule Number: 4501-5-02

(A complete and accurate copy of these versions of the standards was filed with JCARR.) These standards are currently available in printed form and most Ohio schools and school bus manufacturers already have copies of these standards. The standards are lengthy and would require a large expenditure of time to reproduce electronically. Existing standards as provided in paragraph (O)(2) of the currently effective rule have been deposited in five depository libraries designated by the State Library Board under R.C. 3375.01. These standards are also available via the State Highway Patrol Licensing and Commercial Standards Section, 1970 West Broad Street, Columbus, Ohio 43223. We will also deposit the final filed version of the standards, if adopted via this filing, in the five depository libraries designated by the State Library Board.

9. If the rule incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material electronically, provide an explanation of why filing the text or other material electronically was infeasible:

Revised Code (R.C.) 121.75 provides that provisions of R.C. 121.71 to R.C. 121.24 do not apply with regard to the incorporation by reference of a federal regulation or other text, including generally accepted industry standards, that is generally available to persons who reasonably can be expected to be affected by the rule, so long as the reference consists of a citation that will be intelligible to the persons who reasonably can be expected to be affected by the rule and that if the incorporated material was, is, or reasonably can be expected to be subject to change, identifies and specifies the date of the particular version that is incorporated. This rule sets forth that specified vehicle equipment be in compliance with Federal Motor Vehicle Safety Standard requirements (FMVSS) of the Code of Federal Regulations (C.F.R.) and the applicable dates of the regulations incorporated in the rules are provided in rule 4501-5-01 (R). To remain current and in compliance with all federal and other applicable safety and equipment requirements and guidelines, school bus manufacturers, dealers, and owners (the persons who reasonably can be expected to be affected by the rules of OAC Chapter 4501-5) already stay abreast of industry standards incorporated by reference in OAC Chapter 4501-5 (Industry standards include those of the Society of Automotive Engineers, The American Society for Testing and Materials and the National School Transportation Specifications and Procedures) and of all applicable C.F.R. standards incorporated by reference in this rule. Additionally, in Rule 4501-5-01 we have provided the address, telephone number, applicable date(s), and website information for these organizations and the address and website information for obtaining the federal regulations. Also, the books containing the C.F.R. are generally available at depository libraries where people can access them.

Additionally, as provided in Rule 4501-5-01, the rules of OAC Chapter 4501-5 incorporate earlier versions of Ohio school bus construction standards in effect on the bid date, or if the bid date is unknown, on the manufacture date of older buses.

Page 4 Rule Number: **4501-5-02**

(A complete and accurate copy of these versions of the standards was filed with JCARR.) These standards are currently available in printed form and most Ohio schools and school bus manufacturers already have copies of these standards. The standards are lengthy and would require a large expenditure of time to reproduce electronically. Existing standards as provided in paragraph (O)(2) of the currently effective rule have been deposited in five depository libraries designated by the State Library Board under R.C. 3375.01. These standards are also available via the State Highway Patrol Licensing and Commercial Standards Section, 1970 West Broad Street, Columbus, Ohio 43223. We will also deposit the final filed version of the standards, if adopted via this filing, in the five depository libraries designated by the State Library Board.

10. If the rule is being **rescinded** and incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material, provide an explanation of why filing the text or other material was infeasible:

Not Applicable.

11. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so:

Not Applicable.

12. 119.032 Rule Review Date:

(If the rule is not exempt and you answered NO to question No. 1, provide the scheduled review date. If you answered YES to No. 1, the review date for this rule is the filing date.)

NOTE: If the rule is not exempt at the time of final filing, two dates are required: the current review date plus a date not to exceed 5 years from the effective date for Amended rules or a date not to exceed 5 years from the review date for No Change rules.

FISCAL ANALYSIS

13. Estimate the total amount by which *this proposed rule* would **increase / decrease** either **revenues / expenditures** for the agency during the current biennium (in dollars): Explain the net impact of the proposed changes to the budget of your agency/department.

This will have no impact on revenues or expenditures.

Page 5 Rule Number: 4501-5-02

This rule filing is not expected to affect the agency budget.

14. Identify the appropriation (by line item etc.) that authorizes each expenditure necessitated by the proposed rule:

Not applicable

15. Provide a summary of the estimated cost of compliance with the rule to all directly affected persons. When appropriate, please include the source for your information/estimated costs, e.g. industry, CFR, internal/agency:

The school bus companies, dealers and the school representatives in attendance at the April 2008 Ohio School Bus Construction Standards Advisory Committee meeting were provided a questionnaire on the fiscal impact the new standards would have on the cost of a school bus. The fiscal impact varied from each company/dealer. The total impact will vary from a reduced cost of approximately one hundred dollars to an increase of two hundred fifty dollars per bus. These amounts are very minimal with the purchase price of a school bus averaging seventy thousand dollars. During the 2007 calendar year, approximately 1200 new buses were purchased.

