



National School Transportation Association

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SUPPLEMENTAL COMMENTS

Docket No. FTA-2008-0015, Notice of Proposed Policy Statement on FTA's School Bus Operations Regulations

The National School Transportation Association respectfully submits these supplemental comments in an effort to respond to allegations and concerns raised by other commenters on the Notice of Proposed Policy Statement on FTA's School Bus Operations Regulations. NSTA initially submitted comments on June 16 supporting FTA's proposed Policy Statement as a necessary interim measure to clarify its interpretation of the school bus regulations at 49 CFR 605.

NSTA notes that in many of the comments, particularly those from parents, it is difficult to determine whether the service they fear losing is service designed specifically for students without regard to demand from the general public, or is legitimate tripper service that would continue to be allowed under the proposed Policy Statement. In at least some of the cases, we expect that the latter is true: the service qualifies as tripper service under the proposed interpretation—or even as general public transportation—and would continue uninterrupted. Unfortunately, these parents have been alarmed unnecessarily.

Similarly, a majority of comments express the fear that disallowing current transit service for students would result in no transportation option, since there are no private contractors in the area and the school district chooses not to transport students. These commenters ignore the statutory exemption, codified in the regulation, for grantees who demonstrate that there are no private operators capable of providing adequate school bus service. If what they say is true—that private operators are not available or not willing to do the work—then the transit district can legally operate school bus service under the exemption. No students will be left without transportation.

A third common argument is that school districts cannot afford to use private school bus companies, as transit agencies can provide the service at a much lower cost. NSTA has two responses to this argument: first, it is irrelevant; and second, it is untrue.

In the context of FTA's regulations, the cost of transportation is irrelevant. Congress clearly understood that its subsidies allow federal grantees to charge customers rates that are not only below the market but also below cost; and that private companies who must

cover all costs in their pricing cannot compete with those subsidized rates. The very purpose of the underlying statutes is, in fact, to protect private enterprise from this kind of below-cost pricing competition. If FTA were to take the customer's cost into consideration, it would contravene the statutes it is attempting to implement. That is not within FTA's responsibility or discretion.

NSTA recognizes that our second objection is peripheral to this docket, but we are compelled to point out that the cost of public transportation is in fact much higher than the cost of school bus transportation. Using either the cost per passenger mile or the cost per bus, transit is three times as expensive as school bus service, notwithstanding the superior safety and security features of the yellow bus. The Bureau of Transportation Statistics puts the per-passenger-mile cost of public transit at \$0.94 compared to school bus service at \$0.34 (2003 figures). And a comparison of transit and school bus operating costs conducted this year by FirstGroup, the largest bus operator in the country, showed a national average annual cost per bus of \$53,072 for transit and \$17,465 for school bus. In addition, transit buses are 66% more expensive to maintain than yellow buses, and yellow buses are 44% more fuel-efficient than transit buses. [See FirstGroup's comments at 0184.] So while it may be true that the cost to a school district for student transportation by federally-subsidized transit bus is less, it is simply a matter of cost-shifting; the cost to taxpayers is actually much higher.

Finally, NSTA agrees with commenters who recommend delaying the effective date of the proposed Policy Statement to August 2009. Postponing implementation for a year will give school districts time for adequate preparation and budgeting if they should need to make other transportation arrangements.

Thank you for the opportunity to comment. For additional information, please contact our Industry Specialist, Robin Leeds, at 800-560-1645 or rleeds@yellowbuses.org.