

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1295-13
Bill No.: Perfected SS for SCS for SBs 239, 24 & 445
Subject: Motor Vehicles; Licenses - Motor Vehicles; Revenue Department; Boats and Watercraft
Type: Original
Date: March 26, 2007

Bill Summary: This proposal modifies various provisions relating to the regulation of motor vehicles.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(\$883,605)	(\$1,060,938)	(\$1,060,938)
Total Estimated Net Effect on General Revenue Fund	(\$883,605)	(\$1,060,938)	(\$1,060,938)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Motor Vehicle Com.	(\$1,739)	\$0	\$0
Road	Unknown	Unknown	Unknown
Highway	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)
State School Moneys	\$0	\$0	\$0
Total Estimated Net Effect on Other State Funds	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 26 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	Unknown to \$179,338	Unknown to \$337,500	Unknown to \$353,162

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Courts Administrator, Department of Corrections, Office of the State Public Defender, Department of Economic Development - Public Service Commission, Department of Insurance, Financial Institutions and Professional Registration, Office of Prosecution Services, Department of Conservation, Department of Natural Resources** and the **Department of Public Safety - Office of the Director and Highway Patrol** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Department of Revenue (DOR)** state the proposal would have the following impact on their agency:

ADMINISTRATIVE IMPACT

Regarding Salvage ID cards, DOR will need to:

- Revise the dealer renewal and new dealer instructions;
- Revise policies and operating manuals;
- Revise any administrative rules that are affected
- Revise procedures and forms;
- Notify salvage businesses that they no longer have to register in order to buy vehicles at salvage pools.

DOR will no longer license non-resident salvage businesses.

The IT department will need to modify existing programs in order to accommodate the new legislation.

REVENUE IMPACT

There will be a decrease in revenue of \$7,350 (distributed 75-15-10) each year as the department will no longer issue non-resident salvage ID cards.

- In FY'06, we issued 294 ID cards and collected \$7,350 in related fees.

This proposed legislation will also cause an unknown decrease revenue due to a decrease in

ASSUMPTION (continued)

salvage dealer and dismantler registrations/fees by no longer requiring purchasers to present their salvage ID card in order to buy at salvage pools. Currently, the department collects \$77,805 from 1,197 salvage dealer and dismantler registrations each year (this excludes other types of salvage businesses).

DOR will no longer license non-resident salvage businesses and will need to notify said businesses they are no longer required to register, as well as notify Missouri salvage businesses that they are no longer required to register as a salvage dealer and dismantler in order to buy vehicles at salvage pools. Costs for these notifications is requested/projected at \$977.

AMENDMENTS

SA #1

Section 227.295 Establishes a drunk driving victims memorial sign program.

NO IMPACT TO DOR

SA #2

Section 301.040 Discontinues the use of commercial inserts or other forms of advertising in the renewal notices. FN0045-01 SB190

ADMINISTRATIVE IMPACT

To continue to provide the improved way we notify our customers of their vehicle registration renewal, including sharing information, and privacy protection, with the current vendor, the Department of Revenue will incur \$1,064,000 for 3.8 million renewal notices issued each year because the proposal does not allow for the ability to advertise.

SA #3

Section 302.178 Requires the removal of 302.178 from SB239. This section is on graduated licensing.

NO IMPACT TO DOR

ASSUMPTION (continued)

SA#4

Section 301.560 Adds in the "New and used recreational motor vehicle dealers...RV-0 through RV-9999. Adds in the clarification to the number of plates issued and the number plate bearing the distinctive dealer license number. Effective 12-1-08 or whenever reissuance begins. FN1691-02

REVENUE IMPACT

The department will:

- Require \$1,739 in paper costs to notify all dealers of the dealer licensure/plate related issues, sales contract issues, etc at the time renewal instructions are sent out (no envelope and postage cost is required);
- Incur savings from ordering fewer dealer plates (\$28,190 - Highway fund) and boat dealer certificates of number (\$3,062 - GR fund)
- Revise policy and procedure;
- Revise the dealer system to accommodate all of the changes noted in 560.

There will be an unknown revenue impact due to the following

- Motor Vehicle dealers purchasing more or less plates due to basing plate quantities on sales.

In addition, there will be an increase in plate revenue due to provisions that require the department to issue (and the applicant to purchase) three plates for every registration (original plus two). This will require:

- 514 motor vehicle dealers to purchase 744 additional dealer plates resulting in a revenue increase of \$7,812;
- 62 boat dealers to purchase 84 additional certificates of number resulting in revenue increase of \$882.
- Unknown impact for Recreational vehicle dealers.

SA#5

Section 301.640 Liens must be released with in (5) business days from the lienholder when satisfied. There are provisions for penalties if the lienholder does not comply. FN1534-01 SB358

NO IMPACT TO DOR

RS:LR:OD (12/02)

ASSUMPTION (continued)

SA#6

Section 390.372 Requires that all fines that are generated from municipal red light violations enforced through automated photo red light enforcement system shall deposit the money to the state school fund.

