

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0633-07
Bill No.: HCS for SCS for SB's 221, 250, & 256
Subject: Motor Vehicles; Roads and Highways; Motor Carriers; Revenue Dept.; Licenses
– Driver's; Children and Minors; Drunk Driving/Boating
Type: Original
Date: April 22, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	(Unknown) to Unknown	(Unknown) to Unknown	(Unknown) to Unknown
Total Estimated Net Effect on General Revenue Fund	(Unknown) to Unknown	(Unknown) to Unknown	(Unknown) to Unknown

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 12 pages.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Road Fund	\$0 to (\$147,546)	\$0	\$0
Highway Fund	\$105,362	\$128,295	\$128,295
Motorcycle Safety Trust Fund	Up to \$1,976,167	Up to \$2,371,400	Up to \$2,371,400
State School Moneys*	\$0	\$0	\$0
Work Zone Safety Trust Fund**	\$998,366	\$1,198,039	\$1,198,039
Total Estimated Net Effect on <u>Other</u> State Funds*	\$956,182 to \$3,079,895	\$1,326,334 to \$3,697,734	\$1,326,334 to \$3,697,734

* – Contains offsetting transfers; ** – Fund created by this proposal.

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	\$35,120 to Unknown	\$42,765 to Unknown	\$42,765 to Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety – Missouri State Water Patrol and Office of Prosecution Services** assume the proposal would have no fiscal impact on their agencies.

Officials from the **Office of State Courts Administrator (CTS)** assume there could be a significant increase in the number of cases filed, depending on the degree of enforcement. CTS has no way of estimating that increase. Any significant increase would be reflected in future budget requests. Because of increased penalties prescribed by this proposal, CTS expects that some cases might become protracted. However, the total number of cases is not likely to be great enough to impact the budget of the judiciary.

CTS further assumes that this proposal provides for a \$5 surcharge on all traffic violations, to paid into the “Work Zone Safety Trust Fund,” which is created by this proposal. Based on FY04 data, CTS anticipates that the surcharge would produce approximately \$1,198,039 per year.

Officials from the **Department of Elementary and Secondary Education (DESE)** assume school districts owning busses that are required to be equipped with safety belts pursuant to federal motor vehicle safety standards, as well as those districts that have chosen to equip buses with safety belts, will incur costs to bring their buses in line with the requirements of Section 307.179. Assuming a conservative estimate of 10 restraint systems per bus at a cost of \$60 per restraint system, the cost for one bus would be \$600. DESE has no information on the number of buses required to be equipped with safety belts.

DESE does not know how much additional fine money might be collected by the Department of Revenue to distribute to schools. Any increase in this money distributed to schools becomes a deduction in the foundation formula the following year. Therefore, the affected districts will see an equal decrease in the amount of funding received through the formula the following year, unless the affected districts are hold-harmless, in which case the districts will not see a decrease in the amount of funding received through the formula (any increase in fine money distributed to the hold-harmless districts will simply be additional money). An increase in the deduction (all other factors remaining constant) reduces the cost to the state of funding the formula with a proration factor of 1.00.

Oversight assumes buses that are already equipped with seat belts may opt to furnish to the small children booster seats instead of adding shoulder harnesses to some of the existing lap belt systems. Therefore, Oversight will assume this proposal would result in an unknown additional cost to local school districts to update their buses to be in compliance with the proposal.

ASSUMPTION (continued)

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.

\$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. In response to a previous version of this proposal (FN# 0633-03/SCS for SB's 221, 250, & 256), MoDOT assumed that prohibiting trucks from traveling in the far left-hand lanes of highways with three or more lanes of traffic (moving in the same direction) would require the installation of up to 430 signs. The cost of such signs would be \$147,546 (\$343.13 each).

Officials from the **Department of Revenue (DOR)** assume the proposal creates a new conviction types. Suspension and revocations will increase from the increased point values.

DOR estimates this legislation will produce an estimated 10,494 suspensions/revocations 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 40 "Orders of Suspension" per day; however, DOR assumes this additional workload can be process using existing staff resources.

