

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1262-05
Bill No.: Perfected HCS for HBs 518, 288, 418, & 635
Subject: Roads and Highways; Transportation, Department of Transportation
Type: Original
Date: April 5, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	(Less than \$100,000) to Unknown	(Less than \$100,000) to Unknown	(Less than \$100,000) to Unknown
Total Estimated Net Effect on General Revenue Fund	(Less than \$100,000) to Unknown	(Less than \$100,000) to Unknown	(Less than \$100,000) to Unknown

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
State School Moneys*	\$0	\$0	\$0
Work Zone Safety Trust**	\$0	\$0	\$0
Road Fund	\$0 to (\$147,546)	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0 to (\$147,546)	\$0	\$0

* Offsetting savings and losses to State School Moneys Fund.

** Offsetting revenues and costs to Work Zone Safety Trust Fund.

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 10 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***	\$0	\$0	\$0

*** Local School Districts would have offsetting income from increase fines and losses from reduced distribution from State School Moneys Fund.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services, Department of Revenue, Department of Public Safety – Missouri State Highway Patrol, and the State Treasurer’s Office** assume the proposal would have no fiscal impact on their agencies.

Officials from the **Office of Prosecution Services** assume the proposal would not have a significant direct fiscal impact on county prosecutors.

Officials from the **Office of the State Public Defender (SPD)** assume existing staff could provide representation for those few cases arising where indigent persons were charged as a result of proposed revisions relating to highway construction and work zones. Passage of more than one bill increasing penalties on existing crimes or creating new crimes would require the SPD to request increased appropriations to cover the cumulative cost of representing indigent persons accused in the now more serious cases or in the new additional cases.

ASSUMPTION (continued)

Officials from the **Office of the Secretary of State (SOS)** assume the proposal would give the Department of Transportation 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 18 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 \$1,107 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.

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.

Highway Work Zones – Sections 304.580, 304.582, 304.585, and 304.590

Officials from the **Office of State Courts Administrator (CTS)** assume the proposal would modify the law with respect to highway work zones, with increased penalties, and create the crime of endangerment of a highway worker. CTS assumes there may be some increase in the number of cases filed. CTS would not anticipate a fiscal impact on the judiciary from these provisions.

The legislation also provides for a \$5.00 surcharge on all traffic violations to be paid into the Work Zone Safety Trust Fund, which is created in the bill. Based on FY 04 data, CTS anticipates the surcharge would produce approximately \$1,198,039 in any given year.

ASSUMPTION (continued)

Officials from the **Department of Elementary and Secondary Education (DESE)** assume there is no state cost to the foundation formula associated with this bill. Should the new crimes and amendments to current law result in additional fines or penalties, DESE cannot know how much additional money might be collected by local governments or the DOR 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.

Officials from the **Department of Transportation (MoDOT)** assume a positive fiscal impact up to \$1,400,000 into the Work Zone Safety Trust Fund from a \$5.00 surcharge deposited in the fund for all traffic violations of the state. MoDOT obtained information from the Office of State Courts Administrator that in FY 2003, there were 280,352 traffic tickets issued in which the traffic violator was found guilty (\$5 surcharge per violation x 280,352 traffic tickets = approximately \$1,400,000) This fund is created for use by the Missouri Highways and Transportation Commission (MHTC).

Oversight has used the estimates provided by the Office of State Courts Administrator in determining the fiscal impact to the Work Zone Safety Trust Fund, and has reflected 10 months of revenue in FY 06. Oversight assumes offsetting revenues and costs in this fund.

Officials from the **Department of Corrections (DOC)** assume, based on MoDOT statistics, 28 MoDOT employees were so injured in 2003, including 1 fatality, and 69 in 2004, including 2 fatalities. Penalty provisions in this proposal are for a class C felony when a fatality occurs, however it is assumed those perpetrators could presently be charge with either Involuntary Manslaughter – Vehicular Intoxicated or Assault II – Vehicular Injury, both punishable as a class C felony. DOC assumes at least a portion of the non-fatality injuries would be convicted of the newly defined class D felony (who wouldn't have previously been charged pursuant to existing law) and serve the average (for a class D felony) of 9.2 months in prison before parole.

The DOC cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

ASSUMPTION (continued)

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost either through incarceration (FY04 average of \$38.37 per inmate per day, or an annual cost of \$14,005 per inmate) or through supervision provided by the Board of Probation and Parole (FY03 average of \$3.15 per offender per day, or an annual cost of \$1,150 per offender).

In summary, supervision by the DOC through probation or incarceration would result in additional unknown costs to the department. Eight (8) persons would have to be incarcerated per fiscal year to exceed \$100,000 annually. Due to the narrow scope of this new crime, it is assumed the impact would be less than \$100,000 per year for the DOC.

Child Passenger Restraints and Safety Belts – Sections 210.106, 307.178, 307.179, and 476.385

Officials from the **Department of Transportation (MoDOT)** assume Section 307.179 would require the educational materials with revised law information to be redesigned and printed, but the cost would be absorbed.

