

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3509-03  
Bill No.: SCS for SB 761 & 774  
Subject: Motor Vehicles; Transportation; Transportation Department; Licenses - Motor Vehicles; Motor Carriers; Buses; Law Enforcement Officers and Agencies; Revenue Department; Licenses - Driver's; Highway Patrol; Roads and Highways.  
Type: Original  
Date: February 8, 2008

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Bill Summary: This proposal modifies various laws relating to transportation and the regulation of motor vehicles.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	\$165,127	\$482,726	\$481,708
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$165,127</b>	<b>\$482,726</b>	<b>\$481,708</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Road Fund	Unknown	Unknown	Unknown
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>Unknown</b>	<b>Unknown</b>	<b>Unknown</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 11 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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## **FISCAL ANALYSIS**

### ASSUMPTION

Officials at the **Missouri Department of Transportation (MoDOT)** assume the fiscal impact of the following sections as follows:

Section 227.103 - Allows for the use of annual bid bonds in lieu of project specific bid bonds. This provision might result in some administrative savings to MoDOT, but the amount of such savings is speculative.

Section 302.305 - This section will have a positive impact on MoDOT because it requires drivers whose license are suspended or revoked to pay two additional license plate fees (in addition to the other registration fees these drivers must pay before being reinstated). The exact amount of this positive fiscal impact is unknown.

Sections 390.021 & 390.136 The Unified Carrier Registration (UCR) Agreement was established in the federal UCR Act of 2005, as part of the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) (Public Law 109-59, August 10, 2005). The UCR Act repeals and replaces the federal Single State Registration System (SSRS). MoDOT assumes no fiscal impact as long as this legislation passes. If not the department will have a \$2,342,000 loss in registration fees annually.

**Oversight** assumes that the state will comply with federal law and not lose the annual registration fee revenues.

Officials at the **Department of Revenue (DOR)** assume DOR will utilize existing resources to complete all testing, implementation and processing of proposed legislation that has changes affecting the bureau. Additionally, DOR assumes the following legislative proposals do not impose an impact on the department: 227.103, 301.010, 301.010.52, 302.275.2, 302.321.2, 302.755.8, 302.725.9, 302.775(1) a, b, c and d, 302.775(2), 304.032, 304.070, 304.230, 304.232, 304.281.3, 307.100.2, 304.179.2(5), 385.400, 385.403, 385.406, 385.409, 385.412, 385.415, 385.418, 385.421, 385.424, 385.427, 385.430, 385.433 and 385.436, 390.021, 390.136.4, 390.071, 622.095.

DOR assumes Section 301.130 would require the Motor Vehicle department to require funding in the amount of \$265,417 for 216,962 additional license plates/tabs in FY '09 in order to issue second license plates to commercial motor vehicles licensed in excess of 12,000 lbs, as well as \$33,927 for 21,670 plates/tabs (10%) each subsequent year for new registrations.

ASSUMPTION (continued)

DOR assumes Section 306.535 may have an increase due to outboard motor title penalties increasing. DOR assumes the same number of applicants will be delinquent in titling outboard motors with the new increase penalties in place as the current penalties, there will be an increase in General Revenue funds in outboard motor title penalties in the amount of \$430,544 in FY09 and \$516,653 each fiscal year thereafter.

DOR assumes Section 306.535 would require the Motor Vehicle department to revise procedures/forms to reflect the increase in outboard motor title penalties as well as issue a mailing to boat dealers. These costs would be minimal and could be absorbed

DOR assumes Section 430.082 would require the Motor Vehicle department to revise procedures/forms to reflect the mechanic lien title changes. This will be absorbed.

Office of Administration Information Technology (ITSD DOR) estimates that this legislation could be implemented utilizing 4 existing CIT III's for 3 month at a rate of \$41,860. ITSD DOR estimates the IT portion of this request can be accomplished within existing resources; however; if priorities shift, additional FTE/overtime would be needed to implement.

Officials at the **Department of Corrections (DOC)** assume the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

Officials at the **Department of Labor and Industrial Relations (DOLIR)** assume the proposed language in Section 302.275.2 RSMO, provides that an individual may be discharged for failure to notify his or her employer of a "citation for an intoxicated-related traffic offense". For the Division of Employment Security to deny unemployment benefits, the employee would need to be considered as discharged for misconduct connected with work so that it would disqualify the employee from receiving unemployment benefits.

It is assumed the number of individuals that would be affected by this provision would be small; however DOLIR has no way of determining the actual number of individuals who would be discharged under these circumstances and who would subsequently apply for unemployment compensation. DOLIR is assuming a small savings to the trust fund, the amount is unknown.

Officials at the **Department of Elementary and Secondary Education (DESE)** assume 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

ASSUMPTION (continued)

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.

Officials from the **Office of the Secretary of State (SOS)** state 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 the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes 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 the office can sustain with the core budget. Therefore, the SOS reserves 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.

**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.

Officials at the **Office of Prosecution Services** assume this would not have a significant direct fiscal impact on county prosecutors or the Office of Prosecution Services.

