



OFFICE OF MANAGEMENT & BUDGET

State Budget Office

One Capitol Hill
Providence, RI 02908-5890

Office: (401) 222-6300
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State Fiscal Note for Bill Number:

2025-H 5143

Date of State Budget Office Approval: Thursday, April 3, 2025

Date Requested: Monday, February 10, 2025

Date Due: Thursday, February 20, 2025

<i>Impact on Expenditures</i>		<i>Impact on Revenues</i>	
FY 2025	n/a	FY 2025	n/a
FY 2026	up to \$88,610	FY 2026	\$0
FY 2027	up to \$40,029	FY 2027	\$0

Explanation by State Budget Office:

This act would amend R.I. Gen. Laws § 31-10-9 to exempt any individual in foster or adoptive homes from the payment of the fee for driver education classes at the Community College of Rhode Island (CCRI) required by R.I. Gen. Laws § 31-10-19(e).

Summary of Facts and Assumptions:

The bill is effective upon passage which is assumed to be late June 2025. For this reason, no fiscal impact is reported in FY 2025.

Driver education classes are open to high school students, ages 15 years and 10 months through 21 years. Generally, youth age out of the Rhode Island foster and adoptive care system at age eighteen. As a result, the proposed bill only applies to youth ages 15 years and 10 months through 18 years, in accordance with the definitions laid out in § 42-72.1-2.

The primary expenses associated with the driver education class include \$145 per participant as the course fee and \$36.95 for a driver education textbook.

In FY 2024, the CCRI driver education program served 7,403 student drivers with a total of \$872,960 of direct expenditures. This indicates that the per-student cost to CCRI is \$117.92. Program revenues in FY 2024 totaled \$691,495, indicating that the revenue sustained by CCRI per student is approximately \$93.40.

According to the latest DCYF caseload data from January 2025, of all youth in foster and adoptive care, 238 youth are 16 years old, and 249 youth are 17 years old. This total of 487 individuals represents the maximum population potentially eligible for the fee exemption in FY 2026.

If all 487 individuals enroll in driver education classes at CCRI in FY 2026, then only those youth turning 16 in FY 2027 will become newly eligible in that year (currently estimated to be 220 individuals).



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Under these assumptions, the maximum fiscal impacts in FY 2026 would be as follows:

CCRI would forgo up to \$88,610 in restricted receipt revenue i.e., $(\$145.00 + \$36.95) \times 487$ students.

CCRI would expend up to \$75,422 to deliver the classes i.e., $(\$117.92 + \$36.95) \times 487$.

The maximum fiscal impacts in FY 2027 would be as follows:

CCRI would forgo up to \$40,029 in restricted receipt revenue i.e., $(\$145.00 + \$36.95) \times 220$.

CCRI would expend up to \$34,071 i.e., $(\$117.92 + \$36.95) \times 220$.

The potential fiscal impact will be realized as a combination of a loss of revenue and/or an increase in expenditures. To the extent that eligible individuals would have enrolled in driver education at CCRI regardless of a fee waiver, CCRI's revenue would be reduced by the amount of the fee that would have otherwise been collected. To the extent that the fee waiver induces additional enrollment among youth who otherwise would not have taken the course, CCRI would incur new expenditures to serve more students.

Because the actual outcome is likely to be a mix of both scenarios, the revenue and expenditure impacts above represent the maximum impact on revenues and expenditures if 100% of eligible youth enroll.

For simplicity of presentation, the Summary of Fiscal Impact below presents the fiscal impact as an expenditure of general revenue, based on the assumption that if enacted, the General Assembly would include an appropriation to CCRI to offset the impact of the fee waiver.

The language in the bill provides for a "fee waiver" and makes no explicit mention of the textbook cost. The maximum impact assumes that the legislative intent is to provide a waiver for both course fees and textbook cost. If the intent is to provide a waiver for the course fee only then the fiscal impact should be reduced accordingly.

Comments on Sources of Funds:

Driver education classes are currently funded privately by participants. Collected funds are retained by CCRI in a restricted receipt account. This bill would reduce the participant obligation to \$0 for eligible participants. The proposed change would reduce the restricted receipt revenue retained by CCRI and increase expenditures based on operating costs for an increased quantity of students taking driver education classes.

The state budget provides an annual appropriation of general revenue to provide operating support for CCRI. This fiscal note assumes that the General Assembly will increase the general revenue appropriation to CCRI to offset the loss of revenues / increase in expenditures resulting from the fee waiver.



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Summary of Fiscal Impact:

Expenses FY 2025: n/a

Expenses FY 2026: up to \$88,610

Expenses FY 2027: up to \$40,029

Budget Office Signature: _____

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Digitally signed by Joseph
Codega Jr.
Date: 2025.04.08 15:57:45 -04'00'

Fiscal Advisor Signature: _____

A large, stylized handwritten signature in blue ink, written over a horizontal line.

