

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0417H.02I
Bill No.: HB 248
Subject: Education, Elementary and Secondary; Department of Elementary and Secondary
Education; Children and Minors
Type: Original
Date: March 11, 2025

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 2026	FY 2027	FY 2028
General Revenue	(\$68,345)	(\$23,434)	(\$23,903)
Total Estimated Net Effect on General Revenue	(\$68,345)	(\$23,434)	(\$23,903)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
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 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue	0.25 FTE	0.25 FTE	0.25 FTE
Total Estimated Net Effect on FTE	0.25 FTE	0.25 FTE	0.25 FTE

- ☐ 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 2026	FY 2027	FY 2028
Local Government*	\$0	(Unknown)	(Unknown)

*Oversight notes the proposal requires school districts and charter schools to offer a driver education course that meets certain requirements. Therefore, Oversight will reflect an unknown cost to implement the proposal.

FISCAL ANALYSIS

ASSUMPTION

Section 170.027 - Driver Education in Public Schools

Officials from the **Department of Elementary and Secondary Education (DESE)** state section 170.027.2 would require DESE to develop and recommend academic driver's education instruction and training. DESE would convene a workgroup consisting of 17 representatives for 4 meetings = \$44,251. 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. 8 teachers for 5 days to develop a course for students in grades 10-12 that meets the minimum requirements to allow a pupil to qualify for a temporary instruction permit. DESE would use the materials already developed by the MO Dept of Revenue for this—specifically the Missouri Driver Guide, 12/2022. Total meeting cost per DESE calculator is \$26,030. DESE is showing these costs over two years allowing for planning and implementation.

DESE is not able to absorb the duties to oversee this workgroup, assist with the development of student courses and support LEAs with current staffing. A part-time FTE Assistant Director along with associated expense and equipment would be required. If multiple pieces of legislation in this area are passed additional time may be necessary and DESE will seek it through the appropriations process.

In response to similar legislation, HB 1688 (2024), officials from **DESE** stated 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.

Oversight assumes the total meeting cost (\$26,030) would be included in the DESE estimate for the workgroup cost (\$44,251). Therefore, Oversight will not reflect in the fiscal note. Oversight also assumes for fiscal note purposes that it will only take one year for planning and implementation. Oversight will reflect the cost of the workgroup for one year in FY 2026. Oversight notes the FTE requested will be a part time position; therefore, Oversight will not reflect fringe benefits in the fiscal note.

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

Officials from the **Richland R-IV School District** assume the district must provide a teacher certified in drivers education. The State of Missouri is already facing a teacher shortage. The district must add staff onto an already strained budget at a cost of \$40,000. The district must purchase/lease a vehicle and provide insurance and fuel at a yearly cost estimate of \$50,000. The district must provide classroom space and materials at a cost of \$10,000 a year. Missouri schools already have declining budgets with declining enrollments and state funding (basic formula) being reduced to districts and many, their district for example, seeing local revenues reduced due to the passage of SB 190.

Officials from **Central R-III School District** assume there would be \$100,000 startup cost and then \$60,000 annually.

Officials from **Hume R_VIII School District** assume they are concerned about the financial cost of vehicles.

Officials from **Raymore- Peculiar R-II School District** assume this bill would likely necessitate hiring five additional teaching positions and one support staff position. Based on average salary and benefit costs, the estimated annual expense exceeds \$350,000. Additionally, recruiting properly certified teachers will be a challenge. The capital impact includes acquiring vehicles, increased fuel costs, and higher liability insurance expenses. The total projected cost is expected to exceed \$500,000 annually.

Officials from **Sedalia 200 School District** assume if it would make driver's education a requirement the district would have to add multiple teaching staff to serve a large number of students. Their district would need 20 sections per year which would take about 3.5 instructors at an average cost of the entire pay package at \$70,000 with benefits. This would be on average about \$245,000 a year.

Officials from **Warren Co. R-III School District** assume there would be an estimated \$850,000 cost for the cost of the car, insurance, and the additional staff needed to teach every student driver education. This would require 13 additional teachers to teach every student driver education.

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

Oversight notes, based on research from 2024-2025 school year, 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 \$350 per student.
- Lindbergh Senior High School offers a non-credit driver's education course for a fee of \$319 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. There was a cost for the course of \$180 however, now the fee has been waived.
- 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 \$369.

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	\$335
Bristol (CT) Public Schools	\$550
Crookston (MN) Public Schools	\$325
Hillsborough Co. (FL) Public Schools	\$300

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 found on DESE's website, **Oversight** notes the preliminary enrollment numbers for the 2024-2025 school year for 9th through 12th grade was 276,168. If 1/3 of 9th through 12th graders (92,056) 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 (*92,056)	\$16,570,080
\$297 (*92,056)	\$27,340,632
\$395 (*92,056)	\$36,362,120

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 92,056 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
(92,056* 30 hours) / 25 class size	110,467	\$2,872,142
(92,056* 6 hours)	552,336	\$14,360,736
568 high schools * 1 car (\$18,000)	-	\$10,224,000
	Total	\$27,456,878

Oversight estimates the cost of providing drivers' education courses in public schools could exceed \$27,456,878 in the first year with annually recurring costs that could exceed \$17,232,878.

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 \$2,872,142.

Based on information provided by DESE for the 2023-2024 school year, **Oversight** notes 34 of the 568 high schools offered a driver's education course during their regular school year with 42 instructors and 15 MOCAP instructors. There were 64 of the 568 high schools that offered a driver's education course during their summer term with 76 instructors and 10 MOCAP 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 2026-2027.

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 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE			
<u>Costs – DESE (§170.027) p.3</u>			
Personnel Service	(\$13,480)	(\$16,500)	(\$16,830)
Expense & Equipment	(\$10,614)	(\$6,934)	(\$7,073)
<u>Total Costs – DESE</u>	<u>(\$24,094)</u>	<u>(\$23,434)</u>	<u>(\$23,903)</u>
FTE Change - DESE	0.25 FTE	0.25 FTE	0.25 FTE
<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>(\$68,345)</u>	<u>(\$23,434)</u>	<u>(\$23,903)</u>
Estimated Net FTE Change on General Revenue	0.25 FTE	0.25 FTE	0.25 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
PUBLIC SCHOOLS AND CHARTER 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 AND CHARTER 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
Richland R-IV School District
Sedalia 200 School District
Warren Co. R-III School District
Raymore- Peculiar R-II School District
Hume R-VIII School District
Central R-III School District



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