NO IMPACT TO DOR

SA#7

Section 304.032 Provides definition for utility vehicle and specifies where the vehicle can be operated etc.

NO IMPACT TO DOR

SA#8

Section 306.015 Removes the increased penalties for failing to register boats timely from SB239.

NO IMPACT TO DOR

SA#9

Section 301.130 Allows for the vehicle plate to be encased in a transparent cover.

NO IMPACT TO DOR

SA#10

Section 390.372 Allows a CMV originating within this state traveling to a neighboring state may operate with in the Weight limit of the destination state.

NO IMPACT TO DOR

SA#11

Section 387.075 Allows for any common carrier like a household mover to request approval for rate adjustments etc.

NO IMPACT TO DOR

ASSUMPTION (continued)

SA#12

Section 302.700 Does not allow the director to supply nor permit a language interpreter in connection with the CDL written or driving skills test. Needs clarified to highway patrol vs. the director and the director does not administer the test.

NO IMPACT TO DOR

SA#13

Sections 301.301 Allows for the replacement of tabs at no cost if stolen prior to 1-1-09 with a notarized affidavit.

ADMINISTRATIVE IMPACT

The department will implement a procedure change. This will be absorbed.

REVENUE IMPACT

In FY'06 DOR issued 16,669 replacement tabs due to theft in which the applicant paid the \$8.50 fee because he/she did not submit a police report. Since a police report is no longer required for tabs issued prior to January 1, 2009, there will be a decrease in replacement tab revenue of approximately \$142,000 in FY '08-based on the emergency clause, and \$71,000 in the first half of FY'09 due to issuing these tabs at no fee due to theft. The \$8.50 replacement tab revenue is distributed as follows: \$1 to highway, \$7.50 is split 75-15-10 to highway fund and cities and counties.

Estimated Net Effect on Highway funds	FY08 (\$110,676)	FY09 (\$55,338)
Estimated Net Effect on Local funds	FY08 (\$31,324)	FY09 (\$15,662)

DOR assumes the cost to administer Section 302.305 will be absorbed by the additional revenue received from the issuance of new plates. DOR assumes this part of the proposal would have a zero net fiscal impact.

RS:LR:OD (12/02)

ASSUMPTION (continued)

Officials from the **Department of Transportation (MoDOT)** state the proposal would have the following impact on their agency:

- Section 301.010 - The current law for “Local log truck” and “Local log truck tractor” appears to allow these vehicles to bypass our current overweight permitting process and allows heavier than normal legal loads that do not meet the customary limits of RSMo 304.180 to travel state highways within the current fifty mile radius. Potentially, expanding this area to one hundred miles could lead to additional damage and/or increased risk of unexpected collapse of existing bridges on our system. Also, additional “wear and tear” on our structures due to these overweight vehicles, where capacity of the individual bridge is not checked through our permit process, will likely shorten the life of our bridges on the state system and increase bridge maintenance needs. Considering the current condition of our bridges and lack of funding we feel this would have a detrimental impact on MoDOT's bridge infrastructure. MoDOT is unable to estimate the fiscal impact to the state road fund at this time. The cost likely would run in the millions of dollars for additional bridge replacements, increased bridge maintenance costs, re-rating analysis of these bridges, and installation of new posting signs.
- Section 301.029 (self-propelled sprayer or floater exempted from titling, registration and the display of license plates) - MoDOT is unable to estimate the fiscal impact, DOR would be best to estimate the fiscal impact of this section. We believe the impact will be unknown greater than \$100,000 annually.
- Section 301.130 (reissuance of license plates) - MoDOT is unable to estimate the fiscal impact of this section.
- Amendment 1 - Creates the Drunk Driving Victim Memorial Sign program and requires MoDOT to establish rules and regulations for the program. MoDOT will be responsible for the sign application process, the sign qualification process, the procedure for sign dedication, and procedures for replacement or restoration of signs that are damaged or stolen. MoDOT will also be responsible for determining placement, location and spacing of the signs. There should be no fiscal impact to MoDOT, because a "sponsoring fee" may be charged to cover costs in designing, constructing, placing and maintaining the signs, as well as MoDOT's costs in administering the program. The total cost of two signs, one for each direction will be \$1,040. Based on statistics from DPS, Missouri averages about 270 alcohol related fatalities per year. If signs are made in each instance, this would result in a total cost of \$280,800 per year. As stated in the bill, the cost will be paid by private donations for each 10 year term the signs are displayed.

ASSUMPTION (continued)

- Amendment 10 - Allows any commercial motor vehicle coming from Missouri and traveling to a neighboring state to operate within Missouri with a weight limit equal to, but not exceeding the weight limit in the other state. If the weight limit in the destination state is less, Missouri's weight limit controls.

