

REVISED

STATEMENT OF PURPOSE

RS27397 / S1278

A portion of every Idaho resident's driver license fee goes into the driver education account utilized by the Idaho State Department of Education to reimburse local education agencies (LEAs) that provide public driver education programs. LEAs receive \$125 in reimbursements for each student who completes the program. While that reimbursement limit has not changed since 1996, the cost of administering Idaho's public school driver training program has continued to increase over time. On average, students paid \$173.11 to take a driver training course and LEAs subsidized the program an average of \$259,994.24. By increasing the reimbursement to \$150 per student, it will prevent LEAs from using discretionary funds to support their driver training programs and decrease the amount students have to pay in driver training fees to sustain these programs.

FISCAL NOTE

A projected budget analysis indicates the driver education fund – which is a dedicated fund – can maintain the program with an increase to \$150 per student from the current amount of \$125 per student completing the program. As of July 1, 2019, there was a large surplus in the account – approximately \$4.9 million. Assuming a one-time \$3 million cash transfer from the fund, and based on projections for students who enroll in the program, the amount withdrawn from the fund would range from \$1.6 to \$1.8 million per fiscal year, leaving a cash balance of over \$3 million each fiscal year. Based on projected downturn in revenues and transfers to the driver training fund, it would still leave sufficient funds in the account to support the increased reimbursement.

There would be a positive fiscal impact to local education agencies.

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).