

REMARKS BY BILL KURTS, FLORENCE DISTRICT 1, TRANSPORTATION COORDINATOR
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Thank you committee members for allowing me to speak.

- Who I am.
- First, I would like to address the funding issue for buses in our state. The General Assembly appropriates funds for the purchases of buses for the State Department of Education. Since 1995, there have been 2026 buses purchased. This does not include the recent purchase of special needs buses which are due to arrive soon. In 2007, the State purchased 498 buses and 2008 purchased 500 buses. This was done due to a new law in 2006 which required funds to purchase 500 buses a year. For the remaining years, we as a state purchased an average of 94 school buses a year.
- The contracts we have in our state now are more or less hybrid contracts. In other words they are using 80 to 85 percent of the buses for free. No maintenance, no fuel, no cost of bus replacement. Beaufort County pays about 4 million dollars more a year for the transportation provided if they were the system of which most districts are. Imagine what those cost could be if it was a 100% private contract. Right now our state cost is roughly 120 to 130 million dollars a year. Using the cost based upon Beaufort Contract, it could cost the state 220 to 240 million dollars a year for transportation. Where is the savings? Furthermore, at our recent National Conference in Memphis Tn., I spoke with a director from Rochester NY. They used to be 100% contract and recently went back to the district providing transportation. They operate 80 buses and in the first year, they have saved 1 million dollars.
- Income tax- it is estimated the cost to update our current fleet of buses will range from 300 to 500 million dollars. Private contractors will deal directly with the manufactures, and not the local state dealer for bus sales for each manufacture - meaning a loss in corporate income tax in this state for such a large purchase. Furthermore, if the private contractors register these buses out of state, we will lose the sales tax and property taxes for those vehicles.
- In conclusion, South Carolina has a great system. Can there be some improvements, absolutely, but the main principal of how this systems works cannot be beat and it is the most efficient in maintaining cost and consistency. We need to continue to operate the most efficient system in the nation and properly fund bus replacement to ensure we have an updated fleet and keep those funding mechanisms in place to ensure we do not have these issues arise again. Also, when we have a bus from the lower part of the state break down in the upper part of the state, we have a system which will provide support for the bus and make sure the students are safe. Should we decentralize buses, how will this affect this process?
- Thank you.