Federal law (23 U.S.C. 127) restricts the weight limits on Missouri's interstate highways to 80,000 pounds. This provision will violate federal law by allowing weights on Missouri's interstate highways to exceed 80,000 pounds. If a violation of this federal law occurs, a withholding of all National Highway System federal funds provided in 23 U.S.C. 104(b)(1) will occur. This is equal to \$168 million.

This amendment will allow commercial motor vehicles with loads originating in Missouri and traveling to a neighboring state to carry more weight than commercial motor vehicles conducting business in an intrastate capacity. This gives an advantage to our neighboring state businesses. This will also require a modification to the computer system to allow for different weights, configurations and business rules to determine which laws and regulations to apply. This amendment will adversely impact the state's infrastructure by allowing increased weights on the states roads and bridges. This amendment will also cause enforcement problems, due to the amount of varying weight limits it would impose. This fiscal impact is unknown.

Potentially, allowing heavier loads on Missouri's highways and bridges could lead to additional damage and/or increased risk of unexpected collapse of existing bridges on our system. Also, additional "wear and tear" on our structures due to these overweight vehicles, where capacity of the individual bridge is not checked through our permit process, will likely shorten the life of our bridges on the state system and increase bridge maintenance needs. Considering the current condition of our bridges and lack of funding we feel this would have a detrimental impact on MoDOT's bridge infrastructure.

- Amendment 11 - 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.

ASSUMPTION (continued)

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 amendment 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 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.

MoDOT therefore assumes the total impact of this legislation is unknown.

Regarding MoDOT's response to Section 301.010 (increase in weight allowed for 'local log truck'), **Oversight** assumes that there is no direct fiscal impact from the implementation on MoDOT or cities or counties. Road and bridge repair and replacement costs are figured into the on-going maintenance costs already performed by MoDOT, cities and counties.

Regarding MoDOT's response to Section 301.029 (exemption for self-propelled sprayers), officials from the **Department of Revenue** assumes sprayers, floaters and other types of husbandry are already exempt from registration. Therefore, the changes made to section 301.029 would not have a fiscal impact to the state.

Regarding MoDOT's response to Senate Amendment 1 (DWI Memorial Sign Program), **Oversight** assumes that since MoDOT would be charging a "sponsoring fee" that there would be no fiscal impact to the State or Road Fund for this proposal. MoDOT will be able to cover the entire cost of the program from the fee.

Regarding MoDOT's response to Senate Amendment 10 (weight limits in surrounding states), **Oversight** assumes the loss of \$160 million of federal funds assumed by MoDOT is speculative, and therefore, have not reflected this potential loss on the fiscal note.

ASSUMPTION (continued)

Officials from the **Department of Elementary and Secondary Education (DESE)** state there is no state cost to the foundation formula associated with this proposal. 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. To the extent fine revenues exceed 2004-2005 collections, any increase in this money distributed to schools increases the 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.

DESE states that amendment 6 will likely result in additional revenue to the state to fund the foundation formula; however, it might result in a loss of fine revenue to any district accustomed to receiving fines from automated photo red light enforcement systems. The amount of any revenue or loss is unknown.

Oversight assumes the amount of fine revenue generated from this proposal (Section 302.321 regarding the operator of a school bus operating with a revoked license) would be minimal, and therefore have not reflected it in this fiscal note.

Officials from the **Office of the Secretary of State (SOS)** note 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 fiscal note to Secretary of State's office for Administrative Rules is less than \$2,500. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget. Therefore, we reserve the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Officials from the **Office of the State Treasurer (STO)** state the proposal makes changes to the biennial transfer exemption for the motor vehicle commission fund to exclude gifts, donations, bequests, and federal money from the transfer. The amount transferred will be the balance of the fund at the end of the biennium that exceeds the previous fiscal year's expenditures.

ASSUMPTION (continued)

The impact to General Revenue due to the change is zero to unknown.

Oversight assumes the changes to section 301.560 would not fiscally impact the state's Motor Vehicle Commission Fund or General Revenue funds.

