

Highlights of Governor Cuomo's 2011-2012 Budget Proposal

NYSBCA – School Transportation Provisions
Prepared by Andre Claridge, PC Public Affairs
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1. \$1.5 billion or 7.4% reduction in state formula funding for education = a \$19.4 billion allocation
2. Continued funding under the current formula for Transportation
3. An increase of \$71.37 mil or 4.5% for a total of \$1.655 billion (includes summer transportation) for expense-based transportation aid to reimburse schools for transportation costs
4. The Governor recommends changes to the transportation aid program to encourage cost-effective management of districts' school transportation operations. Districts must, by the end of the 2012-2013 school year, either demonstrate participation in a cost-effective shared services program with another local municipality entity or demonstrate participation in the use of practices identified as efficient by the State Education Department. The aforementioned deadline of June 2013 coincides with the end of the SED pilot program which ends November 2012. Noncompliance will result in a graduated reduction of state aid for transportation.
5. Specific budget provisions:
 - a. Page 21 – if leasing a bus is cheaper than owning a bus and it can be demonstrated to SED, a school district is authorized to seek voter approval
 - b. Page 62 – **To receive aid on its total actual transportation operation expense, a school district shall demonstrate to the satisfaction of the SED Commissioner that it has implemented a majority of the cost-effective transportation management best practices prescribed in the regulations of the commissioner that are applicable to the district or has entered into a cost-effective shared transportation arrangement with another local government entity.** Cost-effective transportation management best practices include, but are not limited to:
 - i. Maintenance of a reasonable utilization ratio of buses
 - ii. Use of multiple year contracts for private vendor contracts
 - iii. No bus purchases made at higher than state contract price in the base year
 - iv. Early advertisement for new contracts
 - v. Use of bus routing software where possible
 - vi. Use of statewide website to advertise bids
 - c. Schools that fail to implement cost-effective strategies will be have their aid reduced in a graduated manner starting in the 2013-14 school year -- (percentage reductions - 2.5, 5, 7.5, 10)
 - d. Buses w/ seating of 10 or more including the driver can only be replaced after 10 years with a mileage in excess of 120,000 miles – waivers will be granted for safety concerns
 - e. Same applies to buses w/ seating of less than 10 including the driver