

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
First Reader - Revised

House Bill 1025 (Delegate Forbes)
Environment and Transportation

Vehicle Laws – Driver Education – Self-Paced, Online Instruction

This bill authorizes certain individuals to satisfy the classroom instruction component necessary for obtaining a provisional driver’s license by completing a standard, self-paced, online driver education program approved by the Motor Vehicle Administration (MVA). The bill’s authorization only applies to an applicant for a provisional driver’s license who is age 21 or older.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures increase by approximately \$140,000 in fiscal 2023 only to hire an outside consultant. TTF expenditures further increase to the extent additional compliance personnel are hired, as discussed below. Revenues are likely not materially affected.

Local Effect: None.

Small Business Effect: Meaningful.

Analysis

Current Law: MVA is required to, in consultation with the Maryland State Department of Education, adopt and enforce regulations to implement a standardized driver education program conducted by driver education schools. The regulations 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.

State Expenditures: MVA advises that, under the bill, it must review and revise current regulations related to driver education curricula, which were written for (and adapted to) live classroom instruction. Under the bill, regulations must be revised to apply to both live classroom and asynchronous (*i.e.*, self-paced) online educational platforms. Thus, MVA must plan, research, and develop any such online training program. MVA anticipates hiring an outside consultant in order to implement this new system. Thus, in fiscal 2023 only, TTF expenditures increase by about \$140,000 to contract with an outside consultant.

MVA further notes that additional personnel may be needed in order to monitor the additional types of instruction occurring under the bill. Depending on the number of driver education schools in the State that choose to offer the program authorized by the bill, existing MVA compliance personnel may not be sufficient to audit the additional courses. Thus, MVA also anticipates hiring additional compliance officers under the bill. While the Department of Legislative Services (DLS) concurs that additional compliance personnel may be needed under the bill, DLS notes that the need for additional personnel depends primarily upon the number of driver education schools in the State that choose to offer online programs.

For illustrative purposes only, TTF expenditures increase by approximately \$153,238 in fiscal 2023 if two additional compliance officers are hired in order to audit the new online courses. If the number of driver education schools offering an online program increases and MVA hires an additional two compliance officers in fiscal 2024, TTF expenditures increase by \$329,623 in fiscal 2024 and by \$390,928 by fiscal 2027.

Small Business Effect: Small business driver education schools may be meaningfully affected under the bill, as the bill authorizes such schools to offer self-paced classes online that are currently only offered in a live setting (*i.e.*, either a live online classroom or live in-person setting). However, this may also entail costs for participating driver education schools, as staff must be trained to comply with any new regulations developed under the bill. Additionally, should there be widespread adoption of self-paced classes (as a replacement for traditional live classes), driver education schools may be further affected, as fewer instructors may be needed for instruction in a live classroom setting.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Maryland State Department of Education; Maryland Department of Transportation; Department of Legislative Services

Fiscal Note History: First Reader - March 1, 2022
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