Lane Use for Trucks – Section 304.015

Officials with the **Department of Transportation (MoDOT)** assume this proposal does not require mandatory action to erect signs on highways with three or more lanes to require trucks to drive in the two right-hand lanes only. However, it grants authority to MoDOT to determine if and when these lanes restrictions should be used. Fully implementing the proposed legislation would require the installation of up to 430 signs. The cost of such signs would be \$147,546 (\$343.13 each).

The proposed legislation could increase total state revenue.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
GENERAL REVENUE FUND			
<u>Savings</u> – Reduced appropriations to State School Moneys Fund	Unknown	Unknown	Unknown
<u>Costs</u> – Department of Corrections Incarceration/probation costs	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	(Less than \$100,000) to <u>Unknown</u>	(Less than \$100,000) to <u>Unknown</u>	(Less than \$100,000) to <u>Unknown</u>
STATE SCHOOL MONEYS FUND			
<u>Savings</u> – Reduced distributions to local school districts	Unknown	Unknown	Unknown
<u>Losses</u> – Reduced appropriations from General Revenue Fund	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON STATE SCHOOL MONEYS FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**WORK ZONE SAFETY TRUST
 FUND**

<u>Revenues</u> – Department of Transportation			
Surcharge on traffic violations	\$998,366	\$1,198,039	\$1,198,039
<u>Costs</u> – Department of Transportation			
Enforcement of traffic laws	(\$998,366)	(\$1,198,039)	(\$1,198,039)
ESTIMATED NET EFFECT ON WORK ZONE SAFETY TRUST FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

ROAD FUND

<u>Costs</u> – Department of Transportation			
Installation of highway signs	\$0 to (\$147,546)	\$0	\$0
ESTIMATED NET EFFECT ON ROAD FUND	<u>\$0 to (\$147,546)</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
SCHOOL DISTRICTS			
<u>Revenues</u> – Incomes from fines	Unknown	Unknown	Unknown
<u>Losses</u> – Reduced distribution from State School Moneys Fund	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

Highway Work Zones – Sections 304.580, 304.582, 304.585, and 304.590

The proposed legislation would change the laws regarding highway work zones. “Worker” or “highway worker” would be defined as any person who is working in a construction or work zone or any employee of the Department of Transportation working on a state highway or state highway right-of-way.

Any person guilty of a moving violation within a construction or work zone for the first offense would be subject to a \$35 fine and \$75 for a second or subsequent violation. A fine for speeding in a construction or work zone would be \$250 for the first offense and \$300 for a second or subsequent violation. Passing in a construction or work zone would be a class C misdemeanor. The proposal would establish the crime of endangerment of a highway worker and would specify the circumstances.

A \$5.00 surcharge would be accessed on all traffic violations in the state, to be deposited in the newly created Work Zone Safety Trust Fund. The Work Zone Safety Trust Fund would be used for funding enforcement of all traffic laws in construction or work zones.

Child Passenger Restraints and Safety Belts – Sections 210.106, 307.178, 307.179, and 476.385

This proposal changes the laws regarding child passenger restraints and safety belts. The bill:

- (1) Requires children less than four years of age to be secured in a child passenger restraint system;
- (2) Requires children four through five years of age to be secured in a child passenger restraint system or booster seat;
- (3) Requires children at least six years of age to be secured by a vehicle safety belt, child passenger restraint system, or booster seat;
- (4) Allows children weighing more than 40 pounds, who would otherwise be required to be secured in a booster seat, to be transported in the back seat of a vehicle while wearing only a lap belt if the back seat of the motor vehicle is not equipped with a combination lap and shoulder belt for booster seat installation;

DESCRIPTION (continued)

(5) Requires car rental agencies doing business in Missouri to inform customers of the requirements of the bill and to provide for the rental of an appropriate child passenger restraint system;

(6) Exempts public carriers for hire or school buses; and

(7) Requires the Department of Transportation to develop a public information program to ensure compliance with child passenger restraint laws.

A violation of child passenger restraints and safety belts is an infraction and punishable by a fine of not more than \$25 plus court costs with no points assessed against any person. The charges against any person receiving a citation for a child restraint violation will be dismissed or withdrawn if the person provides prior to or at a hearing evidence of acquisition of a child passenger restraint system or child booster seat which is satisfactory to the court or the prosecutor.

The proposal has an effective date of January 1, 2006 for these sections.

Lane Use for Trucks – Section 304.015

This legislation allows MoDOT to erect signs on highways with three or more lanes (traveling in the same direction) to require trucks to drive in the two right-hand lanes only.

Towing Unattended Vehicles – Section 304.155

A law enforcement officer may authorize a towing company to tow any property on an interstate highway or freeway in an urbanized area that is left attended, immediately if it presents a serious hazard to other motorists.

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 Corrections
Department of Health and Senior Services
Department of Revenue
Department of Public Safety
 – Missouri State Highway Patrol
Office of Prosecution Services
Office of the Secretary of State
Office of the State Public Defender
State Treasurer's Office



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