### **HOUSE BILL No. 1274**

### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 9-13-2; IC 9-19; IC 20-20-41; IC 20-27.

**Synopsis:** Lap and shoulder safety belts on school buses. Provides that a school bus or special purpose bus: (1) that is first placed into operation after June 30, 2015, and that is used to transport elementary school or high school students must be equipped with a 3-point lap and shoulder safety belt (safety belt) at each seating location; and (2) after June 30, 2019, must be equipped with a safety belt at each seating location. Requires the state school bus committee to adopt rules for the design, installation, and use of safety belt systems that must be installed in school buses and special purpose buses. Provides for an exception to the laws concerning other types of passenger restraint systems. Requires each occupant of a school bus or special purpose bus first placed into operation after June 30, 2015, to have the safety belt properly fastened about the occupant's body at all times when the bus is in motion. Establishes the safety belt revolving loan fund (fund). Requires the department of education to establish a revolving loan program to provide loans from the fund to school corporations to assist school corporations in paying expenses necessary to comply with requirements concerning safety belts on school buses and special purpose buses. Appropriates \$10,000,000 to the fund from the state general fund. Makes conforming amendments.

Effective: July 1, 2014.

## **Bartlett**

January 14, 2014, read first time and referred to Committee on Education.



#### Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in this style type. Also, the word NEW will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in this style type or this style type reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

# **HOUSE BILL No. 1274**

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1	SECTION 1. IC 9-13-2-112.5 IS ADDED TO THE INDIANA
2	CODE AS A <b>NEW</b> SECTION TO READ AS FOLLOWS
3	[EFFECTIVE JULY 1, 2014]: Sec. 112.5. "Nonpublic school" has the
4	meaning set forth in IC 20-18-2-12.
5	SECTION 2. IC 9-13-2-161, AS AMENDED BY P.L.146-2009,
6	SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7	JULY 1, 2014]: Sec. 161. (a) "School bus" means, except as provided
8	in subsections (b), and (c), and (d), a:
9	(1) bus;
10	(2) hack;
11	(3) conveyance;
12	(4) commercial motor vehicle; or
13	(5) motor vehicle;
14	used to transport preschool, elementary, or secondary school children
15	to and from school and to and from school athletic games or contests
16	or other school functions. The term does not include a privately owned



1	automobile with a capacity of not more than five (5) passengers that is
2	used for the purpose of transporting school children to and from school.
3	(b) "School bus", for purposes of IC 9-21, means a motor vehicle
4	owned by a public or governmental agency and operated for the
5	transportation of children to or from school, including project
6	headstart, or privately owned and operated for compensation for the
7	transportation of children to and from school, including project
8	headstart.
9	(c) "School bus", for purposes of IC 9-19-11-1(1), means a motor
10	vehicle:
11	(1) that meets the federal school bus safety requirements under 49
12	U.S.C. 30125; or
13	(2) that meets the federal school bus safety requirements under 49
14	U.S.C. 30125 except the:
15	(A) stop signal arm required under federal motor vehicle
16	safety standard (FMVSS) no. 131; and
17	(B) flashing lamps required under federal motor vehicle safety
18	standard (FMVSS) no. 108.
19	(d) "School bus", for purposes of IC 9-19, except as provided in
20	subsection (c), means a:
21	(1) bus;
22	(2) hack;
23 24	(3) conveyance;
24	(4) commercial motor vehicle; or
25 26	(5) motor vehicle;
26	used to transport elementary school (as defined in IC 20-18-2-4) or
27	high school (as defined in IC 20-18-2-7) students, or students in any
28	combination of grades included in IC 20-18-2-4 and IC 20-18-2-7,
29	to and from school and to and from school athletic games or
30	contests or other school functions. The term does not include a
31	privately owned automobile with a capacity of not more than five
32	(5) passengers that is used for the purpose of transporting school
33	children to and from school.
34	SECTION 3. IC 9-13-2-170.7, AS ADDED BY P.L.107-2006,
35	SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
36	JULY 1, 2014]: Sec. 170.7. (a) "Special purpose bus" has the meaning
37	set forth in IC 20-27-2-10. means, except as provided in subsection
38	(b), a motor vehicle:
39	(1) that is designed and constructed for the accommodation of
10	more than ten (10) passengers;
11	(2) that:
12	(A) meets the federal school bus safety requirements under



