

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1752-03
Bill No.: SB 471
Subject: Motor Vehicles; Highway Patrol; Roads and Highways.
Type: Original
Date: March 11, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Heavy Duty Towing Vehicle Enforcement*	\$0	\$0	\$0
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

* Unknown amount of income and expenses assumed to net to zero.

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	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Transportation, Department of Insurance, Office of the State Courts Administrator, Office of the State Treasurer** and the **Office of the State Public Defender** each assume the proposal would not fiscally impact their respective agencies.

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

Officials from the **Office of Secretary of State (SOS)** assume there would be costs due to additional publishing duties related to the Missouri State Highway Patrol's authority to promulgate rules, regulations, and forms. SOS estimates the division could require approximately 6 new pages of regulations in the Code of State Regulations at a cost of \$27.00 per page, and 9 new pages in the Missouri Register at a cost of \$23.00 per page. Costs due to this proposal are estimated to be \$369, however, the actual fiscal impact would be dependent upon the actual rule-making authority and may be more or less. Financial impact in subsequent fiscal years would depend entirely on the number, length, and frequency of the rules filed, amended, rescinded, or withdrawn. SOS does not anticipate the need for additional staff as a

ASSUMPTION (continued)

result of this proposal, however, the enactment of more than one similar proposal may, in the aggregate, necessitate additional staff.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Corrections (DOC)** state this bill, if passed into law, requires the state highway to certify heavy tow truck operators. Penalty provisions for violations, the component of the bill to have potential fiscal impact for DOC, is for a class A misdemeanor.

Currently, 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.

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 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 some additional costs, but it is assumed the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

Officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** state due to various reasons, they are unable to determine a fiscal impact from the proposal.

Oversight assumes an unknown amount of income will be deposited into the new fund from the \$50 initial certificate issuance fee and the \$25 renewal fee. Oversight assumes the revenue deposited into the fund will be sufficient to cover the costs of the MHP to administer the provision and have reflected in the fiscal note, the unknown amount of income and expenses offsetting.

This proposal could result in an increase in Total State Revenues.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
HEAVY DUTY TOWING VEHICLE ENFORCEMENT FUND			
<u>Income</u> - \$50 initial fee and \$25 renewal fee for certification of heavy tow truck operators	Unknown	Unknown	Unknown
<u>Costs</u> - State Highway Patrol to administer the heavy duty towing vehicle certification program	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT TO THE HEAVY DUTY TOWING VEHICLE ENFORCEMENT FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small tow truck operators could be fiscally impacted by this proposal.

DESCRIPTION

This proposal requires the state highway to certify heavy tow truck operators.

Beginning July 1, 2006, no person shall operate a heavy duty towing vehicle to remove abandoned property, or property directed to be moved by law enforcement, without holding a certificate issued by the state highway patrol authorizing such person to engage in such activities.

DESCRIPTION (continued)

An application for a certificate shall be on forms furnished by the state highway patrol and shall be accompanied by proof that the person:

- (1) Possesses and will maintain an appropriate commercial driver's license classification;
- (2) Maintains a valid liability insurance policy upon the heavy duty towing vehicle issued by an insurer authorized to do business in this state, or a bond or other acceptable surety in the amount of at least seven hundred fifty thousand dollars;
- (3) Has obtained the current annual Missouri vehicle inspection certificate as required by law;
and
- (4) Has been tested and certified by a national program which has been funded by federal or state government to perform any law enforcement calls

Any person obtaining a certificate under this act shall maintain such certificate in the heavy duty towing vehicle and shall exhibit it on demand of any peace officer. Such certificate shall be valid for one year after its issuance. The state highway patrol shall charge a fee of fifty dollars for the initial certificate issued and a renewal fee of twenty-five dollars for each year thereafter.

Insurance companies insuring heavy duty towing vehicles shall notify the Missouri state highway patrol immediately upon the cancellation or reduction of insurance below the minimum amount.

Law enforcement may demand proof of the above requirements immediately after the driver arrives at the scene of the abandoned property or law enforcement request for assistance. A driver who is not registered under this section shall not be permitted to work the scene. Any person who attempts to tow abandoned property at the request of law enforcement without holding a registration certificate issued under this section shall be guilty of a Class A misdemeanor.

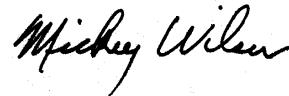
A towing company or the employer of heavy duty towing vehicle drivers shall verify to the highway state patrol by July 1, 2006, of the names of such eligible employees, their appropriate commercial driver license information, and proof of the insurance requirements. Towing companies and employers of heavy duty towing vehicles shall annually update this information. Any individual having five or more years experience operating heavy duty towing vehicles, prior to July 1, 2006, shall be exempt from training requirements of the act. The state highway patrol shall send those individuals an exemption notification certificate, which shall be kept on their person when operating heavy duty towing vehicles, for inspection by law enforcement.

DESCRIPTION (continued)

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 Public Safety
Department of Insurance
Office of the State Courts Administrator
Office of Prosecution Services
Office of the State Public Defender
Department of Corrections
Office of the State Treasurer
Office of the Secretary of State



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Director
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