In response to a similar proposal from this year (SB 24 - regarding bus drivers), officials from the following school districts indicated there would be no fiscal impact to their respective school districts: **Kirksville, Fair Grove, Independence, Columbia, Francis Howell.**

Senate Amendment 6 - Fine revenue from automated photo red light enforcement system:

Oversight assumes this amendment will generate an unknown amount of fine revenue for the State School Moneys Fund. Oversight assumes this fine revenue would have otherwise gone to specific local school districts that utilize red-light cameras (which according to MoDOT, are the cities of Arnold, Hazelwood, Florissant, Beverly Hills, Sugar Creek and St. Peters). Therefore, Oversight will assume this amendment would spread the fine revenue money to all school districts in the state, to the detriment of the few school districts that are already receiving fine revenue from this source. Oversight assumes the net effect to all school districts will be zero.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
GENERAL REVENUE FUND			
<u>Savings</u> - Department of Revenue			
Ordering fewer dealer plates (SA 4)	\$3,062	\$3,062	\$3,062
<u>Costs</u> - Department of Revenue			
To print and mail renewal notices (SA 2)	<u>(\$886,667)</u>	<u>(\$1,064,000)</u>	<u>(\$1,064,000)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$883,605)</u>	<u>(\$1,060,938)</u>	<u>(\$1,060,938)</u>

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2008 (10 Mo.)	FY 2009	FY 2010
MOTOR VEHICLE COMMISSION			
<u>Costs</u> - Department of Revenue			
To notify dealers (SA 4)	<u>(\$1,739)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO THE MOTOR VEHICLE COMMISSION	<u>(\$1,739)</u>	<u>\$0</u>	<u>\$0</u>
 ROAD FUND			
<u>Income</u> - Department of Transportation			
Sponsoring Fee (SA 1)	\$234,000	\$280,800	\$280,800
<u>Income</u> - Department of Transportation			
Additional license fee revenues (SA 11)	Unknown	Unknown	Unknown
<u>Costs</u> - Department of Transportation			
Additional workload because of increase in motor carrier applications (SA11)	(Unknown)	(Unknown)	(Unknown)
<u>Costs</u> - Department of Transportation			
Expenses of creating signs (SA 1)	<u>(\$234,000)</u>	<u>(\$280,800)</u>	<u>(\$280,800)</u>
ESTIMATED NET EFFECT TO THE ROAD FUND	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2008 (10 Mo.)	FY 2009	FY 2010
HIGHWAY FUND			
<u>Income</u> - Department of Revenue			
Issuance of restricted plates and reissuance of standard plates (Section 302.205)	Unknown	Unknown	Unknown
<u>Income</u> - Department of Revenue			
From issuance of additional dealer plates (SA 4)	\$8,694 to Unknown	\$8,694 to Unknown	\$8,694 to Unknown
<u>Savings</u> - Department of Revenue			
Ordering fewer dealer plates (SA 4)	\$28,190	\$28,190	\$28,190
<u>Income or Loss</u> - DOR			
Per DOR - 'Motor Vehicle dealers purchasing more or less plates due to basing plate quantities on sales' (SA 4)	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)
<u>Cost</u> - Department of Revenue			
Purchase of additional plates (Section 302.305)	(Unknown)	(Unknown)	(Unknown)
<u>Loss</u> - Elimination of non-resident salvage ID cards (Section 301.218)	(\$5,513)	(\$5,513)	(\$5,513)
<u>Loss</u> - Elimination of salvage dealer and dismantler registrations (Section 301.218)	(\$77,805)	(\$77,805)	(\$77,805)
<u>Loss</u> - Department of Revenue			
Fee income for replacement license tabs (SA 13)	<u>(\$110,676)</u>	<u>(\$55,338)</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO THE HIGHWAY FUNDS	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2008 (10 Mo.)	FY 2009	FY 2010
STATE SCHOOL MONEYS FUND			
<u>Income</u> - Fine revenue from municipal red light violations from automated photo enforcement systems (SA 6)	Unknown	Unknown	Unknown
<u>Costs</u> - Disbursement of fine revenue from automated red light enforcement systems to local school districts (SA 6)	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT TO THE STATE SCHOOL MONEYS FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
SCHOOL DISTRICTS			
<u>Revenue</u> - Local School Districts From fine revenue from red light camera violations (SA 6)	Unknown	Unknown	Unknown
<u>Loss</u> - specific local school districts Fine revenue from red light camera violations now spread state-wide (SA 6)	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT TO LOCAL SCHOOL DISTRICTS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u> (continued)	FY 2008 (10 Mo.)	FY 2009	FY 2010
POLITICAL SUBDIVISIONS			
<u>Income</u> - Cities and Counties - increase in revenue from restricted plates and reinstatement of standard plates (Section 302.305)	Unknown to \$212,500	Unknown to \$255,000	Unknown to \$255,000
<u>Income</u> - Police Departments - from copies of police reports (SA 13)	\$0	Unknown - Less than \$100,000	Unknown - Less than \$100,000
<u>Loss</u> - cities and counties - fee income from replacement license tabs (SA 13)	(\$31,324)	(\$15,662)	\$0
<u>Loss</u> - cities and counties - from elimination of non-resident salvage ID cards (Section 301.218)	(\$1,838)	(\$1,838)	(\$1,838)
ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS	Unknown to <u>\$179,338</u>	Unknown to <u>\$337,500</u>	Unknown to <u>\$353,162</u>

FISCAL IMPACT - Small Business

Small businesses in the transportation or dealer business would be expected to be fiscally impacted as a result of this proposal.

