

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4721-02
Bill No.: SCS for SB 1027
Subject: Motor Carriers; Transportation Dept.
Type: Original
Date: March 10, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Road	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown)	(Unknown)	(Unknown)

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 Transportation (MoDOT)** assume that the number of carriers regulated for household goods moving would increase from the current estimated figure of 100 up to an estimated figures of 500, due to the large number of commercial-zone-only movers operating in St. Louis, Kansas City, and Springfield, among others.

By increasing the number of motor carriers and their motor carrier vehicles within MHTC's regulatory jurisdiction, this legislation would generate additional license fee revenues for MHTC from the sale of additional regulatory licenses to these carriers pursuant to section 390.136, RSMo. The positive fiscal impact for the additional license fees is unknown.

The bill would also result in a significant number of additional motor carriers applying to MHTC for operating authority certificates and permits to transport household goods, because the changes to section 390.030 would eliminate the exemptions currently applicable to motor vehicles operated wholly within a single municipality, or between contiguous municipalities, or within a commercial zone as defined in § 390.020, RSMo, or a commercial zone as defined by an administrative order issued under § 390.041(4), RSMo). This increase in the number of household goods motor carrier operating authority applications would place an undetermined additional workload on MoDOT Motor Carrier Services Division to process these new

ASSUMPTION (continued)

applications, and to enforce the requirements of chapter 390, RSMo, with reference to these formerly exempt motor carriers. The cost to implement these provisions is unknown.

Therefore, the total fiscal impact to of this legislation MoDOT is unknown.

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

<u>Revenues</u> – Department of Transportation Additional license fee revenues	Unknown	Unknown	Unknown
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<u>Costs</u> – Department of Transportation Additional workload because of increase in motor carrier applications	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT ON ROAD 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 allows common household goods common carriers to file applications to the State Highways and Transportation Commission for approval of rates to reflect increases and

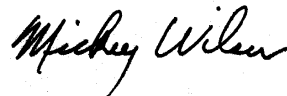
DESCRIPTION (continued)

decreases in the carrier's costs. The filing of the applications shall be governed by similar rules that govern rate adjustments requested by electrical gas or water companies. The applications shall be made in such form as the commission determines. The proposal also repeals the exemption that currently allows household goods movers to operate wholly in municipalities, between contiguous municipalities, or commercial zones without having to obtain MoDOT operating authority. Currently, household movers are exempt from the rules and regulations of Chapter 390, RSMo, if their operations are restricted to those described areas. The repeal of this exemption will start January 1, 2007.

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



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