1	49 U.S.C. 30125 except the:
2	(i) stop signal arm required under federal motor vehicle
3	safety standard (FMVSS) no. 131; and
4	(ii) flashing lamps required under federal motor vehicle
5	safety standard (FMVSS) no. 108;
6	(B) when owned by a school corporation and used to
7	transport students, complies with the Federal Motor
8	Carrier Safety Regulations as prescribed by the United
9	States Department of Transportation Federal Motor
0	Carrier Safety Administration as set forth in 49 CFF
1	Chapter III Subchapter B; or
12	(C) when owned by a school corporation and used to
13	transport students, is a motor coach type bus with a
14	capacity of at least thirty (30) passengers and a gross
15	vehicle weight rating greater than twenty-six thousand
16	(26,000) pounds; and
17	(3) that is used by a school corporation for transportation
18	purposes appropriate under IC 20-27-9-5.
19	(b) "Special purpose bus", for purposes of IC 9-19, means a
20	motor vehicle:
21	(1) that is designed and constructed for the accommodation of
22	more than ten (10) passengers;
23	(2) that:
24	(A) meets the federal school bus safety requirements under
25	49 U.S.C. 30125 except the:
26	(i) stop signal arm required under federal motor vehicle
27	safety standard (FMVSS) no. 131; and
28	(ii) flashing lamps required under federal motor vehicle
29	safety standard (FMVSS) no. 108;
30	(B) when used to transport students, complies with the
31	Federal Motor Carrier Safety Regulations as prescribed by
32	the United States Department of Transportation Federa
33	Motor Carrier Safety Administration as set forth in 49
34	CFR Chapter III Subchapter B; or
35	(C) when used to transport students, is a motor coach type
36	bus with a capacity of at least thirty (30) passengers and a
37	gross vehicle weight rating greater than twenty-six
38	thousand (26,000) pounds; and
39	(3) that is used by a school corporation or a nonpublic schoo
10	for transportation purposes.
11	SECTION 4. IC 9-19-10-1, AS AMENDED BY P.L.214-2007
12	SECTION 6 IS AMENDED TO BEAD AS FOLLOWS (FEFECTIVE



1	JULY 1, 2014]: Sec. 1. This chapter does not apply to an occupant of
2	a motor vehicle who meets any of the following conditions:
3	(1) For medical reasons should not wear safety belts, provided the
4	occupant has written documentation of the medical reasons from
5	a physician.
6	(2) Is a child required to be restrained by a child restraint system
7	under IC 9-19-11 or a 3-point lap and shoulder safety belt
8	under IC 9-19-13.
9	(3) Is traveling in a commercial or a United States Postal Service
10	vehicle that makes frequent stops for the purpose of pickup or
11	delivery of goods or services.
12	(4) Is a rural carrier of the United States Postal Service and is
13	operating a vehicle while serving a rural postal route.
14	(5) Is a newspaper motor route carrier or newspaper bundle hauler
15	who stops to make deliveries from a vehicle.
16	(6) Is a driver examiner designated and appointed under
17	IC 9-14-2-3 and is conducting an examination of an applicant for
18	a permit or license under IC 9-24-10.
19	(7) Is an occupant of a farm truck being used on a farm in
20	connection with agricultural pursuits that are usual and normal to
21	the farming operation, as set forth in IC 9-29-5-13(b)(2).
22	(8) Is an occupant of a motor vehicle participating in a parade.
23	(9) Is an occupant of the living quarters area of a recreational
24	vehicle.
25	(10) Is an occupant of the treatment area of an ambulance (as
26	defined in IC 16-18-2-13).
27	(11) Is an occupant of the sleeping area of a tractor.
28	(12) Is an occupant other than the operator of a vehicle described
29	in IC 9-20-11-1(1).
30	(13) Is an occupant other than the operator of a truck on a
31	construction site.
32	(14) Is a passenger other than the operator in a cab of a Class A
33	recovery vehicle or a Class B recovery vehicle who is being
34	transported in the cab because the motor vehicle of the passenger
35	is being towed by the recovery vehicle.
36	(15) Is an occupant other than the operator of a motor vehicle
37	being used by a public utility in an emergency as set forth in
38	IC 9-20-6-5.
39	SECTION 5. IC 9-19-11-1, AS AMENDED BY P.L.24-2006,
40	SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
41	JULY 1, 2014]: Sec. 1. This chapter does not apply to a person who
42	operates any of the following vehicles:



