

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-5947/1	Introduction Number SB-929
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Description
 commercial driver recruitment program

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input checked="" type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs	5. Types of Local Government Units Affected	
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS	20.395 (5)(cq)

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DOT 2/21/2022

LRB Number	21-5947/1	Introduction Number	SB-929	Estimate Type	Original
Description commercial driver recruitment program					

Assumptions Used in Arriving at Fiscal Estimate

This bill requires the Department of Transportation to establish and administer a commercial driver scholarship program, an employer training grant program, and a commercial driver license (CDL) recruitment grant program. This would create a new type of work and set of responsibilities for the Department as it does not currently administer these types of programs, this limits the Department's ability to access data that may inform the fiscal estimate.

Approximately 17,000 new CDLs are issued each year. For the purposes of this estimate, it is assumed that 75% of eligible applicants would apply to one or more of the created programs. The Department estimates that processing, assessing, and officially awarding or denying each application will require approximately 30 minutes. This amount of work cannot be absorbed by the Department's current workforce and will necessitate the creation of an additional 11.0 FTE for processing, assessing, and awarding or denying the requests. These 11.0 FTE would cost approximately \$581,800 in salary and fringe annually and does not include the potential need for additional management positions.

When prorated by fiscal year and assuming that of the eligible applicants applying that 75% will be awarded, the Department estimates that in FY22 the amount paid to individuals and employers from the three programs will total approximately \$9.6 million, in FY23 \$31.9 million, in FY24 \$38.3 million, and in FY25 \$17.1 million. The bill indicates costs for the scholarship and recruitment grants would be paid for with dollars provided by the federal government through the American Rescue Plan Act of 2021. Further analysis would need to be completed to determine if this purpose qualified for those federal dollars.

A new set of forms would need to be created for these programs in addition to the procedures needed to process the applications. Assuming it takes approximately 80 hours, this one-time cost would be approximately \$2,400.

Long-Range Fiscal Implications

The Department estimates that processing, assessing, and officially awarding or denying each application will require approximately 30 minutes requiring 11.0 FTE and cost approximately \$581,800 in salary and fringe annually.

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