

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3509-08  
Bill No.: Perfected SS for SCS for SB nos. 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: March 27, 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	(\$316,290 to \$342,670)	(\$406,889 to \$433,937)	(\$434,357 to \$462,642)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$316,290 to \$342,670)</b>	<b>(\$406,889 to \$433,937)</b>	<b>(\$434,357 to \$462,642)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Environmental Radiation Monitor	(\$98,176)	(\$94,057)	(\$96,879)
Motor Vehicle Commission	(\$4,456)	\$0	\$0
Road Funds	(Less than \$2,289,956)	(Less than \$2,241,956)	(Less than \$2,241,956)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(Less than \$2,392,588)</b>	<b>(Less than \$2,336,013)</b>	<b>(Less than \$2,338,835)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 23 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>
Federal Funds	\$20,272 to \$47,303	\$20,789 to \$48,508	\$21,318 to \$49,742
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$20,272 to \$47,303</b>	<b>\$20,789 to \$48,508</b>	<b>\$21,318 to \$49,742</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>
Hazardous Waste Fund	0.27 to 0.63	0.27 to 0.63	0.27 to 0.63
Environmental Radiation Monitor Fund	1	1	1
<b>Total Estimated Net Effect on FTE</b>	<b>1.27</b>	<b>1.27</b>	<b>1.27</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>Less than \$2,241,956</b>	<b>Less than \$2,241,956</b>	<b>Less than \$2,241,956</b>

### FISCAL ANALYSIS

#### ASSUMPTION

Officials at the **Missouri Department of Transportation (MoDOT)** assume the fiscal impact 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 from the **Department of Revenue (DOR)** assume they will utilize existing resources to complete all testing, implementation and processing of proposed legislation that has changes affecting the bureau.

ASSUMPTION (continued)

DOR assumes the following legislative proposals do not impose an impact on their 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,

Section 142.815;

The Tax department will need to:

- This would create the need for form changes and minor Fuel Tax system changes.
- This would also create the need for an informational bulletin to be sent to all the school districts in Missouri.

Section 301.010.52; - would require funding from the Motor Vehicle Commission Fund in the amount of \$4,456 for dealer mailings. (envelopes, printing, postage)

Section 301.140.8; - Process transactions in TRIPS to generate a receipt to the customer and transmit the refund information to Sam II and MTAS as well as cancel the registration in GRS.

Section 306.535; -The Motor Vehicle department will need to revise procedures/forms to reflect the increase in outboard motor title penalties as well as issue a mailing to boat dealers. These costs will be minimal and will be absorbed.

Section 430.082; - the Motor Vehicle department will need to revise procedures/forms to reflect the mechanic lien title changes. This will be absorbed.

Due to the Statewide Information Technology Consolidation, DOR's response to a proposal will now also reflect the cost estimates prepared by OA-IT for impact to the various systems. As a result, the impact shown may not be the same as previous fiscal notes submitted. In addition, if the legislation is Truly Agreed To and Finally Passed, the OA-IT costs shown will be requested through appropriations by OA-IT.

Office of Administration Information Technology (ITSD DOR) estimates that this legislation could be implemented utilizing 6 existing CIT III's for 6 month at a rate of \$4,186. Office of Administration Information Technology (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.

ASSUMPTION (continued)

DOR assumes section 142.815 exempts motor fuel used to operate buses for educational purposes. Exemptions result in less tax due; therefore, would result in reduced state revenues.

DOR assumes with section 301.140.8, currently, applicants receive a refund credit when they surrender their plates toward the purchase of another license plate. Under this proposal, applicants would receive a refund on the unused portion of their license plates even when they do not plan to purchase another registration. This would result in an unknown amount of refunds, potentially resulting in a significant loss to highway funds and cities and counties.

DOR assumes section 306.535 would result in a revenue INCREASE due to outboard motor title penalties (GR): If you assume the same number of applicants will be delinquent in titling outboard motors with the new increased 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 FY'09 and \$516,653 each fiscal year thereafter.

DOR assumes a fiscal impact from sections 301.057 and 301.058. In FY '07 there were 1,717 vehicles registered with beyond local 78,000 + pound plates and 9,895 vehicles registered with local 72,000 + pound plates totaling \$6,420,580 in revenue. It is unknown as to how many of these currently registered vehicles will move or can move to the new 80,001 pounds to 85,500 pounds BL/ and L category proposed by this legislation. It is also unknown as to how many future applicants will acquire this category therefore the overall revenue impact is unknown.