FISCAL DESCRIPTION

This proposal addresses a multitude of laws that pertain to the regulation of motor vehicles.

DECLARATIONS - The act authorizes the Director of Revenue to administer oaths to individuals filing declarations, statements or other documents. A signed declaration shall be prima facie evidence that the individual signed the declaration. Any declaration, statement, or other document that is required to be signed under Chapter 301 and Chapter 306 shall be signed in accordance with this provision and regulations (Section 301.007).

FISCAL DESCRIPTION (continued)

LICENSE PLATES - The act also makes several technical changes to provisions pertaining to manufacturer and dealer license plate letter and numbers. The current law contains erroneous references. The changes in section 301.560.4 occur on the date when the director reissues new license plates or December 1, 2008, whichever occurs first (Sections 301.130, 301.144, and 301.560).

REISSUANCE OF LICENSE PLATES - The act also modifies the law regarding the reissuance of license plates. The current law provides that reissuance must occur beginning January 1, 2009. This act modifies the reissuance provision by granting the director more discretion when to begin reissuance so long as it occurs no later than January 1, 2009 (Section 301.130.9).

EMERGENCY VEHICLE DEALERS - The act also exempts dealers who sell only emergency vehicles from maintaining a bona fide place of business (including the related law enforcement certification requirements) and from meeting the minimum yearly sales. (Section 301.550 and 301.560).

DISTINCTIVE DEALER LICENSE NUMBERS - The act modifies the provision which sets forth the dealer license number designations, including the creation of recreational motor vehicle dealer license plate designations (RV-0_ through RV -9999) for new and used recreational motor vehicle dealers (section 301.560.4). The dealer designations shall take effect no later than December 1, 2008.

LIMITATION ON ISSUANCE OF DEALER PLATES - Under the act, the department shall issue to new motor vehicle manufacturers and other dealers 1 distinctive dealer plate and 2 additional number plates. The fee for the 2 additional number plates is \$21 (Section 301.560.6). Under the act, new motor vehicle manufacturers shall not be issued or possess more than 347 additional number plates or certificates of number annually. New and used motor vehicle dealers, powersport dealers, wholesale motor vehicle dealers, boat dealers, and trailer dealers are limited to 1 additional plate or certificate of number per ten-unit qualified transactions annually. New and used recreational motor vehicle dealers are limited to two additional plates or certificate of number per ten-unit qualified transactions annually for their first fifty transactions and one additional plate or certificate of number per ten-unit qualified transactions thereafter. An applicant seeking the issuance of an initial license shall indicate on his or her initial application the applicant's proposed annual number of sales in order for the director to issue the appropriate number of additional plates or certificates of number (Section 301.560.6).

Wholesale and public auctions shall be issued a certificate of dealer registration in lieu of a dealer number plate.

FISCAL DESCRIPTION (continued)

USED MOTOR VEHICLE DEALER EDUCATIONAL SEMINAR - The act exempts public auto auctions and applicants currently holding a new or used dealer's license for a separate dealership from showing proof of completing an educational seminar when applying for a used motor vehicle dealer's license. The act also specifically provides that current new motor vehicle franchise dealers and motor vehicle leasing agencies are not subject to the educational seminar requirements (Section 301.560.9).

SELF-PROPELLED SPRAYERS - This act exempts self-propelled sprayers, floaters, and other forms of implements of husbandry that are used for spraying chemicals or spreading fertilizer from complying with titling, registration and license plate display laws. The exemption from titling, registration, and the display of license plates applies whether the described vehicles are laden or unladen (Section 301.029) . This portion of the act is identical to SB 371 (2007).

LOCAL LOG TRUCK - This act modifies the definitions of the terms "local log truck" and "local log truck tractor" by expanding the area in which such vehicles can operate. Under current law, such vehicles are to operated at a forested site and in area extending not more than a 50 mile radius from such site. The act increases the radius to 100 miles. A similar provision is contained in SB 349 (2007)(Section 301.010).

EXPUNGEMENT OF RECORDS OF CDL HOLDERS - This act prohibits the expungement of a minor in possession charge for holders of commercial driver's licenses or persons operating commercial motor vehicles at the time of the violation (Section 311.326). The act also provides that no records shall be expunged until 3 years after the date of suspension or revocation, if the person was holding a commercial driver's license at the time of the offense (Section 302.545).

FAILURE TO APPEAR - This act includes failure to appear by a commercial license holder or operator of a commercial motor vehicle as an commercial driver offense requiring indefinite suspension until compliance (Section 302.700 and 302.755).

CDL MILITARY EXEMPTION - This act provides that a military member while driving a vehicle for military purposes is exempt from possessing a CDL. Current law provides that the military member must be driving a military vehicle to qualify for the exemption (Section 302.775).