DOR assumes postage will be required for the additional suspension notices and correspondence. DOR estimates the postage costs to be \$7,744 in FY 06 and in \$9,338 in both FY 07 and FY 08.

DOR assumes there would be a reinstatement rate of 81.5% on an estimated 10,494 suspensions per year (11,387 total reinstatements per year). DOR further assumes a \$20 reinstatement fee on ASSUMPTION (continued)

such suspensions resulting in revenues of \$140,483 in FY 06 (10 months) and \$170,060 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%

DOR assumes that the reduction in the number of rejected Alcohol Influence Reports (AIR's) as a result of this proposal would create an FTE cost savings of \$2,006 in FY06 and \$2,635 in both FY07 and FY08. The reduction in the number of hearing requests that have to be processed related to license surrender would result in a cost savings of \$803 in FY06 and \$910 in both FY07 and FY08. The reduction in processing time of mailing certified hearing decisions by certified mail would result in a cost savings of \$3,531 in FY06 and \$4,259 in both FY07 and FY08.

DOR assumes the reduction in the number of AIR's rejected due to the reports not being notarized would result in a cost avoidance of \$1,656 in FY06 and \$1,987 in both FY07 and FY08. The cost avoidance for reducing the number of hearing request rejected due to the driver license not being surrendered would be \$640 in FY06 and \$767 in both FY07 and FY08. The cost avoidance for mailing the hearing decisions by regular mail instead of certified mail would be \$28,831 in FY06 and \$34,597 in both FY07 and FY08.

DOR assumes that any additional costs arising as a result of this proposal could be absorbed by existing or planned resources.

Officials from the **Office of the Secretary of State (SOS)** assume the proposal would give the Department of Revenue and the State Highways and Transportation Commission the authority to adopt rules to implement the provisions of this act. These rules would be published in the Missouri Register and the Code of State Regulations. These rules could require as many as 14 pages in the Code of State Regulations and half again as many pages in the Missouri Register, as cost statements, fiscal notes, and the like are not repeated in the Code. The estimated cost of a page in the Missouri Register is \$23 and the estimated cost of a page in the Code of State Regulations is \$27. Based on these costs, the estimated cost of the proposal is \$861 in FY 06 and unknown in subsequent years. The actual cost could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded, or withdrawn.

ASSUMPTION (continued)

RJK:LR:OD (12/02)

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which would require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Oversight notes that increases in fines which would go to school districts would be offset by reduced payments to those districts through the State Foundation Formula.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (6 Mo.)	FY 2007	FY 2008
GENERAL REVENUE FUND			
<u>Savings</u> – Reduced appropriations to State School Moneys Fund	Unknown	Unknown	Unknown
<u>Cost</u> – Department of Elementary and Secondary Education Reimbursements to school districts	(Unknown)	(Unknown)	(Unknown)
<u>Savings</u> – Department of Revenue Various Driver’s License-related Cost Avoidances	\$40,169	\$48,478	\$48,478
<u>Cost</u> – Department of Revenue Postage	(\$7,743)	(\$9,338)	(\$9,338)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(Unknown) to Unknown</u>	<u>(Unknown) to Unknown</u>	<u>(Unknown) to Unknown</u>
ROAD FUND			
<u>Cost</u> – MoDOT Installation of Highway Signs	\$0 to (\$147,546)	\$0	\$0
ESTIMATED NET EFFECT ON THE ROAD FUND	<u>\$0 to (\$147,546)</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - State Government</u>	FY 2006 (6 Mo.)	FY 2007	FY 2008

HIGHWAY FUND

<u>Income</u> – DOR			
Reinstatement Fees	\$105,362	\$128,295	\$128,295

ESTIMATED NET EFFECT ON THE HIGHWAY FUND	<u>\$105,362</u>	<u>\$128,295</u>	<u>\$128,295</u>
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**MOTORCYCLE SAFETY TRUST
FUND**

<u>Income</u> – MoDOT			
Surcharge Fines	Up to \$1,976,167	Up to \$2,371,400	Up to \$2,371,400

