



This publication is a member service of

National School Transportation Association
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The NSTA program with Keystone provides outstanding overall value, including:

- Exceptionally broad Commercial Auto Coverage, including a special array of coverage enhancements to extend your protection, combined with competitive pricing and prompt claims service.
- Safety Group Dividend Plans on Commercial Automobile and Workers' Compensation provide you with the opportunity to participate in the profits of the program.
- Loss Control services tailored to NSTA members' needs by a fully qualified staff of Risk Management Professionals
- Training opportunities and resources provided to NSTA Members.

We are confident that this **new NSTA member benefit** will be beneficial to our members. Please call us if you have any questions or suggestions.

NSTA will hold its **Midwinter Meeting** from **January 27th to January 31st, 2007** in Tucson, Arizona at Loews Ventana Canyon Resort. Room rates for the Meeting are \$219 single or double occupancy.

The discounted rooms are limited and will be available until the block is sold out or until December 29, 2006 – whichever comes sooner. You can make your reservations by calling the resort at (520) 299-2020.

Information is available in the Upcoming Events section of the website (www.yellowbuses.org)

Keystone Insurers Group offers New Member Benefit

NSTA has endorsed Keystone Insurers Group to offer NSTA members with a comprehensive insurance program. President John Corr announced the newly endorsed program in a letter to NSTA membership in July 2006.

The program was officially launched and introduced by representatives from Keystone Insurers Group at the NSTA Annual Convention in South Lake Tahoe on July 24, 2006.

In the past year, NSTA has asked our members to provide input on what issues you need help with the most. The feedback has identified insurance costs to be a major issue that is hurting their bottom line. Therefore, NSTA has secured an exclusive insurance program to help our members save money while getting proper coverage and excellent services.

The Keystone Insurers Group has a proven record of providing affordable, quality service to the school bus industry and we invite you to call the NSTA Insurance Hotline at 1-888-481-2939 and learn more about this program that is available exclusively to NSTA members.

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The National School Transportation Association (NSTA) was founded in 1964 by school bus contractors to "promote and foster the highest degree of safety in the transportation of school children"



**F M C S A ree :
Con rac or Don' Need
Opera n Au hor y ior
Ac v y Tr p**

In the Federal Register for August 28, the Federal Motor Carrier Safety Administration finally responded to NSTA's 2002 request for clarification on the need for school bus contractors to acquire operating authority. In the Final Rule on Enforcement of Operating Authority, FMCSA writes:

NSTA requested clarification concerning the exemption at 49 U.S.C. 13506(a)(1) for "a motor vehicle transporting only school children and teachers to or from school." NSTA noted that during the period from 1976 through 1984, the former Interstate Commerce Commission (ICC) issued "rulings that established an interpretation of the exemption to include interstate transportation of students in school buses on trips that are directly connected with school-related activities and are sponsored and supervised by school authorities." It requested FMCSA to support this interpretation and clarify that the exemption includes for-hire motor carriers transporting students to school-related activities across State lines.

FMCSA Response: In response to NSTA's request for clarification, FMCSA has not issued any interpretations contradicting those of the former ICC. FMCSA recodified the former ICC rule implementing the exemption for motor vehicles employed solely

in transporting school children and teachers to or from school. F CSA doe no re u re con rac or prov d n n er a e ran por a on or chool ch ldren and eacher o or irom chool o ob a n opera n au hor y irom he A ency (Our emphasis)

This gives those of you who run into differing interpretations from FMCSA field agents or from your state authorities written evidence that you do not need to acquire operating authority for interstate activity trips. It does not change the requirement that school bus

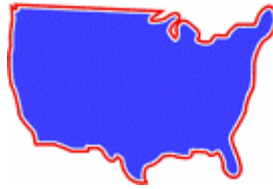
Congressional Schedule



Members of the House and Senate returned to Washington this week following the month-long August recess. The House is expected to adjourn at the end of the September and the Senate in early October. They will both stay in adjournment until after the November 7th elections. A "lame-duck" session of Congress is expected to convene mid-November.

While Congress has not cleared any of the 13 appropriations bills it must address each year, it is possible that the Homeland Security bill will be dispensed with prior to adjournment at the end of this month. It is widely expected that Congress will have to pass a Continuing Resolution to continue funding of government programs at Fiscal Year 2006 levels as there will be many unresolved bills by the end of this fiscal year (September 30, 2006). It is also expected that the Continuing Resolution will be effective until Congress's return mid-November.