DRIVING WHILE OUT OF SERVICE - The act provides that any person convicted for the first time of driving while out of service shall be disqualified in the manner prescribed by federal regulations (Section 302.755).

FISCAL DESCRIPTION (continued)

SCHOOL BUS DRIVERS - Under this act, the director of revenue shall not issue or renew a school bus endorsement to any applicant whose driving record shows that the applicant has been convicted of an intoxication-related traffic offense while operating a school bus. A person convicted of an intoxication-related offense while operating a school bus will have his or her school bus endorsement permanently denied by the court, beginning on the date of the court's order (Section 302.272). The act requires school bus drivers to notify the school district or the driver's employing contractor whenever the driver receives a citation for an intoxicated-related traffic offense. The notice of such citation shall be given prior to the driver resuming operation of a school bus. Failure to notify the school district or the employing contractor of the citation shall constitute a valid reason to discharge such person from the school district's or employing contractor's employ (Section 302.275). The act sets the fine for driving with a revoked license while operating a school bus at \$1,000. The current law does not distinguish the offense by type of vehicle driven and the fine is up to \$1,000 (Section 302.321). These provisions have an effective date of January 1, 2008. The act is similar to SB 24 (2007) and SB 584 (2006).

FAILURE TO STOP FOR SCHOOL BUSES - This act increases driver's license suspension periods for motorists who fail to stop for school buses that are loading or unloading children. Under the act, the suspension period for a first violation for failing to yield for a school bus is increased from 90 days to 120 days. A second or subsequent violation of the school bus stop provision will result in a 180 day suspension (increased from 120 days). This portion of the act is identical to SB 377 (2007)(Section 304.070).

DRIVEAWAY SADDLEMOUNT COMBINATIONS - This act increases the maximum length for driveaway saddlemount combinations from 75 feet to 97 feet when operated on the interstate highways. This act is identical to SB 51 (2007) and SB 909 (2006)(Section 304.170).

SCHOOL BUS EXEMPTION FROM CHILD PASSENGER RESTRAINT LAW - This act provides that the child passenger restraint law shall not apply to school buses transporting children 4 years of age or older regardless whether such buses are being used for educational, religious or other purposes. The current exemption only applies to school buses used for educational purposes. This portion of the act contains an emergency clause.

SALVAGE SALES - This act provides that motor vehicle sales at salvage pools or salvage disposal sales be open to all potential buyers. The current law limits the sales to licensed salvage dealers (Section 301.218). This provision is contained in HB 567 (2007).

FISCAL DESCRIPTION (continued)

CONSERVATION AGENT/EMERGENCY VEHICLE - This act adds vehicles driven by law enforcement agents of the Department of Conservation to the list of vehicles considered "emergency vehicles". This portion of the act is similar to SB 352 (2007)(Section 304.022).

HIGHWAY PATROL - This act updates several sections of law relating to the operations of the Highway Patrol that are contained in Chapter 43, RSMo. The Highway Patrol was under the direction and authority of the Highway Commission until the early 1940's. This act repeals several superannuated laws that no longer apply to the operations of the highway patrol due to modernization of state government, technology and other statutes and adopted procedures. The act removes the definition of the Highway Commission from Chapter 43, RSMo, since the commission no longer has oversight over the Highway Patrol. The act removes the current statutory requirement for the superintendent of the highway patrol to reside within the city limits of Jefferson City. The act removes the requirement that general headquarters be open at all times and the requirement that a telegraph be available. The act removes the requirement that the highway commission approve all personnel expenses and changes where civil witnesses fees are deposited. The act changes the requirement that the superintendent divide the state into troops instead of districts and removes the requirement that the Highway Patrol send an end of the year fiscal report to the governor and the Highway Commission. The act removes the requirement that the superintendent, major, director of radio and budget personnel be bonded with the Highway Commission. The act changes statutory direction to the highway patrol to deliver those arrested directly to the court, to "their designee," such as an appropriate jail or sheriff. The highway patrol provisions are also contained in SCS/SB 104 and SB 550 (2007).

MOTOR CARRIER TRANSPORTATION INDEMNITY PROVISIONS - This act makes indemnity agreements in motor carrier transportation contracts which purport to indemnify a party against loss from negligence or intentional acts void and unenforceable. Motor carrier transportation contracts shall not include Uniform Intermodal Interchange and Facilities Access Agreements (section 390.372). This provision is contained in SCS/SB 45 & 39 (2007).

FIREFIGHTER LICENSE PLATE - This act restores a corrected provision dealing with volunteer firefighter and fire district firefighter special license plates that was erroneously omitted by the General Assembly in 2004 (section 301.444).

