

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4433-01
Bill No.: SB 1054
Subject: Licenses – Motor Vehicle; Motor Vehicles; Revenue Department
Type: Original
Date: March 27, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
General Revenue	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on General Revenue Fund	(Unknown)	(Unknown)	(Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Corrections – Missouri Vocational Enterprises (MVE)** assume this proposal would have no fiscal impact on their agency.

Officials from the **Department of Revenue (DOR)** assume that there would be administrative and revenue impacts on their department. The DOR will be required to enter into a contractual agreement with nonprofit organizations for the collection, disposal and recycling of plates. The DOR currently has no way of knowing if any nonprofit organizations would be interested in entering a contract and therefore the impact to implement this is unknown. The DOR will need to revise policies and procedures to reflect this new process.

Currently, MVE picks up old plates from the contract offices and sends the plates after shredding them to a company - Scrap All Recycling. However, MVE should be able to provide additional information regarding the current recycling program.

In addition the DOR is unable to determine the volume and poundage that may be surrendered to calculate any potential costs.

ASSUMPTION (continued)

Officials from the **Office of the Secretary of State (SOS)** assume that many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this proposal for Administrative Rules is less than \$1,500. The SOS recognizes this is a small amount and does not expect additional funding would be required to meet these costs. However, SOS also recognizes that many such bills may be passed in a given year and that collectively the costs may be in excess of what the SOS can sustain with their core budget. Any additional required funding would be handled through the budget process.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
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GENERAL REVENUE FUND

<u>Loss</u> – Department of Revenue			
Recycling Costs	(Unknown)	(Unknown)	(Unknown)
<u>Costs</u> – Department of Revenue			
Personal Services	(Unknown)	(Unknown)	(Unknown)
Expenses	(Unknown)	(Unknown)	(Unknown)
Equipment	(Unknown)	(Unknown)	(Unknown)
<u>Total Cost</u> – DOR	(Unknown)	(Unknown)	(Unknown)

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<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

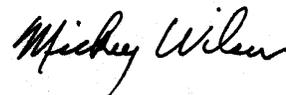
This proposal requires every motor vehicle owner who replaces the license plates on his or her motor vehicle to deposit the old, outdated, or expired license plates with the Department of Revenue or its agents. This will begin January 1, 2007.

The proposal requires the Department of Revenue to create a program that promotes recycling used or outdated license plates for the metal content. The director shall enter into contractual agreements with nonprofit organizations for the collection, disposal, and recycling of used, expired, or outdated license plates. Such nonprofit organizations shall be those whose primary mission is to prevent head injuries by promoting bicycle safety. The act allows the director to promulgate rules to carry out the purposes of the act.

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 Revenue
Office of the Secretary of State
Department of Corrections – Missouri Vocational Enterprises



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Director
March 27, 2006