

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2291-03
Bill No.: SB 580
Subject: Licenses - Motor Vehicle; Licenses - Driver's; Revenue; Law Enforcement
 Officers and Agencies
Type: Original
Date: March 12, 2007

Bill Summary: Requires motorists who have had their driver's licenses suspended or revoked to display restricted license plates.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Highway Fund	Unknown to \$500,500	Unknown to \$600,600	Unknown to \$600,600
Total Estimated Net Effect on Other State Funds	Unknown to \$500,500	Unknown to \$600,600	Unknown to \$600,600

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 5 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 \$212,500	Unknown to \$255,000	Unknown to \$255,000

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - Office of the Director and Missouri State Highway Patrol** state there is no fiscal impact to their agencies.

Officials from the **Office of Secretary of State (SOS)** assume 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 to the SOS office for Administrative Rules is less than \$2,500. 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.

Officials from the **Department of Revenue (DOR)** state this proposal would have minimal impact to their agency. DOR will use existing resources to implement the legislation and OA-IT will absorb any programming costs.

DOR indicated there are approximately 40,000 suspended, revoked, disqualified, and denied licenses per year. If all persons affected turned in their current license plates and were issued a set of restricted plates, the increase in revenue would be \$510,000 to the Highway Fund and \$170,000 to cities and counties.

Oversight assumes that if 50% of those affected were eligible for reinstatement in less than one year, additional income for the purchase of standard plates could be \$255,000 to the Highway Fund and \$85,000 to cities and counties. For fiscal note purposes only, **Oversight** assumes full compliance with this legislation and that two plates would be required for each vehicle.

Oversight assumes there will be a cost to the Highway Fund for the plates. At the current cost of \$1.37 per embossed plate, the cost for 120,000 plates would be \$164,000 a year.

Officials from the following local law enforcement agencies stated the proposal would have no fiscal impact on their departments: **St Joseph Police Department, Boone County Sheriff, and Springfield Police Department.**

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
HIGHWAY FUND			
<u>Income</u> - DOR - Issuance of restricted plates and reissuance of standard plates	Unknown to \$637,500	Unknown to \$765,000	Unknown to \$765,000
<u>Cost</u> - DOR - Purchase of additional plates	(Unknown to <u>\$137,000</u>)	(Unknown to <u>\$164,400</u>)	(Unknown to <u>\$164,400</u>)
NET FISCAL IMPACT ON HIGHWAY FUND	<u>Unknown to \$500,500</u>	<u>Unknown to \$600,600</u>	<u>Unknown to \$600,600</u>

<u>FISCAL IMPACT - Local Government</u>	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	Unknown to <u>\$212,500</u>	Unknown to <u>\$255,000</u>	Unknown to <u>\$255,000</u>
ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS	<u>Unknown to \$212,500</u>	<u>Unknown to \$255,000</u>	<u>Unknown to \$255,000</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

Under this proposal, 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 which shall be

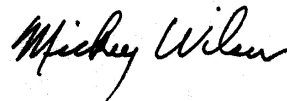
FISCAL DESCRIPTION (continued)

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. The applicant shall pay replacement plate fees for the restricted license plates. After reinstatement, standard plates shall be obtained under the requirements and fees established in chapter 301, RSMo.

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 Public Safety
 Office of the Director
 Missouri State Highway Patrol
Office of Secretary of State
 Administrative Rules Division
Local Law Enforcement
 Springfield Police Department
 Boone County Sheriff
 St Joseph Police Department



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Director
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