RESTRICTED LICENSE PLATES - Under this act, any person whose driver's license has been suspended, revoked, or disqualified for a period of not less than 60 days or if the person is denied for alcohol or manslaughter violations under the law, shall immediately surrender his or her current license plates to the director of the department of revenue for destruction. The person shall be issued a set of restricted license plates that are different in color from regular plates

FISCAL DESCRIPTION (continued)

which shall be displayed on the motor vehicle or motor vehicles registered solely or jointly in the person's name for the period of the suspension, revocation, denial, or disqualification.

Under the act, law enforcement officers shall have probable cause to stop any vehicle displaying restricted license plates to determine whether the driver of such vehicle has a valid driver's license or a limited driving privilege.

Under the act, a registered owner of a motor vehicle who has been issued restricted license plates may not sell the motor vehicle during the period the vehicle is required to display the plates unless the registered owner applies to the department of revenue for permission to transfer title to the motor vehicle. If the director is satisfied that the proposed sale is in good faith and for a valid consideration, and that the sale or transfer is not for the purpose of circumventing the provisions of the act, the director may certify its consent to the owner of motor vehicle. Any vehicle acquired by the applicant during the period of restriction shall display the restricted license plates (Section 302.305). This portion of the act is similar to SB 580 (2007).

AFFIRMATIVE DEFENSE FOR PROCEEDING THROUGH REDLIGHT WITH A MOTORCYCLE ("DEAD RED")- This act 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 signal continues to show a red light for an unreasonable time;
- (3) The traffic 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
- (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 (Section 304.281). A similar provision was contained in SB 614 (2007) and SCS/SB 969 (2006).

FISCAL DESCRIPTION (continued)

MOTORCYCLE HEADLAMP MODULATORS - This act allows a motorcycle headlamp to be wired or equipped to allow either its upper beam or its lower beam, but not both, to modulate from a higher intensity to a lower intensity at a rate of modulation of 200 to 280 cycles per minute. A headlamp modulator installed on a motorcycle with two headlamps shall be wired in a manner to prevent the headlamps from modulating at different rates or not in synchronization with each other. A headlamp modulator installed on a motorcycle shall meet the standards prescribed by federal law (Section 307.100). This provision is also contained in SB 614 (2007).

DWI MEMORIAL SIGN PROGRAM - Under this act, the Department of Transportation shall establish and administer a drunk driving victim memorial sign program. The signs shall be placed at or near the scene of the accident. The signs shall be attached to an existing highway sign, street light, or guard rail. The signs shall be placed upon the state highways in accordance with placement guidelines adopted by the department, and any applicable federal limitations or conditions on highway signage, including location and spacing. The department shall adopt, by rules and regulations, program guidelines for the application for and placement of signs authorized by this section, including, but not limited to, the sign application and qualification process, the procedure for the dedication of signs, and procedures for the replacement or restoration of any signs that are damaged or stolen. Any person may apply to the Department of Transportation to sponsor a drunk driving victim memorial sign in memory of an immediate family member who died as a result of a motor vehicle accident caused by a person who was shown to have been operating a motor vehicle in violation of an alcohol-related traffic law at the time of the accident. Upon the request of an immediate family member of the deceased victim involved in a drunk driving accident, the department shall place a sign in accordance with the provisions of the act. A person who is not a member of the victim's immediate family may also submit a request to have a sign placed under this section if that person also submits the written consent of a victim's immediate family member. The department shall charge the sponsoring party a fee to cover the department's cost in designing, constructing, placing, and maintaining the sign. Signs erected under the act shall remain in place for a period of ten years. After such date, the signs may be renewed for another 10 years after payment of appropriate maintenance fees. The signs developed by the department shall resemble a Missouri license plate and shall feature the words "Drunk Driving Victim!", the initials of the deceased victim and the month and year in which the victim of the drunk driving accident was killed. Under the act, all private roadside memorials or markers commemorating the death of a drunk driving victim are prohibited. No person, other than a Department of Transportation employee or the department's designee, may erect a drunk driving victim memorial sign (Section 227.295)(SA 1). The drunk driving memorial sign program is contained in SB 185 (2007).

FISCAL DESCRIPTION (continued)

COMMERCIAL INSERTS IN MOTOR VEHICLE REGISTRATION NOTICES - This act prohibits commercial inserts or other forms of advertising from accompanying motor vehicle registration notices. This provision is contained in SB 190 (2007)(Section 301.040)(SA 2).

RELEASE OF MOTOR VEHICLE LIENS - This act requires a lienholder to release a motor vehicle lien within 5 business days after the lien has been satisfied. The current law gives the lienholder 10 business days to release the lien. The act also requires the lienholder to notify the Department of Revenue within 5 business days if the certificate of ownership is in the department's possession. The act also increases the fines for noncompliance with the time deadlines. The act imposes a graduated liquidated damages scale with a maximum amount of \$2,500 in damages that can be imposed for each lien not timely released. The current law provides for a maximum fine or penalty of \$500 for each lien not timely released (section 301.640). This provision is similar to one contained in SB 358 and SB 335 (2007)(SA 5).