16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **Yes**

You must complete Part B of the Rule Summary and Fiscal Analysis in order to comply with Am. Sub. S.B. 33 of the 120th General Assembly.

17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? N_0

Page B-1 Rule Number: **4501-5-02**

Rule Summary and Fiscal Analysis (Part B)

1. Does the Proposed rule have a fiscal effect on any of the following?

(a) School (b) Counties (c) Townships (d) Municipal Corporations

Yes No No No

2. Please provide an estimate in dollars of the cost of compliance with the proposed rule for school districts, counties, townships, or municipal corporations. If you are unable to provide an estimate in dollars, please provide a written explanation of why it is not possible to provide such an estimate.

Changes in this rule may result in relatively small compliance costs or may result in relatively small compliance cost decreases for school districts that are purchasing school buses. The school bus companies, dealers and the school representatives in attendance at the April 2008 Ohio School Bus Construction Standards Advisory Committee meeting were provided a questionnaire on the fiscal impact the new standards would have on the cost of a school bus. The fiscal impact varied from each company/dealer. The total impact was estimated to vary from a reduced cost of approximately \$100 to an increased cost of \$250 per bus. The possible decrease or increase in cost is relatively minimal when compared to the purchase price of a school bus (averaging \$70,000). During the 2007 calendar year, approximately 1200 new buses were purchased.

- 3. If the proposed rule is the result of a federal requirement, does the proposed rule exceed the scope and intent of the federal requirement? **No**
- 4. If the proposed rule exceeds the minimum necessary federal requirement, please provide an estimate of, and justification for, the excess costs that exceed the cost of the federal requirement. In particular, please provide an estimate of the excess costs that exceed the cost of the federal requirement for (a) school districts, (b) counties, (c) townships, and (d) municipal corporations.

Not Applicable.

5. Please provide a comprehensive cost estimate for the proposed rule that includes the procedure and method used for calculating the cost of compliance. This comprehensive cost estimate should identify all of the major cost categories including, but not limited to, (a) personnel costs, (b)

Page B-2 Rule Number: 4501-5-02

new equipment or other capital costs, (c) operating costs, and (d) any indirect central service costs.

This information was gleaned from the school bus companies, dealers and school representatives in attendance at the April 2008 Ohio School Bus Construction Standards Advisory Committee meeting. They were provided a questionnaire on the fiscal impact the new standards would have on the cost of a school bus. The fiscal impact varied from each company/dealer. Based on the questionnaire, it was determined that the total impact of the rule changes varied from a reduction in cost of approximately \$100 to an increase in cost of approximately \$250 per bus. These amounts are minimal considering the purchase price of a school bus averages \$70,000. During the 2007 calendar year, approximately 1200 new buses were purchased.

(a) Personnel Costs

Not applicable

(b) New Equipment or Other Capital Costs

The school bus companies, dealers and the school representatives in attendance at the April 2008 Ohio School Bus Construction Standards Advisory Committee meeting were provided a questionnaire on the fiscal impact the new standards would have on the cost of a school bus. The fiscal impact varied from each company/dealer. The total impact will vary from a reduced cost of approximately \$100 to an increase of \$250 per bus. These amounts are very minimal. During the 2007 calendar year, approximately 1200 new buses were purchased.

(c) Operating Costs

Not applicable

(d) Any Indirect Central Service Costs

Not applicable

(e) Other Costs

Not applicable

6. Please provide a written explanation of the agency's and the local

Page B-3 Rule Number: **4501-5-02**

government's ability to pay for the new requirements imposed by the proposed rule.

The school bus companies, dealers and the school representatives in attendance at the April 2008 Ohio School Bus Construction Standards Advisory Committee meeting were provided a questionnaire on the fiscal impact the new standards would have on the cost of a school bus. The fiscal impact varied from each company/dealer. The total impact will vary from a reduced cost of approximately one hundred dollars to an increase of two hundred fifty dollars per bus. These amounts are very minimal. During the 2007 calendar year, approximately 1200 new buses were purchased. With the purchase price of a school bus averaging seventy thousand dollars, the estimated fiscal impact of the new standards is not expected to be significant.

7. Please provide a statement on the proposed rule's impact on economic development.

There should be no significant impact on economic development as a result of the rule.