



# DOAA

Georgia Department  
of Audits & Accounts

**Greg S. Griffin**  
State Auditor

January 9, 2026

Honorable Viola Davis  
State Representative  
404-D Coverdell Legislative Office Bldg.  
Atlanta, Georgia 30334

SUBJECT: Fiscal Note  
House Bill (LC 56 0282)

Dear Representative Davis:

The bill would revise the calculation and distribution of student transportation funds by the State Board of Education to school systems. It would require the calculation to include bus drivers' health insurance costs, other vehicles used to transport students, and students who live within 1.5 miles of school but cannot walk safely or travel to school without a motor vehicle. The bill also increases the minimum salary for drivers. The State Board of Education would have authority to establish a schedule of standards for student transportation costs and be required to distribute to each school system up to 100% of projected costs of the system's student transportation program.

As shown in Table 1, data provided by the Georgia Department of Education (GaDOE) indicates that the bill would cost the state an additional \$981.5 million, based on existing available data from GaDOE, if enacted in FY 2026. While the full cost of the bill would be \$1.3 billion, GaDOE indicated that a portion of that cost is offset by existing funding for student transportation.

**Table 1: Cost Breakdown of Projected Fiscal Impact**

Cost Categories	Cost
Operations	\$672,668,135
Driver Salaries	\$342,504,000
Health Insurance	\$322,810,020
Bus Insurance	\$6,760,082
Drug Testing	\$756,363
<b>Total projected costs</b>	<b><u>\$1,345,498,600</u></b>
Less: FY26 Pupil Transportation Grant	\$363,987,502
<b>Additional Student Transportation Costs</b>	<b><u>\$981,511,098</u></b>

The assumptions used to calculate the cost are discussed below:

- Data does not distinguish between students who can and cannot get to school safely, thus the estimate excludes all students within a 1.5-mile range of a school.

- Data only includes traditional school buses. GaDOE indicated that there may be an increase in costs if other vehicles are included in other calculations.
- Salaries, health insurance, and drug testing costs are based on updating the current pupil transportation formula based on the requirements outlined in this bill. Health insurance is based on the current per member per month rate, and future increases would result in additional costs to the state.

**Table 1** shows the projected cost for each year, assuming every category is expended at 100%.

Respectfully,



Greg S. Griffin  
State Auditor



Richard Dunn, Director  
Office of Planning and Budget

GSG/RD/pj