MUNICIPAL RED LIGHT VIOLATIONS DETECTED BY AUTOMATED RED LIGHT ENFORCEMENT SYSTEMS - Under this act, all fines that are generated by municipal red light violations that are detected and enforced through automated photo red light enforcement systems shall be deposited in the state school moneys fund (Section 1)(SA 6).

UTILITY VEHICLES - This act defines the term "utility vehicle" as any motorized vehicle manufactured and used exclusively for off-highway purposes which is 63 inches or less in width, has an unladen dry weight of 1,900 pounds or less, travels on four or six wheels, and is used primarily for agricultural, landscaping, lawn care, or maintenance purposes. Under the act, a utility vehicle shall not be operated upon the highways of this state except:

- (1) Governmental owned and operated utility vehicles for official use;
- (2) Utility vehicles operated for agricultural purposes or industrial on-premise purposes between the official sunrise and sunset;
- (3) Utility vehicles operated occasionally by handicapped persons for short distances only on the state secondary roads between the hours of sunrise and sunset;
- (4) Utility vehicles which have been issued special permits by a city to be used on highways within the city limits by licensed drivers. The city may impose a \$15 fee for such permit; and
- (5) Utility vehicles which have been issued special permits by a county to be used on highways within the county limits by licensed drivers. The county may impose a \$15 fee for the permit.

FISCAL DESCRIPTION (continued)

No person shall operate a utility vehicle:

- (1) In a careless way so as to endanger the person or property of another; or
- (2) While under the influence of alcohol or a controlled substance.

No person shall operate a utility vehicle within any stream or river except by an operator who owns the property or has permission to be on the property on which the waterway flows through or when fording a low-water crossing. A person operating a utility vehicle on a highway shall have a valid operator's or chauffeur's license. The vehicle shall not be operated at a speed of more than 30 miles per hour on a highway. No operator of a utility vehicle shall carry a passenger, except for agricultural purposes, unless the seat of the utility vehicle is designed to carry more than one person. Utility vehicles are exempt from titling and registration. This portion of the act is substantially similar to SB 347 and HB 397 (2007)(section 304.032)(SA 7).

LICENSE PLATE COVERS - This act provides that license plates may be encased in transparent covers so long as the plates are plainly visible and their reflective qualities are not impaired.

APPLICATION OF OTHER STATE WEIGHT LIMITS - Under this act, any commercial motor vehicle originating within this state traversing to a neighboring state may operate or move such motor vehicle on a state highway within this state with a weight limit that meets but does not exceed the weight limits of the destination state. If the weight limits of the destination state are less than the weight limits of this state, then the weight limits of this state shall apply (section 1)(SA 10).

HOUSEHOLD GOOD MOVERS - This act allows common household goods common carriers to file applications to the State Highways and Transportation Commission for approval of rates to reflect increases and 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 (Section 387.075). The act also repeals the exemption that currently allows intrastate 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, 2008 (Section 390.030). The household good mover provisions are similar to the ones contained in SB 45 and SB 39 (2007)(SA 11).

FISCAL DESCRIPTION (continued)

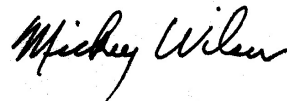
LANGUAGE INTERPRETERS/CDL EXAMINATIONS - This act provides that the director of the Department of Revenue shall neither supply nor permit the use of language interpreters in connection with commercial driver's license examination process (section 302.720). This portion of the act is contained in SB 627)(SA 12).

STOLEN LICENSE PLATE TABS - This act modifies the stolen license plate tabs procedure for obtaining free tabs from the Department of Revenue. Under current law, a person replacing stolen license plate tabs may receive two sets of two license plate tabs for free if the person submits a police report with the application. This act would modify the procedure by requiring any person replacing stolen license plate tabs issued prior to January 1, 2009, to submit a notarized affidavit to that effect. For persons replacing stolen license plate tabs issued on or after January 1, 2009, the person will have to submit a police report with his or her application. This portion of the act is contained in SCS/SB 384 (Section 301.301)(SA 13). This provision of the act contains an emergency clause.

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
Department of Transportation
Office of State Courts Administrator
Department of Corrections
Office of the State Public Defender
Department of Economic Development
Department of Insurance, Financial Institutions and Professional Registration
Office of Prosecution Services
Department of Conservation
Department of Natural Resources
Department of Elementary and Secondary Education
Department of Public Safety
Office of Secretary of State
Office of the State Treasurer
School Districts - Kirksville, Fair Grove, Independence, Columbia, Francis Howell



Mickey Wilson, CPA
Director
March 26, 2007