

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 1200 (Delegate Mandel, *et al.*)

Commerce and Government Matters

Referred to Judicial Proceedings

Driver Education - Standardized Classroom Phase Curriculum and Increased Hours of Laboratory Instruction

This amended bill increases, from six to eight hours, the amount of laboratory instruction time that a driver under the age of 18 is required to complete to be eligible for a noncommercial drivers' license. The bill specifies that the laboratory component of a driver education program must include at least two hours of nighttime laboratory instruction. The bill also requires the Motor Vehicle Administration (MVA) to establish a standardized curriculum for the classroom phase of all driver education programs based on the "Novice Driver Education Model Curriculum Outline" prepared for the AAA Foundation for Traffic Safety or a similar program.

Fiscal Summary

State Effect: Potential minimal increase in special fund revenues and expenditures as discussed below.

Local Effect: Potential indeterminate increase in revenues and expenditures for Allegany, Baltimore, Calvert, Garrett, Prince George's, and Somerset county school districts.

Small Business Effect: Potential indeterminate impact on small businesses as discussed below.

Fiscal Analysis

State Effect: The Motor Vehicle Administration (MVA) advises that an additional Customer Service Representative at a cost of \$18,600 in fiscal 1998 and \$25,000 on an annualized basis would be required to license additional instructors and to review students' driving certificates to ensure that the nighttime laboratory component is met. The Department of Fiscal Services

advises that the additional position would only be needed if there is a significant number of individuals seeking to become licensed driving instructors. In addition, special fund revenues could increase by \$50 (driver's instructor license fee) for each new individual licensed.

Local Effect: Expenditures could increase for school districts where driver education courses do not currently offer eight hours of laboratory instruction, including at least two hours of nighttime laboratory instruction. Currently, only six school districts (Allegany, Baltimore, Calvert, Garrett, Prince George's, and Somerset counties) offer driver education classes. The increase in expenditures could be partially or fully offset by increasing driver education fees, further offsetting the potential increase in expenditures. For example, in Baltimore County the cost for driver education programs are fully absorbed by students. In Prince George's County, students are charged a \$186 fee.

School District	FY 1997 Expenditures
Allegany	\$47,000
Baltimore	Not Available
Calvert	\$125,000
Garrett	\$131,000
Prince George's	\$190,000
Somerset	Not Available

Source: FY 1997 Local School Budgets
Phone Survey by Fiscal Services

Small Business Effect: In most counties in Maryland, driver education instruction is provided by private businesses, most of which are small entities. There are 734 classroom and laboratory instructors licensed by the Motor Vehicle Administration to teach drivers' education. With approximately 22,000 students receiving a driver education certificate annually, driver education instructors would need to provide at least 44,000 hours of nighttime laboratory instruction (assuming that the two additional hours of laboratory instruction would take place at nighttime thereby satisfying both requirements). Currently, the mandatory six hours of laboratory instruction per student (total of 132,000 hours for all students) can be provided entirely during the daytime.

Small business driving schools could respond to these new requirements in several ways. To meet the nighttime instruction requirement, and given that the time period to conduct

nighttime instruction is limited, driving schools will likely have to increase the resources (cars, driving instructors, etc.) they devote to the laboratory component of their programs. This is especially true in the summer months when nighttime hours are particularly limited and demand for driver education classes is at its peak.

In addition, based on information provided by the MVA, the nighttime laboratory instruction requirement could increase the demand for additional instructors, since the time period to conduct nighttime instruction is limited, especially in the summer months. Fiscal Services advises that if an increased demand for instructors is realized there is a possibility that the students would not only take nighttime laboratory instruction from a new provider, but the classroom instruction as well. Accordingly, the entry of additional instructors to handle the nighttime laboratory requirement may reduce the average class size and revenue for existing driving instructors.

Finally, to the extent that curriculum standards based on the “Novice Driver Education Model Curriculum Outline” (AAA Foundation for Traffic Safety) or other similar programs differ significantly from current standards, driver education schools may have to make changes in their operation to meet the new standards.

Information Source(s): Department of Fiscal Services, Department of Transportation, Arundel Driving School

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