

Department of Legislative Services
 Maryland General Assembly
 2007 Session

FISCAL AND POLICY NOTE

House Bill 1282 (Chair, Environmental Matters Committee)(By Request –
 Departmental – Deaf and Hard of Hearing, Office of the)
 Environmental Matters

Driver Education Program Deaf and Hard of Hearing Access Fund

This departmental bill establishes a Driver Education Program Deaf and Hard of Hearing Access Fund to assist deaf and hard of hearing individuals in obtaining communication accommodations when taking mandatory driver’s education courses. A driver education school has to pay the Motor Vehicle Administration (MVA) \$1 for every individual certified as having successfully completed a driver education program. This fee revenue is directed to the fund, which is administered by the Governor’s Office of the Deaf and Hard of Hearing (ODHH). The fee is not considered a miscellaneous fee.

Fiscal Summary

State Effect: Special fund revenues could increase by \$67,500 in FY 2008 and by \$90,000 annually thereafter for fees assessed on individuals certified by driving schools. Special fund expenditures would increase by an equal amount to provide grants to assist individuals taking driver’s education. In addition, general fund expenditures would increase by \$27,900 in FY 2008 to hire one part-time employee in ODHH to administer grants.

(in dollars)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
SF Revenue	\$67,500	\$90,000	\$90,000	\$90,000	\$90,000
GF Expenditure	27,900	31,600	33,100	34,600	36,200
SF Expenditure	67,500	90,000	90,000	90,000	90,000
Net Effect	(\$27,900)	(\$31,600)	(\$33,100)	(\$34,600)	(\$36,200)

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

Local Effect: None.

Small Business Effect: ODHH has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: A “driver education program” is defined as the courses and learning activities designated by the MVA in consultation with the Maryland State Department of Education that an individual may be required to complete before obtaining a noncommercial driver’s license. The program must be offered to all eligible individuals before they may obtain a provisional license. A “driver education school” is a school approved by the MVA to offer the driver education program; these schools and their instructors must be certified. A “drivers’ school” is defined as any person in the business of giving instruction in the driving of motor vehicles, excluding certain educational institutions. A drivers’ school must be licensed.

An individual who holds a learner’s permit may not take a driver skills examination or driver road examination for a provisional license until after the successful completion of the driver education program. This course includes at least 30 hours of classroom instruction and six hours behind the wheel.

The MVA may not issue a driver’s license to any individual who has not reached the age of 17 years, 9 months; exemptions are allowed for the issuance of noncommercial Class B, Class C, or Class M licenses. An applicant is entitled to receive a provisional license if the applicant meets the minimum required age (16 years and 3 months) and satisfies the learner’s instructional permit requirements. The applicant must also pass a driver skills or driver road examination, surrender any learner’s permit, and pay the fee.

Background: The MVA advises that, as of March 11, 2007, there are 130 driver education schools with 268 branches in the State. Of those, ODHH advises four offer easy access to driver’s education for individuals who are deaf or hard of hearing; all four of them are educational institutions. Educational institutions are required to provide communications accommodations due to federal law. According to ODHH, private driving schools have required individuals with hearing impairments to provide their own communication access at the individual’s expense. Interpreting services and or computer assisted real-time captioning services would cost on average \$3,500 per 36-hour course per student.

ODHH coordinates deaf and hard of hearing services throughout the State. ODHH advises that it does not provide direct services to the public but refers individuals to its web site, where it lists numerous service providers, or to appropriate organizations.

ODHH has two full-time positions, a director and an assistant director, and one contractual staff assistant position. Its fiscal 2008 budget is \$270,955. Although the contractual position was part-time until fiscal 2008, the fiscal 2008 budget analysis advises that the additional administrative support will allow the director and assistant director to devote more time to policy and legislative issues.

State Revenues: The MVA estimates that approximately 90,000 certificates are issued annually through driver education programs. Accordingly, assuming that the number of certificates issued annually stayed constant, Driver Education Program Deaf and Hard of Hearing Access Fund revenues would increase by \$67,500 in fiscal 2008 and by \$90,000 annually thereafter.

State Expenditures: ODHH advises that there is sufficient demand for this program that it could expend all revenues to provide communications access for driver's education annually. Accordingly special fund expenditures would increase by \$67,500 in fiscal 2008 and by \$90,000 annually thereafter.

In addition, general fund expenditures could increase by an estimated \$27,887 in fiscal 2008, which accounts for the bill's October 1, 2007 effective date. This estimate reflects the cost of hiring one part-time administrative aide to administer the grant program. Although the number of grants would be small initially, an additional part-time position would be required, as ODHH only has three positions and has taken on new policy and legislative responsibilities recently. In addition, ODHH does not typically work directly with the public administering grants or services, but instead provides referrals to existing programs. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses. It also includes \$3,375 on outreach to individuals who would benefit from grants and travel expenses.

Salary and Fringe Benefits	\$17,998
Outreach and Travel	3,375
Operating Expenses and Start-up Costs	<u>6,514</u>
Total FY 2008 Expenditures	\$27,887
Positions	0.5

Future year expenditures reflect (1) a full salary with 4.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

Any fiscal impact on the MVA to collect and distribute the fees to the Driver Education Program Deaf and Hard of Hearing Access Fund would be minimal. The fee is not

considered a miscellaneous fee, and as such, does not contribute to the MVA's cost recovery.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Governor's Office, Maryland Department of Transportation, Department of Legislative Services

Fiscal Note History: First Reader - March 12, 2007
mll/ljm

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