In response to a previous version of this proposal, officials from the **Department of Corrections (DOC)** assumed the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

In response to a previous version of this proposal, officials from the **Department of Labor and Industrial Relations (DOLIR)** assumed 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.

ASSUMPTION (continued)

In response to a previous version of this proposal, officials from the **Department of Elementary and Secondary Education (DESE)** assumed 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.

In response to a previous version of this proposal, officials from the **Office of the Secretary of State (SOS)** stated 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.

In response to a previous version of this proposal, officials at the **Office of Prosecution Services** assumed this would not have a significant direct fiscal impact on county prosecutors or the Office of Prosecution Services.

Officials at the **Office of the State Treasurer, Department of Higher Education** and the **Department of Public Safety** assume that there is no fiscal impact from this proposal to their respective agencies.

ASSUMPTION (continued)

Sections 260.392, 260.398, 260.399 & 260.750 - Nuclear Waste.

In response to a similar proposal from this year (SB 919), officials from the **Department of Health and Senior Services (DHSS)** assumed they would be responsible for inspection of radioactive material and waste shipments that are the subject of this proposal. DHSS will also be involved in the training of public health officials, state and local emergency responders, and others concerned with the transport of radioactive wastes. Finally, Section 192.510, RSMo., requires DHSS to be responsible for responding to all emergencies involving radioactive material. Under this proposal, DHSS would respond to such incidents.

Officials from the **Department of Natural Resources (DNR)** assume since Missouri does not currently require notification or collect a fee on any low-level radioactive waste shipments, the total number currently transported through the state is unknown. To attempt to predict how many of each type of shipment is reasonable to expect in the upcoming year DNR staff gathered shipment data from Illinois and Iowa, as well as the federal Department of Energy (DOE). Because Illinois does not collect a fee on low-level waste, no data was available on shipments that might enter Missouri from Illinois. Iowa does track low-level shipments due to their fee on this type of waste, but not all shipments go through Missouri prior to entering Iowa. Information from the DOE indicates that shipments vary based on several factors. Currently, DOE is cleaning up several former nuclear weapons manufacturing facilities. The ultimate disposal site of this waste depends on the outcome of DOE's bidding procedure. Once a disposal facility is selected, DOE selects a shipping company, and the shipping company selects the shipment route. DOE does provide information on an annual basis, with an estimate of what type and number of shipments may come through the various states.

The proposal would establish a fee of \$125 for each truck or train transporting or shipping low-level radioactive waste through or within the state.

Using these sources of information, DNR estimates between 430 and 1,400 shipments can be anticipated in any given twelve-month period. The level of anticipated revenue as well as the level of effort needed to implement this proposal would be dependent on the number of shipments that came through Missouri. For purposes of this fiscal note, the department has shown the income from fees and the associated costs as a range to more accurately reflect potential fiscal impact to the state.

ASSUMPTION (continued)

Option 1 - Income Low End of Range:

High-level: 2 shipments + 3 MURR no fee shipments	\$ 6,100
24 HRCQ shipments 285 miles each	\$ 94,200
400 low-level shipments annually	<u>\$ 50,000</u>
Estimated Annual Fee Income	\$150,300

Option 1 - Expenses:

Escorts: 2 high-level shipments (MURR direct pay)	\$ 2,960
Radiological inspections: 5 high-level shipments	\$ 1,400
Radiological inspections: 40 low-level shipments	\$ 11,200
DNR Fund Administration	\$ 16,984
Environmental Monitoring	\$ 13,500
Training & Notification of Local Responders	\$ 30,962
Equipment & Supplies for State & Local Responders	<u>\$ 73,294</u>
Total Option 1 Expenses	\$150,300

Option 2 - Income High End Range

High-level shipments: 2 + 4 MURR no fee shipments	\$ 6,100
45 HRCQ shipments 285 miles each	\$176,625
350 non-DOE Lo-level shipments	\$ 43,750
1000 DOE low-level shipments	<u>\$125,000</u>
Estimated Annual Fee Income	\$351,475

