

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3989H.011
 Bill No.: HB 1688
 Subject: Education, Elementary and Secondary; Department of Elementary and Secondary Education
 Type: Original
 Date: January 2, 2024

Bill Summary: This proposal requires public schools to offer a driver education course that students must complete before graduating.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue	(\$44,251)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$44,251)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government	\$0	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Section 170.027.2 - Driver Education

Officials from **Department of Elementary and Secondary Education (DESE)** state this proposal requires them to develop and recommend academic driver's education instruction and training. The workgroup is to consist of 17 representatives for 4 meetings at an estimated cost of \$44,251. The estimated/anticipated representatives include nine health / PE educators (representing all RPDC regions and rural, urban, suburban districts); 4 from relevant professional organizations and agencies; 4 DESE representatives. Costs could increase if DESE is required to abide by 160.514.

NOTE: Estimated costs for 2024 exceed estimated costs for 2023 due to increased membership to include four additional professional organizations (agencies, i.e., MoDOT, DOR) and increased meeting cost estimates and additional meetings needed.

Officials from the **Department of Revenue (DOR)** assume, as written, this legislation does not impact the Department. If revisions are made, or any promulgated rule is filed, that install any verification requirements from the Department's Driver License Bureau, this would have an impact.

Officials from the **Department of Public Safety - Missouri Highway Patrol** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Oversight assumes this proposal would require school districts and charter schools to offer a driver education course that meets certain requirements.

Oversight notes the following driver education courses in Missouri:

- Liberty High School offers a driver's education course for a cost of \$330 for students who live in the district and \$430 for students who live outside the district.
- Parkway-Rockwood Community Education partnership (a partnership between the Parkway and Rockwood school districts) offers a fee-based driver's education program that includes classroom instruction, six hours of behind the wheel training and twelve hours of in-car observation. The cost is \$395.
- The Safety & Health Council of St. Joseph offers a Teen Driver's Education Program for a fee of \$295 per student.
- Lindbergh Senior High School offers a non-credit driver's education course for a fee of \$289 with a total of 3 hours of drive-time.

- Francis-Howell Central High School offers a 1/2 unit of credit driver’s education course with an optional driving experience for an additional fee.
- Sedalia School District 200 offers a Driver’s Education course. The cost of the course is \$180.
- Mehlville School District offers a course with classroom time, 12 hours of simulated driving, 12 hours of observation, and 3 hours of behind-the-wheel driving. The fee for the course is \$290.

In addition, Oversight notes the following public schools in other states currently offer driver’s education courses to students for a fee as outlined in the table below.

<u>School</u>	<u>Fee</u>
Chesterfield Co. (VA) Public Schools	\$210
Des Moines (IA) Public Schools	\$365
Helena (MT) Public Schools	\$305
Bristol (CT) Public Schools	\$425
Crookston (MN) Public Schools	\$325
Hillsborough Co. (FL) Public Schools	\$250

Driver’s education is provided in all school districts in North Carolina and is available to all public, private, charter and home-schooled students. School districts may charge students a fee of \$65 to offset the cost of providing the course.

Oversight notes the estimates provided below represent the cost of if 1/3 of high school students elected to take a driver’s education course per year. However, Oversight notes this proposal does not appear to require the driver’s education course to graduate. In addition, this proposal does not require a student to physically operate a motor vehicle. Therefore, the cost for districts to implement this proposal could be less than the estimates below and would ultimately depend on the number of students who elected to take the driver’s education course.

Based on information provided by DESE, **Oversight** notes the preliminary enrollment numbers for the 2022-2023 school year for 10th through 12th grade was 202,622. If 1/3 of 10th through 12th graders (67,541) take the driver education course per year, Oversight estimates the potential costs to school districts in the chart below assuming different per costs per course.

Assumed Course Cost Per Student	Estimated Cost to Public Schools
\$180 (* 67,541)	\$12,157,380
\$297 (* 67,541)	\$20,059,677
\$395 (* 67,541)	\$26,678,695

Oversight notes the recommended number of hours for most driver’s education courses is 30 hours of formal classroom instruction and 6 hours of behind the wheel training. Oversight estimates the following basic costs in the chart below assuming 67,541 students were required to take 30 hours of in-class instruction and 6 hours of driving instruction.

Oversight assumed an average class size of 25 and a pay rate of \$26 per hour for certified instruction. Oversight notes the costs below do not include curriculum, insurance, retirement benefits, fuel, maintenance or other costs.

	Estimated Instructional Hours	Estimated Cost
(67,541 * 30 hours) / 25 class size	81,049	\$2,107,274
(67,541 * 6 hours)	405,246	\$10,536,396
568 high schools * 1 car (\$18,000)	-	\$10,224,000
	Total	\$22,867,670

Oversight estimates the cost of providing drivers' education courses in public schools could exceed \$22,867,670 in the first year with annually recurring costs that could exceed \$12,643,670.

Oversight assumes, if 1/3 of high school students elected to take a driver's education course that did not include behind the wheel training, the cost is estimated at approximately \$2,107,274.

Based on information provided by DESE, **Oversight** notes 37 of the 568 high schools in Missouri offered driver's education courses in 2022-2023 with an enrollment of 4,412 students in Driver Education and 114 students enrolled in Driver Education Lab.

Based on information provided by DESE for the 2022-2023 school year, **Oversight** notes 37 of the 568 high schools offered a driver's education course during their regular school year with 37 instructors. There were 58 of the 568 high schools that offered a driver's education course during their summer term with 79 instructors. DESE is unable to provide enrollment for Driver Education in the summer because a student assignment file is not required for summer school.

Ultimately, **Oversight** is unsure how much it would cost school districts and charter schools to provide 'driver education instruction and training. Therefore, Oversight will show an unknown cost to school districts and charter schools to implement the provision of this proposal, starting in school year 2025-2026.

Oversight did not receive any responses from school districts related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

Oversight only reflects the responses received from state agencies and political subdivisions; however, school districts were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System database is available upon request.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE			
<u>Costs – DESE - curriculum development meetings - §170.027</u>	<u>(\$44,251)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$44,251)</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
PUBLIC SCHOOLS			
<u>Costs - to offer driver education instruction and training - §170.027</u>	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON PUBLIC SCHOOLS	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

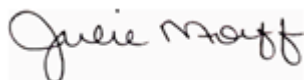
FISCAL DESCRIPTION

This bill will require the State Board of Education to develop a "driver education instruction and training program" to be offered as part of the health curriculum in public and charter schools to pupils in grades 10 to 12. The instruction and training shall be made available by the 2025-26 school year and districts and charter schools will offer such instruction or a similar program. The instruction shall include but is not limited to habits and skills necessary for the safe operation of motor vehicles, distracted driving hazards, and traffic stop procedures. The instruction does not require physical operation of a vehicle and the bill does not prohibit schools from offering additional drivers education courses.

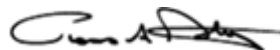
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Department of Public Safety - Missouri Highway Patrol
Office of the Secretary of State
Joint Committee on Administrative Rules
Department of Revenue



Julie Morff
Director
January 2, 2024



Ross Strobe
Assistant Director
January 2, 2024