ESTIMATED NET EFFECT ON MOTORCYCLE SAFETY TRUST FUND	<u>Up to \$1,976,167</u>	<u>Up to \$2,371,400</u>	<u>Up to \$2,371,400</u>
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STATE SCHOOL MONEYS FUND

<u>Savings</u> – Reduced appropriations to school districts	Unknown	Unknown	Unknown
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<u>Losses</u> – Reduced appropriations to from General Revenue Fund	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT ON STATE SCHOOL MONEYS FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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**WORK ZONE SAFETY TRUST
FUND**

Income – Traffic Violation Surcharges	\$998,366	\$1,198,039	\$1,198,039
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ESTIMATED NET EFFECT ON WORK ZONE SAFETY TRUST FUND	<u>\$998,366</u>	<u>\$1,198,039</u>	<u>\$1,198,039</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2006 (6 Mo.)	FY 2007	FY 2008
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CITIES AND COUNTIES

<u>Income</u> – Cities			
Driver License Reinstatement Fees	\$21,072	\$25,659	\$25,659
<u>Income</u> – Counties			
Driver License Reinstatement Fees	<u>\$14,048</u>	<u>\$17,106</u>	<u>\$17,106</u>
ESTIMATED NET EFFECT ON CITIES AND COUNTIES	<u>\$35,120</u>	<u>\$42,765</u>	<u>\$42,765</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2006 (6 Mo.)	FY 2007	FY 2008
SCHOOL DISTRICTS			
<u>Revenues</u> – Reimbursement from state General Revenue Fund	Unknown	Unknown	Unknown
<u>Revenues</u> – Increased fines	Unknown	Unknown	Unknown
<u>Costs</u> – Child passenger restraints for school buses	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

This legislation makes modifies several provisions relating to the operation of motor vehicles.

This legislation requires law enforcement officers who investigate vehicle accidents involving property damage equaling or exceeding \$2,000 to report the accident to the Highway Patrol. The DESCRIPTION (continued)

current law is \$500 or more.

This legislation states that harvesting equipment that may be transported on a local log truck must be used specifically for cutting, felling, trimming, de-limbing, etc.

This legislation exempts motorcyclists age 21 and older from wearing a helmet when operating a motorcycle or motortricycle. Under current law, everyone operating a motorcycle or motortricycle must wear a helmet.

This legislation permits a law enforcement officer to enforce the seat belt law if the violation is clearly visible to the officer without stopping the vehicle. The act provides noncompliance with the seat belt law shall not constitute probable cause for a search of the driver, passenger, or vehicle.

This legislation requires children less than four years old to use an appropriate child passenger restraint system. The act requires children four years of age through five years of age to be secured in a child booster seat. Children six years of age or older must use a safety belt. The fine for violating this section is \$25. No court costs shall be charged and no points shall be assessed. A person may escape the \$25 penalty by demonstrating that the person obtained a child safety seat prior to or at his or her hearing which is satisfactory to the court or the party responsible for prosecuting the violator's citation. No points will be assessed against a person's driver's license for violating the child restraint provisions of this act.

Under this act, persons who install airbags that do not meet federal safety standards or install airbags that have been installed in another motor vehicle without disclosing such fact shall be guilty of a Class D felony.

This legislation provides that a person operating a motorcycle who enters or crosses an intersection controlled by a traffic-control signal against a red light shall have an affirmative defense to that charge if the person establishes all of the following conditions:

- (1) The motorcycle has been brought to a complete stop;
- (2) The traffic-control signal continues to show a red light for an unreasonable time;
- (3) The traffic-control signal is apparently malfunctioning or, if programmed or engineered to change to a green light only after detecting the approach of a motor vehicle, the signal has apparently failed to detect the arrival of the motorcycle; and

DESCRIPTION (continued)

- (4) No motor vehicle or person is approaching on the street or highway to be crossed or entered

or is so far away from the intersection that it does not constitute an immediate hazard.

The affirmative defense applies only to a violation for entering or crossing an intersection controlled by a traffic-control signal against a red light and does not provide a defense to any other civil or criminal action.

