



## Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873  
Email: [fiscal.bureau@legis.wisconsin.gov](mailto:fiscal.bureau@legis.wisconsin.gov) • Website: <http://legis.wisconsin.gov/lfb>

---

June 8, 2023

Joint Committee on Finance

Paper #640

### Driver Education Aid (DPI -- Categorical Aid)

[LFB 2023-25 Budget Summary: Page 496, #22]

---

#### CURRENT LAW

No provision.

#### DISCUSSION POINTS

1. Wisconsin requires successful completion of a state-approved driver education course before drivers between the ages of 16 and 18 years old can be licensed, including 30 hours of classroom instruction and 12 hours of behind-the-wheel training. The State Superintendent is responsible for approving driver education courses for teens offered by school districts, county children with disabilities education boards, and technical college districts, and for establishing minimum standards for driver education courses offered by private schools and tribal schools. (The Department of Transportation approves private driver education schools and other courses not approved by DPI.) Under current state law, school boards and technical college system boards may establish and collect fees for driver education programs that are not credited toward graduation.

2. The state provided a driver education grant to school districts in the past to promote a uniformly effective program for high school pupils. The state grant provided \$100 per high school pupil who successfully completed the classroom and behind-the-wheel phases of a driver education course. Under 2003 Act 33 (the 2003-05 biennial budget), the program was discontinued after the 2003-04 school year, in part due to declining claims by school districts and large annual lapses from the appropriation. The table below shows the appropriation and expenditure history for the last five years of the program.

## History of Prior Law Driver Education Aid, 1999-00 to 2003-04

	<u>Appropriation</u>	<u>Expenditures</u>	<u>Lapse</u>
1999-00	\$4,493,700	\$4,101,100	\$392,600
2000-01	4,493,700	4,058,600	435,100
2001-02	4,345,600	3,677,900	667,700
2002-03	4,304,700	3,606,100	698,600
2003-04	3,804,700	3,417,500	387,200

3. Since the driver education aid program was eliminated, the number of school districts offering driver education has decreased from 328 in 2002-03 to 113 (out of 378 districts offering high school grades) in 2021-22. DPI indicates that 41 school districts stopped offering driver education in 2004-05, the year following the elimination of the state aid program, and an additional 60 districts stopped offering the courses over the next three years. It could be the case that restoring state aid would encourage a greater number of school districts to offer such courses.

4. In-school driver education aid may be preferable to pupils for a number of reasons. The majority of youth ages 16-18 are enrolled in schools, so providing direct access to driver education courses could offer pupils a convenient way to access courses without experiencing barriers such as transportation to another site. In particular, school district courses may benefit pupils from rural areas who may not have access to nearby alternatives, such as private driver education schools, or public transportation.

5. Providing state aid to reduce the cost of driver education courses may further reduce barriers for low-income pupils. The cost of a course may be prohibitive for a low-income pupil, even though obtaining a license could be especially beneficial for pupils who must work and may have more employment opportunities if they can drive.

6. The cost incurred by pupils to complete driver education varies. AAA offers private driver education programs at a cost of approximately \$450 for both classroom and behind-the-wheel instruction. Cooperative Educational Service Agency (CESA) 2 offers a driver education program, including a classroom portion that can be taken either in person (\$165) or online (\$175), as well as behind-the-wheel instruction for an additional \$285. Some school districts, such as Unity, offer classroom instruction for high school credit at no cost to participating pupils.

7. Assembly Bill 43/Senate Bill 70 would provide \$6,500,000 GPR in a new sum sufficient appropriation beginning in 2024-25 for driver education aid to reimburse eligible programs for the cost of providing driver education to low-income pupils. Under the proposal, school districts, independent charter schools, and CESAs would qualify for aid for waiving the fees for driver education programs for low-income pupils. The aid would be equal to the total amount of fees that were waived in the prior year for low-income pupils who completed a DPI-approved driver education course, including classroom instruction and behind-the-wheel training. Low-income pupils would be defined as those who were eligible for a free or reduced-price lunch in the prior school year, including pupils who attend a private school or are homeschooled. [Alternative 1]

8. In its agency budget request, DPI estimated the cost of the proposal using enrollment data from the 2021-22 school year. In that year, approximately 69,000 low-income pupils were enrolled in grades 10, 11, and 12 in public schools. DPI does not collect data on the economic status of pupils enrolled in private schools or homeschool; however, DPI used the number of pupils enrolled in the private school choice program and the percentage of pupils enrolled in public schools that are low-income to estimate the additional number of private school and homeschool pupils who would qualify for the aid. DPI indicated that it is likely that some school districts would not offer driver education courses, and that some eligible pupils either already completed a driver education course, would choose to take their driver education course elsewhere, or would not pursue a driver's license. Additionally, 12<sup>th</sup> grade pupils would not be required to take the course after they turn 18 years of age. Therefore, DPI estimated a participation rate of 35% of eligible 10<sup>th</sup> grade pupils, 15% of eligible 11<sup>th</sup> grade pupils, and 5% of eligible 12<sup>th</sup> grade pupils. DPI also estimated that the fees for driver education courses would total \$440 per pupil. Based on these estimates, the total cost of the program would be \$6,500,000 in 2024-25.

9. If the Committee wishes to provide driver education aid at a lower cost, the Committee could consider providing \$3,700,000 GPR in a new sum sufficient appropriation in 2024-25, and specifying that driver education programs could be reimbursed up to \$250 per eligible pupil. The Committee could specify that programs would be required to demonstrate that fees for eligible pupils were reduced by at least \$250, but could charge for any remaining costs above \$250. [Alternative 2] The Committee could also consider providing this same amount of funding in a sum certain appropriation and specifying that payments would be prorated if funding is insufficient. [Alternative 3]

10. Finally, the Committee could take no action on this item, and instead choose to address needs for funding current programs for elementary and secondary education rather than creating a new program, especially one that is similar to a program the state eliminated 20 years ago. [Alternative 4]

## ALTERNATIVES

1. Provide \$6,500,000 beginning in 2024-25 in a sum sufficient appropriation for driver education aid.

ALT 1	Change to Base
GPR	\$6,500,000

2. Provide \$3,700,000 beginning in 2024-25 in a sum sufficient appropriation for driver education aid. Specify that funding would be provided to cover driver education costs up to \$250 per pupil. Require driver education programs to demonstrate that they reduced fees for eligible pupils by at least \$250, and specify that driver education programs could charge pupils for costs above \$250.

ALT 2	Change to Base
GPR	\$3,700,000

3. Provide \$3,700,000 beginning in 2024-25 in a sum certain appropriation to provide up to \$250 per pupil for driver education programs. Specify that payments would be prorated if funding is insufficient.

<b>ALT 3</b>	<b>Change to Base</b>
GPR	\$3,700,000

4. Take no action.

Prepared by: Maria Toniolo