

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 2812-01  
BILL NO.: SB 539  
SUBJECT: Education, Elementary and Secondary: Driver's Education  
TYPE: Original  
DATE: January 7, 2000

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	(\$908,800)	(\$972,400)	(\$1,040,480)
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>(\$908,800)</b>	<b>(\$972,400)</b>	<b>(\$1,040,480)</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government</b>	<b>\$908,800</b>	<b>\$972,400</b>	<b>\$1,040,480</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue, Department of Public Safety Divisions of Highway Safety and Highway Patrol, and Department of Insurance** assume the proposal would result in no fiscal impact to the agencies.

Officials from the **Department of Elementary and Secondary Education (DESE)** assume an enrollment figure of 11,360 students per year: 11,360 X \$80 = \$908,800.

DESE officials assume this enrollment figure would increase 7% for 2002 and 2003.

DESE officials assume that if the \$80 is enough of an incentive for school districts to make all students take drivers' education courses, then the enrollment figure could rise significantly. For example, if all sophomores were enrolled in a drivers' education course and all completed the course, payment levels could rise to be as high as \$5,487,520 (68,594 students X \$80).

The moneys disbursed by DESE under the bill would be a revenue stream to local school districts.

<u>FISCAL IMPACT - State Government</u>	FY 2001	FY 2002	FY 2003
	(10 Mo.)		

**GENERAL REVENUE FUND**

Cost-Department of Elementary and Secondary Education

Drivers' Education	<u>(\$908,800)</u>	<u>(\$972,400)</u>	<u>(\$1,040,480)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2001	FY 2002	FY 2003
	(10 Mo.)		

**SCHOOL DISTRICTS**

Income-School Districts

Drivers' Education	<u>\$908,800</u>	<u>\$972,400</u>	<u>\$1,040,480</u>
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FISCAL IMPACT - Small Business

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

DESCRIPTION

DESE would provide each school district eighty dollars for each pupil that completes a driver's education course.

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 Revenue  
Department of Public Safety  
Department of Insurance



Jeanne Jarrett, CPA  
Director  
January 7, 2000