Option 2 - Expenses

Escorts: 2 high-level shipments (MURR direct pay)	\$ 2,960
Escorts: 45 HRCQ shipments	\$ 66,600
Radiological inspections: 6 high-level shipments	\$ 1,680
Radiological inspections: 45 HRCQ shipments	\$ 12,600
Radiological inspections: 135 low-level shipments	\$ 37,800
DNR Fund Administration	\$ 39,800
Environmental Monitoring	\$ 13,500
Training & Notification of Local Responders	\$ 72,404
Equipment & Supplies for State & Local Responders	<u>\$104,214</u>
Total Option 1 Expenses	\$351,475



ASSUMPTION (continued)

Monies would be used by DPS, DOH and MDNR for purposes including, but not limited to, inspections, escorts, and security for waste shipment and planning; coordination of emergency response capability; education and training of state, county and local emergency responders; purchase and maintenance of necessary equipment; emergency responses to any transportation incident involving high-level radioactive waste, transuranic radioactive waste, highway route controlled quantity shipments, spent nuclear fuel or low-level radioactive waste; oversight of an environmental remediation necessary resulting from an incident; and administrative costs attributable to the state agencies which are incurred through their involvement.

To meet the staffing needs from this proposal the department would use existing FTE. The department would restructure the duties to the FTE to implement the requirements of this legislation. For purposes of this fiscal note, the costs for the FTE is charged to the Environmental Radiation Monitoring Fund which is a shift from the Hazardous Waste Fund and Federal funds. Therefore, a corresponding savings is shown to the Hazardous Waste and Federal Funds.

County and local emergency responders would receive training, equipment and supplies as funds are available from this proposal.

Senate Amendment 1:

In response to a similar proposal from this year (SB 881), officials from the **Missouri Department of Transportation (MoDOT)** assumed this would require MoDOT to establish rules and regulations for the drunk driving victim memorial sign program. MoDOT will be responsible for establishing rules and regulations 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. The total cost of two signs, one for each direction will be \$1,040. Based on statistics from the safety division, 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. 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.

**Oversight** assumes no fiscal impact to MoDOT or the State Road Fund as a result of this proposal since the proposal allows MoDOT to charge a fee to cover all costs associated with the signs.

ASSUMPTION (continued)

Senate Amendment 2:

Officials from the **Department of Revenue (DOR)** state currently all renewal notices are printed utilizing a professional flyer that uses color to distinguish pertinent information to Missouri citizens about the vehicle renewal registrations. The information contained in these color sections specifically indicate the requirements for renewal and what needs to be submitted for compliance. In addition, the notice allows for opportunity to highlight public safety issues and law changes.

DOR will incur the following impact to ensure that the quality of renewal notices to Missouri citizens is maintained.

- Incur all forms and printing/envelope costs.
- Additional postage costs for 3.4 million renewal notices each year. DOR only pays \$.191 per renewal notice for postage because this is at the postcard rate.
- Incur maintenance costs for the machine that inserts/folds the renewals in the Mail Service Center at \$45,000 each year.

These expenses are \$793,000 in FY'09, \$970,878 in FY'10, and \$1,000,006 in FY'11. All other forms, printing, and envelope costs are paid for by the vendor in accordance with the contract, in return for DOR allowing advertising to be included with the notices.

In response to a similar proposal from this year (HB 1519), officials from the **Office of Administration Information Technology (ITSD DOR)** estimated that this legislation could be implemented utilizing 3 existing CIT III's for 2 months at a rate of \$25,116. 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. Funding would be requested through the budget process.

Senate Amendment 5:

In response to a similar proposal from this year (SB 936), officials from the **Department of Revenue (DOR)**, **Department of Transportation (MoDOT)** and **Department of Natural Resources (DNR)** assumed no fiscal impact to their agency.

Officials from the **City of St. Louis (STL)** have not responded to our request for a fiscal impact from this proposal.

ASSUMPTION (continued)

Senate Amendment 6:

In response to a similar proposal from this year (SB 1187), officials from the **Department of Public Safety - Director's Office** and the **Water Patrol** each assumed the proposal would not fiscally impact their respective agencies.

**Oversight** assume the amendment, by itself, would not have a direct fiscal impact upon the state. Oversight assumes the proposal would allow the Water Patrol to potentially get appropriations for additional members; however, Oversight assumes that would not be a direct fiscal impact resulting from this amendment.

Senate Amendment 8:

In response to a similar proposal from this year (SB 722), officials from the **Office of Administration, Division of Budget and Planning** (BAP) assume there should be no added cost to BAP as a result of this bill. BAP officials stated that the Department of Elementary and Secondary Education (DESE) may also want to comment on this proposal.