1	(1) A school bus or a special purpose bus.
2	(2) A taxicab.
3	(3) An ambulance.
4	(4) A public passenger bus.
5	(5) A motor vehicle having a seating capacity greater than nine
6	(9) individuals that is owned or leased and operated by a religious
7	or not-for-profit youth organization.
8	(6) An antique motor vehicle.
9	(7) A motorcycle.
10	(8) A motor vehicle that is owned or leased by a governmental
11	unit and is being used in the performance of official law
12	enforcement duties.
13	(9) A motor vehicle that is being used in an emergency.
14	(10) A motor vehicle that is funeral equipment used in the
15	operation of funeral services when used in:
16	(A) a funeral procession;
17	(B) the return trip to a funeral home (as defined in
18	IC 25-15-2-15); or
19	(C) both the funeral procession and return trip.
20	SECTION 6. IC 9-19-13-3.5 IS ADDED TO THE INDIANA CODE
21	AS A <b>NEW</b> SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
	<u>-</u>
22	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is
22 23	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to
22 23 24	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high
22 23 24 25	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any
22 23 24 25 26	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7,
22 23 24 25 26 27	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at
22 23 24 25 26 27 28	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt
22 23 24 25 26 27 28 29	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of
22 23 24 25 26 27 28 29 30	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.
22 23 24 25 26 27 28 29 30 31	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.  (b) After June 30, 2019, a school bus or special purpose bus that
22 23 24 25 26 27 28 29 30 31 32	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.  (b) After June 30, 2019, a school bus or special purpose bus that is used to transport elementary school (as defined in IC 20-18-2-4)
22 23 24 25 26 27 28 29 30 31 32 33	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.  (b) After June 30, 2019, a school bus or special purpose bus that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in
22 23 24 25 26 27 28 29 30 31 32 33 34	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.  (b) After June 30, 2019, a school bus or special purpose bus that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and
22 23 24 25 26 27 28 29 30 31 32 33 34 35	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.  (b) After June 30, 2019, a school bus or special purpose bus that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder
22 23 24 25 26 27 28 29 30 31 32 33 34 35 36	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.  (b) After June 30, 2019, a school bus or special purpose bus that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and
22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.  (b) After June 30, 2019, a school bus or special purpose bus that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society
22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.  (b) After June 30, 2019, a school bus or special purpose bus that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.
22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.  (b) After June 30, 2019, a school bus or special purpose bus that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.  (c) A school corporation or a nonpublic school that violates
22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.  (b) After June 30, 2019, a school bus or special purpose bus that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.  (c) A school corporation or a nonpublic school that violates subsection (a) or (b) commits a Class C infraction.
22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39	1, 2014]: Sec. 3.5. (a) A school bus or special purpose bus that is first placed into operation after June 30, 2015, and that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.  (b) After June 30, 2019, a school bus or special purpose bus that is used to transport elementary school (as defined in IC 20-18-2-4) or high school (as defined in IC 20-18-2-7) students, or students in any combination of grades included in IC 20-18-2-4 and IC 20-18-2-7, must be equipped with a 3-point lap and shoulder safety belt at each seating location. The safety belt installation and safety belt and anchor must meet the specifications of the Society of Automotive Engineers.  (c) A school corporation or a nonpublic school that violates



1, 2014]: Sec. 5.5. (a) Each occupant of a school bus or special

purpose bus that has a 3-point lap and shoulder safety belt

installed at each seating location in accordance with section 3.5 of

this chapter shall have the lap and shoulder safety belt properly

5	fastened about the occupant's body at all times when the bus is in
6	motion.
7	(b) A school corporation, nonpublic school, or owner of a school
8	bus or special purpose bus, including a school bus or special
9	purpose bus operated under a fleet or transportation contract, that
10	authorizes or permits a violation of subsection (a) commits a Class
11	C infraction.
12	SECTION 8. IC 20-20-41 IS ADDED TO THE INDIANA CODE
13	AS A <b>NEW</b> CHAPTER TO READ AS FOLLOWS [EFFECTIVE
14	JULY 1, 2014]:
15	Chapter 41. Safety Belt Revolving Loan Fund
16	Sec. 1. As used in this chapter, "fund" refers to the safety belt
17	revolving loan fund established by section 2 of this chapter.
18	Sec. 2. (a) The safety belt revolving loan fund is established for
19	the purposes of this chapter. The department shall administer the
20	fund.
21	(b) The department shall pay the expenses of administering the
22	fund.
23	(c) The treasurer of state shall invest the money in the fund not
24	currently needed to meet the obligations of the fund in the same
25	manner as other public funds may be invested. Interest that
26	accrues from these investments shall be deposited in the fund.
27	(d) Money in the fund at the end of a state fiscal year does not
28	revert to the state general fund.
29	(e) Money in the fund is continuously appropriated for the
30	purposes of this chapter.
31	Sec. 3. (a) The department shall establish a revolving loan
32	program to provide loans from the fund to school corporations to
33	assist school corporations in paying expenses necessary to comply
34	with the requirements under IC 9-19-13-3.5 concerning safety belts
35	on school buses and special purpose buses.
36	(b) The department shall establish the following:
37	(1) Standards of eligibility.
38	(2) The maximum amount of a loan that may be awarded to
39	a school corporation.
40	(3) Application procedures.
41	(4) Any local matching funds that are required.

