

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0308-01
Bill No.: SB 78
Subject: Education, Elementary and Secondary: Driver's Education
Type: Original
Date: January 4, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(\$908,800)	(\$972,400)	(\$1,040,480)
Total Estimated Net Effect on <u>All</u> State Funds	(\$908,800)	(\$972,400)	(\$1,040,480)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$908,800	\$972,400	\$1,040,480

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue, Department of Public Safety - Highway Patrol, and Department of Insurance** assume the proposal would result in no fiscal impact to the agencies.

Officials from the **Secretary of State's Office (SOS)** assume the rules, regulations and forms issued by the State Board of Education could require as many as 8 pages in the *Code of State Regulations*. For any given rule, roughly half again as many pages are published in the *Missouri Register* as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the *Missouri Register* is \$23. The estimated cost of a page in the *Code of State Regulations* is \$27. The actual costs could be more or less the SOS's estimated cost of \$492 for FY 2002. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Elementary and Secondary Education (DESE)** assume an enrollment figure of 11,360 students per year: $11,360 \times \$80 = \$908,800$.

DESE officials assume this enrollment figure would increase 7% for 2003 and 2004.

DESE officials assume that if the \$80 is enough of an incentive for school districts to make all students take drivers' education courses, then the enrollment figure could rise significantly. For example, if all sophomores were enrolled in a drivers' education course and all completed the course, payment levels could rise to be as high as \$5,487,520 (68,594 students \times \$80).

The moneys disbursed by DESE under the bill would be a revenue stream to local school districts.

FISCAL IMPACT - State Government

FY 2002
(10 Mo.)

FY 2003

FY 2004

GENERAL REVENUE FUND

Cost - Department of Elementary and
Secondary Education

Driver's Education Payments

(\$908,800)

(\$972,400)

(\$1,040,480)

FISCAL IMPACT - Local Government

FY 2002
(10 Mo.)

FY 2003

FY 2004

SCHOOL DISTRICTS

Income - Driver's Education Payments

\$908,800

\$972,400

\$1,040,480

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

DESE would provide each school district eighty dollars for each pupil that completes a driver's education course.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. The proposal would not affect Total State Revenue.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Department of Revenue
Department of Public Safety
Department of Insurance
Secretary of State



Jeanne Jarrett, CPA
Director
January 4, 2001