The November elections could have a significant impact on where things go when Congress returns for the lame-duck session. If either the House or Senate were to change to a Democratic majority, it is possible that yet another Continuing Resolution will be considered, continuing current funding levels until early spring when the 110th Congress is sworn in, as was done in 2002. If both the House and Senate stay Republican, it is likely that Members will be in through late December trying to resolve their outstanding spending bills.



Outside the Beltway

Rhode Island: The Portsmouth, RI, school committee has asked the state Department of Education to waive their transportation requirements so they can reduce the school budget by \$1.1 million.

That's how much the town cut from the budget at a recent town meeting. Transportation is not the only requirement the district is asking to cut, but it is the largest one.

According to the superintendent, if the state allows the district to eliminate all school busing except for special needs students, they will come close to solving their budget problem. She conceded, though, that the state Department of Education has never granted waivers, and that they could not waive contractual obligations in any case.

Ohio: The Finneytown school district instituted a No Talking policy on school buses this year.

In a notice to parents, the administration said that the policy is necessary to ensure the safety of students by keeping the noise level low, and to help eliminate other disruptive behavior such as getting out of seats, teasing, and physical contact.

Students are allowed to talk in quiet voices in the school parking lots, and are directed to talk to the bus driver if there is a problem or in response to the driver's questions.



Mary Peters Nominated as New Secretary of Transportation

President Bush announced this week that he has chosen Mary Peters, the former Federal Highway Administrator, to succeed Norman Mineta as the new Secretary of Transportation. Peters was Administrator from 2001 to 2005. Prior to serving as Administrator, Peters spent 16 years with the Arizona Department of Transportation. Since serving as Administrator, Peters has been the national director for transportation policy and consulting with the Phoenix, Arizona office of the architectural, engineering and consulting firm of HDR, Inc.

The President called Peters "the right person for the job" and said, "Mary has a reputation for character and common sense. She's an innovative thinker. She knows how to set priorities and to solve problems."

Peters has been an advocate of user fees, or tolls, to finance new infrastructure. In a recent interview, she said, "you just can't depend on the Federal government to bring the money in that was around when the interstate system was first built."

The nomination will now be sent to the Senate Commerce, Science and Transportation Committee for consideration. Hearings on the nomination have yet to be scheduled.

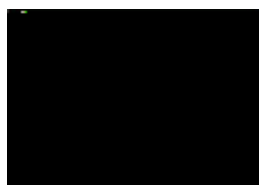




Volunteer Your Time to Help Rebuild Homes in New Orleans

The National School Transportation Association is partnering with the United Motorcoach Association to help rebuild lives in New Orleans.

On January 16, 2007 more than 100 members of UMA and NSTA will participate in a Habitat for Humanity project to rebuild homes. If you would like more information or would like to help, contact NSTA Headquarters at 1-800-222-6782.



Have You Been a NSTA Member Only Section on the Website?

NSTA's members' only section of the website has some interesting information on it! Here is just some of the information listed:

- ★ Press Release to Promote School Bus Ridership
- ★ 2006 Annual Convention Presentations
- ★ State-to-State Requirements to be a School Bus Driver
- ★ Clean School Bus Fleet Maintenance
- ★ NSTA Tool Kits
- ★ Searchable Member Directory
- ★ Membership Benefits
- ★ And more...



As a new feature in the NSTA Newsletter, we will feature one Supplier Member each issue.

This week, we are pleased to tell you about **Transpec Worldwide**.



Transpec Worldwide is the premiere North American supplier of roof hatches, stop arms, crossing control arms, and other safety devices utilized in the school and transit bus industries. Founded in 1974, Transpec brought the world's first integrated emergency exit, ventilating, roof hatch to the market. Transpec is known for the unmatched quality, durability, and performance of its products, as well as its intense commitment to customer service and support.

Transpec products are based on a "platform" approach, where modularity provides a common foundation for each of the product lines.

Transpec is eager to provide additional information to help show you the opportunities you have to improve the performance, durability, and productivity of your fleet. For more information, please contact:

James Giovanni, Director of Sales and Marketing (586) 274-9425, or Jim Haigh, Vice President of Technical Specifications and Application Development (586) 274-9432.