

Department of Legislative Services
 Maryland General Assembly
 2024 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 532 (Delegate Vogel)
 Ways and Means

Education – Driver’s Education Assistance Grant Program – Established

This bill creates the Driver’s Education Assistance Grant Program in the Maryland State Department of Education (MSDE) to support student driver education programs in public schools. Public schools with high concentrations of low-income families or rural populations may apply for grants under the program, which cannot exceed \$2,500 for each school in a fiscal year. Schools may use a grant only to provide students with free driver’s education instruction. The Governor must include an appropriation of \$250,000 in the annual budget bill for the program. **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: No effect in FY 2025; however, general fund expenditures increase by \$250,000 annually beginning in FY 2026 due to the mandated appropriation. MSDE can implement the bill with existing resources. No effect on revenues. **This bill establishes a mandated appropriation beginning in FY 2026.**

(in dollars)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	250,000	250,000	250,000	250,000
Net Effect	\$0	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)

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

Local Effect: No direct effect on local finances. Nonetheless, to the extent that a public school applies for and receives a grant under the program, local revenues and expenditures increase. More than 80 public high schools across the State likely qualify for a grant.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: A school is eligible for a grant from the program if *either* (1) the percentage of students eligible for free or reduced-price meals exceeds 80% *or* (2) the school is located in a local school system where the percent of rural population is greater than 30%, as specified.

Current Law: The Motor Vehicle Administration (MVA) is required to, in consultation with MSDE, adopt and enforce regulations to implement a standardized driver education program conducted by driver education schools. The regulations must include curriculum, equipment, and facility standards for classroom, laboratory, and on-road instruction phases, as well as minimum student performance standards for an approved driver education program consisting of at least 30 hours of classroom instruction and at least 6 hours of highway driving instruction. Regulations must also include standards for the certification of schools and instructors; a system to evaluate the effectiveness of the driver education program; standards governing the required offering of the driver education program (based on the capacity, enrollment, staff, and facilities of the schools); and standards for the eligibility of individuals to enroll in the program.

Currently, no public school systems are certified by MVA to provide driver education, although Anne Arundel County Public Schools has advised that it provides space in some schools for certified driver education schools to offer classes to students.

State Expenditures: Although discretionary funding could be provided in fiscal 2025, this analysis assumes funding is provided when required, beginning in fiscal 2026. Accordingly, general fund expenditures increase by \$250,000 in fiscal 2026 and subsequent years.

Local Fiscal Effect: According to 2020 [data](#) from the U.S. Census Bureau and 2023 [data](#) published by MSDE, more than 80 public high schools likely qualify for the grant program under at least one of the eligibility criteria (some qualify under both criteria). All local school systems likely have a least 1 qualifying school as shown in **Appendix 1**. In addition, the SEED School likely qualifies.

Small Business Effect: Driver education schools certified by MVA, many of which are small businesses, may experience an increase in business due to the bill.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Maryland State Department of Education; Maryland Department of Transportation; Department of Budget and Management; Baltimore City Public Schools; Anne Arundel County Public Schools; St. Mary's County Public Schools; U.S. Census Bureau; Department of Legislative Services

Fiscal Note History: First Reader - February 5, 2024
km/clb

Analysis by: Michael C. Rubenstein

Direct Inquiries to:
(410) 946-5510
(301) 970-5510

Appendix 1
Number of Public High Schools Likely to Qualify in Each Local School System

Allegany	4
Anne Arundel	1
Baltimore City	10
Baltimore County	6
Calvert	6
Caroline	2
Carroll	11
Cecil	5
Dorchester	2
Garrett	2
Harford	1
Kent	1
Montgomery	1
Prince George's	6
Queen Anne's	2
St. Mary's	3
SEED (Statewide admission)	1
Somerset	2
Talbot	2
Washington	11
Worcester	4
Total	83

SEED: School for Education Evolution and Development

Source: U.S. Census Bureau; Maryland State Department of Education; Department of Legislative Services