



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # HB0674

Title: Establish the driving the future grant program to recruit school bus drivers

Primary Sponsor: Duram, Neil

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2022 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>
Expenditures:				
General Fund	\$180,000	\$180,000	\$180,000	\$180,000
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$180,000)</u>	<u>(\$180,000)</u>	<u>(\$180,000)</u>	<u>(\$180,000)</u>

Description of fiscal impact: HB 674 creates the “driving the future” grant program, with the purpose of providing grants to support the recruitment and retention of new school bus drivers in rural Montana. The bill appropriates \$180,000 each year of the 2023 biennium with legislative intent it will be ongoing.

FISCAL ANALYSIS

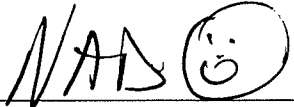
Assumptions:

Office of Public Instruction

1. New Section 1 of HB 674 describes the eligibility criteria for districts to receive grants under the proposed program as follows.
 - a. The district must have at least one impacted school as defined under 20-4-502, MCA, which defines the Quality Educator Loan Assistance Program targeting rural population districts. This includes approximately 235 districts of the 398 currently operating districts, or about 60% of all Montana public school districts in FY 2021.
 - b. The district shall provide a stipend or training reimbursement in addition to the driver’s regular wages of at least \$1,000 during the first three years of the school bus driver’s employment.

2. HB 674 directs the Office of Public Instruction (OPI) to provide a \$500 grant from the appropriated funds by June 15 to districts who provide required documentation related to this grant program to be developed by the OPI.
3. The bill provides that if the appropriation is insufficient in any year, the agency can request supplemental funding.
4. Legislative intent stated in HB 674 is that the appropriation is to be ongoing base funding into the 2025 biennium.
5. OPI pupil transportation data from FY 2021 reports that there are approximately 2,000 certified school bus drivers in Montana. Of these drivers, it is estimated that approximately 1,000 are employed by qualifying school districts.
6. According to Department of Labor statistics approximately 12% of the school bus driving workforce are first-time bus driver licensees. Applying this as a percentage to the qualifying districts it will be assumed that 120 drivers and the qualifying schools may apply annually. The language of HB 674 allows for a driver in the first three years of driving a school bus for a district to receive grant awards and it will be assumed that the grants will be awarded at a rate of \$500 per grant award to drivers for the first three years totaling approximately \$180,000.

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Local Assistance (Grants)	\$180,000	\$180,000	\$180,000	\$180,000
TOTAL Expenditures	<u>\$180,000</u>	<u>\$180,000</u>	<u>\$180,000</u>	<u>\$180,000</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$180,000	\$180,000	\$180,000	\$180,000
TOTAL Funding of Exp.	<u>\$180,000</u>	<u>\$180,000</u>	<u>\$180,000</u>	<u>\$180,000</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$180,000)	(\$180,000)	(\$180,000)	(\$180,000)


3-30-2021

Sponsor's Initials
Date
Budget Director's Initials
Date