(5) Any other provisions necessary to administer the loan



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1	program.
2	(c) The department may not charge interest on a loan from the
3	fund.
4	(d) The department shall deposit repayments of principal on
5	loans in the fund to increase the amount that is available for new
6	loans.
7	Sec. 4. A school corporation may use any source of revenue to
8	repay a loan under this chapter, including money in the school
9	corporation's school bus replacement fund, transportation fund, or
10	capital projects fund.
11	Sec. 5. If a school corporation fails to make any repayments of
12	a loan from the fund, the auditor of state shall withhold the
13	repayment amount from any other money payable by the state to
14	the school corporation. The amount withheld shall be transferred
15	to the fund to the credit of the school corporation.
16	Sec. 6. (a) There is appropriated to the fund ten million dollars
17	(\$10,000,000) from the state general fund for the period beginning
18	July 1, 2014, and ending June 30, 2016, to carry out the purposes
19	of the fund.
20	(b) This section expires July 1, 2016.
21	SECTION 9. IC 20-27-3-4, AS AMENDED BY P.L.107-2006,
22	SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23	JULY 1, 2014]: Sec. 4. (a) The committee has the following powers:
24	(1) The committee may adopt rules under IC 4-22-2 establishing
25	standards for the construction of school buses and special purpose
26	buses, including minimum standards for the construction of
27	school buses and special purpose buses necessary to be issued a:
28	(A) valid certificate of inspection decal; and
29	(B) temporary certificate of inspection decal described in
30	IC 20-27-7-10.
31	(2) The committee may adopt rules under IC 4-22-2 establishing
32	standards for the equipment of school buses and special purpose
33	buses, including minimum standards for the equipment of school
34	buses and special purpose buses necessary to be issued a:
35	(A) valid certificate of inspection decal; and
36	(B) temporary certificate of inspection decal described in
37	IC 20-27-7-10.
38	(3) The committee may adopt rules under IC 4-22-2 specifying
39	the minimum standards that must be met to avoid the issuance of
40	an out-of-service certificate of inspection decal.
41	(4) The committee may provide for the inspection of all school
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buses and special purpose buses, new or old, that are offered for



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1	sale, lease, or contract.
2	(5) The committee may provide for the annual inspection of all
3	school buses and special purpose buses and the issuance of
4	certificate of inspection decals.
5	(6) The committee may maintain an approved list of school buses
6	and special purpose buses that have passed inspection tests under
7	subdivision (4) or (5).
8	(7) The committee may, subject to approval by the state board of
9	accounts, prescribe standard forms for school bus driver contracts.
10	(8) The committee may hear appeals brought under
11	IC 20-27-7-15.
12	(9) The committee shall adopt rules under IC 4-22-2 for the
13	design, installation, and use of 3-point lap and shoulder safety
14	belt systems that must be installed in all school buses and
15	special purpose buses that are first placed into operation by
16	a school corporation after June 30, 2015, or used after June
17	30, 2019, in accordance with IC 9-19-13-3.5.
18	(b) The committee shall adopt rules under IC 4-22-2 to set
19	performance standards and measurements for determining the physical
20	ability necessary for an individual to be a school bus driver.
21	(c) The certificate of inspection decals shall be issued to correspond
22	with each school year. Each certificate of inspection decal expires on
23	September 30 following the school year in which the certificate of
24	inspection decal is effective. However, for buses that are described in
25	IC 20-27-7-7, the certificate of inspection decal expires on a date that
26	is not later than seven (7) months after the date of the first inspection
27	for the particular school year.
28	SECTION 10. IC 20-27-7-8, AS ADDED BY P.L.1-2005,
29	SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30	JULY 1, 2014]: Sec. 8. The inspection of a special purpose bus shall
31	consist of an inspection to determine the existence and condition of the
32	vehicle's:
33	(1) brakes;
34	(2) lights (headlamps, tail lamps, brake lights, clearance lights,
35	and turn signals);
36	(3) steering and suspension;
37	(4) exhaust systems;
38	(5) general body condition; <del>and</del>
39	(6) tires; and
40	(7) after June 30, 2015, 3-point lap and shoulder safety belt



systems.