

Department of Legislative Services
 Maryland General Assembly
 2022 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 421
 Finance

(Senator Rosapepe, *et al.*)

Ways and Means

Primary and Secondary Schools – Bus Driver Wages – Study

This emergency bill requires the Governor’s Workforce Development Board (GWDB) within the Maryland Department of Labor (MDL) to evaluate and report on the possibility of paying higher wages to school bus drivers in the State by September 1, 2022. **The bill terminates June 30, 2023.**

Fiscal Summary

State Effect: General fund expenditures increase by about \$50,000 for MDL to contract with an outside research consultant – with one-half of that amount assumed to be incurred in each of FY 2022 and 2023. Revenues are not affected.

(in dollars)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	25,000	25,000	0	0	0
Net Effect	(\$25,000)	(\$25,000)	\$0	\$0	\$0

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The bill defines “bus driver” as an individual employed to drive a bus that serves a primary or secondary school in Maryland, including an individual who is employed by:

- a local board of education (including Baltimore City);

- a person that contracts with a local school system to provide bus driving services at a public or private school in Maryland; or
- a private primary or secondary school in the State.

By September 1, 2022, GWDB must:

- evaluate the possibility of paying prevailing wage rates, which is the estimated hourly rate of wages paid in the locality (as determined by GWDB) to bus drivers;
- study and identify the wages that must be paid (and benefits that must be provided) to bus drivers to ensure the vacancy rate for bus drivers is below 2% of the total number of bus drivers needed to serve primary and secondary schools in Maryland;
- consider regional variation in prevailing wages paid to bus drivers in the State; and
- report the above findings to the governing body of each county and Baltimore City, each local board of education (including Baltimore City), the Governor, and the General Assembly.

Current Law: State law generally does not regulate wages paid to school bus drivers. However, an individual must obtain both a commercial driver's license and a specific endorsement in order to drive a school bus in Maryland.

State Expenditures: MDL advises that GWDB does not have sufficient staff to conduct the study and that the study required by the bill is generally outside GWDB's area of expertise. As a result, an outside consultant is needed to conduct the necessary research and produce the report by September 1, 2022. GWDB assumes a \$50,000 five- to six-month contract, with the consultant being retained for a short period after the report is due to answer any questions that arise. As the bill is an emergency measure that takes effect upon passage, approximately one-half of the costs are expected to be incurred in fiscal 2022 and the other half in fiscal 2023.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 753 (Delegates D. Jones and Lisanti) - Ways and Means.

Information Source(s): Maryland Department of Labor; Department of Legislative Services

Fiscal Note History:
fnu2/mcr

First Reader - February 15, 2022

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