This legislation increases the penalties and imposes driver's license points on any person failing to yield the right-of-way when the violation results in physical injury, serious physical injury, or death to a person. Any person violating Section 304.351 (failure to yield right-of-way) which results in physical injury will be assessed a fine of not less than \$200 and have 8 points assessed against his or her driver's license. If a serious physical injury results, the person shall be guilty of a Class B misdemeanor and a fine of not less than \$500 will be imposed and 8 points will be assessed. If the failure to yield violation leads to a fatality, the person shall be guilty of a Class A misdemeanor and a fine of not less than \$1,000 will be imposed and 12 points will be assessed against his or her driver's license.

This legislation prohibits trucks (in excess of 48,000 pounds) from being driven in the far left-hand lane on interstate highways, freeways or expressways in the urban areas of this state. This prohibition shall not apply in certain circumstances.

This legislation prohibits driving to the left hand side of the a roadway when it is clearly marked with a solid yellow center stripe indicating a no passing zone or an unsafe location to overtake or drive to the left side of the roadway.

Under this act, law enforcement officers may authorize a towing company to immediately move any vehicle left unattended on any interstate highway or freeway in an urbanized area. Currently, a vehicle must be abandoned for at least four hours.

This legislation clarifies that the penalty enhancement provisions in Section 577.023 relating to prior/persistent offenders should be applied consistently whether in municipal, county, and state courts. Specifically, this act clarifies that when an individual is charged under a municipal ordinance the individual is not entitled to suspended imposition of sentence if he/she meets the definition and classification as prior or persistent offender under Section 577.023.1(2) and (3).

This legislation requires alcohol related reports submitted to the Department of Revenue by law enforcement officers to be certified rather than verified. The act requires law enforcement officers to certify the alcohol arrest reports under penalties of perjury prior to filing the reports
DESCRIPTION (continued)

with the department. The reports shall be admissible as prima facie evidence at administrative

hearings. The act repeals the requirement for license surrender in order to obtain a hearing on administrative alcohol arrests.

This legislation increases various penalties for offenses occurring within highway work zones or construction zones. Under this act, any person convicted of a second or subsequent moving violation within a work zone shall be assessed a fine of \$75. The act provides that a person who is convicted of speeding or passing a vehicle within a work zone when a highway worker is present a second or subsequent time shall be assessed a fine of \$300 in addition to any other fine authorized by law.

The proposal also creates the crime of "endangerment of a highway worker". The act provides that if a person commits the offense of endangerment of a highway worker in which no injury or death results the person shall, in addition to any other penalty authorized by law, be guilty of a Class A misdemeanor. If a highway worker is injured as a result of committing the offense of endangerment of a highway worker, the person shall be guilty of Class D felony. If a death of a highway worker results, the person shall be guilty of a Class C felony.

A person commits the offense of endangerment of a highway worker if the motorist:

- (1) Exceeds the posted speed limit by 10 mph or more;
- (2) Fails to stop for a work zone flagman or fails to obey other traffic control devices erected in the work zone;
- (3) Drives through or around the work zone by any lane not clearly designated for such purpose;
- (4) Physically assaults or attempts to assault a highway worker with a motor vehicle or other deadly weapon;
- (5) Negligently strikes or moves barrels, barriers, signs or other devices erected to control the flow of traffic; or
- (6) Commits various offenses in which points may be assessed under section 302.302.

Under this legislation, a five dollar surcharge shall be assessed on all traffic violations and infractions. The surcharge shall be deposited into the Work Zone Safety Trust Fund. The Work Zone Safety Trust Fund is created for the deposit of the surcharges and other revenues to be used DESCRIPTION (continued)

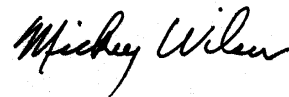
for funding enforcement of all traffic laws in construction or work zones.

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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

Office of State Courts Administrator
Department of Elementary and Secondary Education
Department of Transportation
Department of Revenue
Department of Public Safety
Office of the Secretary of State
State Public Defender's Office



Mickey Wilson, CPA
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April 22, 2005