

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0226-01
Bill No.: SB 76
Subject: Motor Vehicles; Licenses–Driver’s; Roads and Highways
Type: Original
Date: January 14, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	(\$125,481)	(\$117,962)	(\$120,547)
Total Estimated Net Effect on General Revenue Fund	(\$125,481)	(\$117,962)	(\$120,547)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Highway Fund	\$142,335	\$170,805	\$170,805
Motorcycle Safety Trust Fund	Up to \$1,976,167	Up to \$2,371,400	Up to \$2,371,400
Total Estimated Net Effect on <u>Other</u> State Funds	Up to \$2,118,502	Up to \$2,542,205	Up to \$2,542,205

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$47,445	\$56,935	\$56,935

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Public Safety, Office of Prosecution Services, and State Public Defender's Office** assume the proposed legislation would have no fiscal impact on their agencies.

Officials with the **Office of State Courts Administrator** assume the increased penalties of the proposed legislation could make certain court cases more protracted, but that the total number of cases would not be great enough to impact the budget of the judiciary.

Officials with the **Department of Transportation (MoDOT)** assume that the proposed legislation would impose additional fines on drivers who fail to yield the right of way and cause a motor vehicle crash. Such fines would be deposited into the Motorcycle Safety Trust Fund, which is administered by the Highway Safety division of MoDOT.

Based on 2003 traffic crash statistics as recorded by the Missouri State Highway Patrol, there were 137 fatal crashes, 1,220 serious injury crashes and 8,122 evident or probable injury crashes where the driver failed to yield the right-of-way.

Using those statistics, the positive fiscal impact for such crashes could reach \$2,371,400.

ASSUMPTION (continued)

\$1,624,400 (8,122 evident or probably injury crashes X \$200 surcharge)
\$610,000 (1,220 serious injury crashes X \$500 surcharge)
\$137,000 (137 fatal crashes X \$1,000 surcharge)
\$2,371,400

However, MoDOT assumes that the courts have discretion of assessing a lower surcharge, therefore the actual fiscal impact is likely to fall below the above stated amount.

Officials from the **Department of Revenue (DOR)** assume the proposal creates a new thirty-day, ninety-day, and six-month suspension type. The Driver and Vehicle Services Bureau and the Information Technology Bureau must develop new codes, suspension types, suspension evaluation routines, notices of loss, and modify inquiry screens for the Missouri Drivers License System (MODL) to accommodate convictions for this legislation. DOR estimates the total cost of programming be approximately \$24,200 (960 hours of overtime MODL programming x \$25.21/hour) and total cost of system testing to be approximately \$5,100 (252 hours of MODL system testing x \$20.14/hour). These costs will impact FY 06.

DOR estimates this legislation will produce an estimated 13,972 suspensions per year. This figure is based on state charges of failure to yield right-of-way, and state charges of careless and imprudent driving that resulted in an injury accident. These figures were obtained from the State Highway Patrol. DOR estimates approximately 54 "Orders of Suspension" per day, which will require three Revenue Licensing Technician I's to handle the additional workload..

The DOR assumes postage will be required for the additional suspension notices and correspondence. DOR estimates the forms, envelopes, and postage costs to be \$12,130 in FY 06 and in \$14,579 in both FY 07 and FY 08.

The DOR assumes there would be a reinstatement rate of 81.5% on an estimated 13,972 suspensions per year (11,387 total reinstatements per year). DOR further assumes a \$20 reinstatement fee on such suspensions resulting in revenues of \$189,781 in FY 06 (10 months) and \$227,740 per year in FY 07 and FY 08, all to be credited to the Highway Fund.

According to the Missouri Constitution, this revenue is to be dispersed in the following manner:

State Road Fund	75%
Cities	15%
Counties	10%

ASSUMPTION (continued)

Oversight assumes the FTE would be housed within existing facilities. Therefore, no additional rent, renovation, janitorial, and utility expenses would be incurred.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
GENERAL REVENUE			
<u>Cost-DOR</u>			
Personal Services (3 FTE)	(\$58,917)	(\$72,468)	(\$74,280)
Personal Services (overtime)	(\$29,300)	\$0	\$0
Fringe Benefits	(\$25,134)	(\$30,915)	(\$31,688)
Forms, Envelopes, and Postage	<u>(\$12,130)</u>	<u>(\$14,579)</u>	<u>(\$14,579)</u>
<u>Total Cost-DOR</u>	<u>(\$125,481)</u>	<u>(\$117,962)</u>	<u>(\$120,547)</u>
NET ESTIMATED IMPACT ON GENERAL REVENUE	<u>(\$125,481)</u>	<u>(\$117,962)</u>	<u>(\$120,547)</u>
HIGHWAY FUND			
<u>Income-DOR</u>			
Reinstatement Fees	<u>\$142,335</u>	<u>\$170,805</u>	<u>\$170,805</u>
NET ESTIMATED IMPACT ON HIGHWAY FUND	<u>\$142,335</u>	<u>\$170,805</u>	<u>\$170,805</u>
MOTORCYCLE SAFETY TRUST FUND			
<u>Income-MoDOT</u>			
Surcharge Fines	Up to <u>\$1,976,167</u>	Up to <u>\$2,371,400</u>	Up to <u>\$2,371,400</u>
NET ESTIMATED IMPACT ON MOTORCYCLE SAFETY TRUST FUND	Up to <u>\$1,976,167</u>	Up to <u>\$2,371,400</u>	Up to <u>\$2,371,400</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
<u>Income-Cities</u>			
Driver License Reinstatement Fees	\$28,467	\$34,161	\$34,161
<u>Income-Counties</u>			
Driver License Reinstatement Fees	<u>\$18,978</u>	<u>\$22,774</u>	<u>\$22,774</u>
NET ESTIMATED IMPACT ON LOCAL FUNDS	<u>\$47,445</u>	<u>\$56,935</u>	<u>\$56,935</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

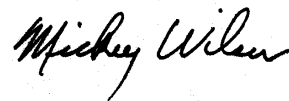
DESCRIPTION

This legislation imposes additional surcharges and driver's license suspensions on any person failing to yield the right-of-way on roads.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Transportation
Department of Revenue
Department of Public Safety
Office of Prosecution Services
State Public Defender's Office



Mickey Wilson, CPA

L.R. No. 0226-01
Bill No. SB 76
Page 6 of 6
January 14, 2005

Director
January 14, 2005

RK:LR:OD (12/02)