Officials at the **Missouri Highway Patrol, Office of the State Treasurer, Department of Higher Education, Office of the State Courts Administrator, Linn State Technical College, Metropolitan Community College, University of Missouri, Lincoln University, Missouri State University, University of Central Missouri, Boone County Sheriff's Office, St. Louis County, Springfield Police Department** and the **Department of Public Safety** assume that there is no fiscal impact from this proposal to their respective institutions.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
<b>GENERAL REVENUE</b>			
<u>Income</u> - Department of Revenue additional title penalties collected	\$430,544	\$516,653	\$516,563
<u>Cost</u> - Department of Revenue additional license plates	<u>(\$265,417)</u>	<u>(\$33,927)</u>	<u>(\$34,945)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>\$165,127</u></b>	<b><u>\$484,726</u></b>	<b><u>\$481,708</u></b>
<b>ROAD FUND</b>			
<u>Income</u> - Department of Transportation Additional license fees	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<b>ESTIMATED NET EFFECT ON ROAD FUND</b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

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

## FISCAL DESCRIPTION

This act modifies various laws relating to transportation and the regulation of motor vehicles. Several of the provisions contained within this act were also contained in the Senate Substitute for HB 744 (2007).

**ANNUAL BID BOND** - This act provides that the Highways and Transportation Commission is authorized to accept an annual bid bond for its construction and maintenance projects. The commission shall prescribe the form and content of an annual bid bond.

**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, 2009.

**RESTRICTED LICENSE PLATES** - Under this act, any person whose driver's license has been suspended, revoked, or disqualified for a period for a period greater than 60 days 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 which shall bear a special series of numbers or letters so as to be readily identified by the highway patrol and other law enforcement officers. The restricted license plates 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 may stop vehicles bearing the restricted license plates to determine whether the driver of such vehicle has a valid driver's license. 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

FISCAL DESCRIPTION (continued)

owner of motor vehicle. Any vehicle acquired by the applicant during the period of restriction shall display the restricted license plates (Section 302.305). The provisions of this section become effective January 1, 2009.

EXPUNGEMENT OF RECORDS OF CDL HOLDERS - This act prohibits the expungement of a minor in possession (MIP) 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 a 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).

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). (section 304.070).

COMMERCIAL MOTOR VEHICLE INSPECTIONS - This act requires the state patrol to establish a program to certify local law enforcement officers with respect to enforcing commercial motor vehicle laws. The certification procedures established by the Highway Patrol shall include training, testing, on-the-job experience, data collection and other prescribed components. The certification procedures shall meet the requirements established by the Commercial Vehicle Safety Alliance (CVSA). The Highway Patrol is authorized to establish reasonable fees to recover the costs of training and certification. Beginning January 1, 2009, no law enforcement officer may make an arrest, issue a citation or conduct a commercial motor vehicle roadside inspection to determine compliance with the applicable commercial motor vehicle laws unless the law enforcement officer has satisfactorily completed a basic training course developed by CVSA and has been certified by the Highway Patrol (Section 304.232).



ASSUMPTION (continued)

Beginning January 1, 2009, only law enforcement officers that have been certified by the Missouri State Highway Patrol under the act, members of the Missouri State Highway Patrol, or commercial vehicle enforcement officers shall have the authority to conduct random roadside examinations or inspections to determine compliance with the commercial motor vehicle weight and size limit laws (Sections 304.170 to 304.230), and only such officers shall have the authority, with or without probable cause to believe that the size or weight is in excess of that permitted by the law, to require the driver, operator, owner, lessee, or bailee, to stop, drive, or otherwise move to a location to determine compliance with the law. A law enforcement officer not certified under the act, however, may stop a vehicle that has a visible external safety defect that could cause immediate harm to the traveling public. In the course of a stop, the law enforcement officer shall identify to the driver the defect that caused the stop.

If the vehicle passes the roadside inspection, the law enforcement officer, state highway patrolman, or other authorized person may issue the operator, driver, owner, lessee, or bailee of such vehicle a Commercial Vehicle Safety Alliance inspection decal to be affixed to the vehicle in a manner prescribed by the superintendent. Once issued, the decal shall be valid for a period not to exceed three consecutive months and shall exempt the vehicle from further inspection during such period. However, nothing shall exempt the operator from subjecting such vehicle to an examination or inspection if the vehicle has a visible external safety defect or the law enforcement officer at hand has probable cause to believe that the size or weight of the vehicle is in excess of that permitted by the law. The act authorizes the superintendent of the Missouri State Highway Patrol to promulgate rules and regulations regarding the size and placement of the sticker and any ancillary issues related to the issuance, display, or use of the decal (section 304.230 and 304.232).

**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

ASSUMPTION (continued)

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).

**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).

**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 (section 307.179).

**IMPLEMENTATION OF UNIFIED CARRIER REGISTRATION ACT** - This act authorizes the State Highways and Transportation Commission to take the necessary steps to implement and administer a state plan to conform with the Unified Carrier Registration Act (UCR Act) of 2005. The federal UCR Act includes provisions to eliminate the Single State Registration System (SSRS) by January 2007 and replace it with the Unified Carrier Registration (UCR) Agreement (Sections 390.021 and 390.136). The act also repeals Section 390.071 (pertaining to the issuance of interstate motor carrier permits) and Section 622.095 (relating to the single state registration system).

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

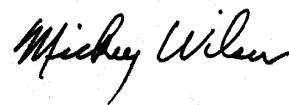
Missouri Department of Transportation  
Department of Labor and Industrial Relations  
Department of Higher Education  
Office of the State Treasurer

JH:LR:OD (12/07)

University of Central Missouri  
Missouri State University

SOURCES OF INFORMATION (continued)

Lincoln University  
Office of the Secretary of State  
Missouri Highway Patrol  
Department of Elementary and Secondary Education  
University of Missouri  
Metropolitan Community College  
Linn State Technical College  
Boone County Sheriff's Office  
Office of the State Courts Administrator  
City of Springfield  
Department of Revenue  
Department of Public Safety  
Department of Corrections  
Office of Prosecution Services  
St. Louis County



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