

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 483 (Delegate McKee, et al.)
Commerce and Government Matters

Vehicle Laws - Drivers' License - High School Dropouts

This bill requires the Motor Vehicle Administration (MVA) to revoke the license of a person under the age of 18 who is not enrolled in school and has not completed a State approved program of education. Also, the bill prohibits the MVA from issuing a driver's license to a person under the age of 18 who is not enrolled in school and has not completed a State approved program of education. The bill authorizes the MVA to waive these requirements in certain circumstances.

Fiscal Summary

State Effect: Special fund revenues and expenditures could increase by indeterminate but potentially significant amounts.

Local Effect: County school expenditures could increase by an indeterminate amount as discussed below. **This bill imposes a mandate on a unit of local government.**

Fiscal Analysis

State Revenues: There were approximately 12,000 high school dropouts in fiscal 1995. The MVA collects a \$15 fee for an application to reinstate a license, plus \$30 for reinstatement after revocation. Information regarding the number of license revocations that would result from this bill is not available at this time. However, each 5,000 license revocations are estimated to increase special fund revenue by \$225,000.

State Expenditures: This bill increases the workload of the MVA. It is estimated that two additional employees and attendant operating expenditures would be required for each 5,000 license revocations, at a cost of approximately \$60,000 per year.

Local Expenditures: This bill requires county boards of education to notify the MVA as to students that have dropped out of school within 30 days. On similar legislation, the State Department of Education estimated that compliance would require 20% of a clerical worker's time at a cost of approximately \$5,500 annually. Therefore, if each school system is required to expend an additional \$5,500 annually, local expenditures could increase by an estimated \$132,000 annually.

Information Source(s): Department of Fiscal Services

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