BAP officials assume that exempting motor fuel used to operate public school buses from the Motor Fuel Tax would mean fewer dollars deposited into the Motor Fuel Tax Fund for distribution to the State Highways and Transportation Department Fund, County Aid Road Trust Fund, and funds distributed to cities, towns and villages.

In response to a similar proposal from this year (SB 722), officials from the **Missouri Department of Conservation** (MDC) assumed this proposal would appear to have a negative fiscal impact on MDC funds since it appears to exempt motor fuel used in school buses from sales tax. However, MDC is unable to provide the estimated amount and will rely on DOR for the fiscal impact of this legislation.

Officials from the **Department of Revenue** (DOR) assume this proposal would create the need for form changes and minor Fuel Tax system changes, and for an informational bulletin to be sent to all the school districts in Missouri. DOR Division of Taxation does not anticipate a significant direct impact from this legislation.

DOR officials forwarded an estimate from the Office of Administration Information Technology (ITSD/DOR). ITSD/DOR assumes this proposal could be implemented utilizing 1 existing CIT III for 1 month for modifications to MINITS at a cost of \$4,186. ITSD/DOR assumes the IT

ASSUMPTION (continued)

portion of this request could be accomplished within existing resources, however; if priorities shift, additional FTE/overtime would be needed to implement.

DOR officials stated that any exemption of fuel tax would reduce the amount of funds distributed to MODOT and political subdivisions. Counties currently receive a 10% share of the proceeds while cities receive a 15% share, of the first 11 cents of the motor fuel tax. For the 6-cent motor fuel tax enacted in 1992, counties receive a 15% share of proceeds and cities receive a 15% share.

Officials from the **Department of Transportation** (MODOT) assume this proposal would result in reduced collections for the Road fund and to local governments.

According to DESE they expect a 1.002% bus travel growth annually. The total bus miles traveled during the 2006-07 school year was 126,226,556. The average school bus gets 7 miles per gallon. Total gallons used ( $126,226,556/7=18,032,365.14$ ). That would be an income lose of \$3,065,502.07. Adding the 1% growth rate the impact would be (\$3,077,776.34) (FY 09), (\$3,083,931.90) (FY 10) & (\$3,090,099.76) (FY 11) - Note this also includes the lost revenue to cities and counties.

In response to a similar proposal from this year (SB 722), officials from the **Department of Elementary and Secondary Education** (DESE) assumed this proposal would create a savings to school districts and a loss to the state. DESE calculates that total miles traveled by school district owned and contracted buses were 126,045,655 for the 2006-2007 school year. By dividing total miles by an average of 7 miles per gallon, this yields 18,006,522 gallons of fuel used annually. Multiplying gallons of fuel used by 17 cents per gallon (the current Missouri fuel tax) results in an estimated annual fuel tax exemption for school districts of \$3,061,109.

The above estimate assumes that school bus contractors have arrangements or can make arrangements so that the Missouri fuel tax will not be paid by the school bus contractors thereby reducing the cost of bus transportation to school districts. For example, it is a practice by some school districts to purchase the fuel used by contractors.

**Oversight** notes that school mileage reported by DESE did not increase from 2005-2006 to 2006-2007. Oversight assumes for the purposes of this fiscal note that school bus mileage will remain constant, that the school districts would realize the full savings from the proposal, and that administrative costs to the state and the school districts would be minimal. Oversight also assumes the proposal would become effective as of August 28, 2008 and has reflected the fiscal impact for a full school year. Oversight has calculated the estimated impact of this proposal in

ASSUMPTION (continued)

the following table.

	FY 2009	FY 2010	FY 2011
Road Fund	\$2,241,956	\$2,241,956	\$2,241,956
Cities	\$459,166	\$459,166	\$459,166
Counties	\$359,986	\$359,986	\$359,986
Total	\$3,061,109	\$3,061,109	\$3,061,109

Senate Amendment 10:

Officials from the **Office of the State Courts Administrator** assume this amendment will not fiscally impact the courts.

Officials from the **Department of Revenue** assume no impact from this amendment.

Officials from the **Department of Public Safety** assume this amendment would not fiscally impact their agency.

Officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** state this amendment states that MULES will be searched for intoxication-related traffic offenses. However, MULES is not currently designed to access databases that include this information. The Patrol would have to create new queries to access databases outside of MULES. A consultant would need to be hired, and this would require 480 hours of work to develop these new queries, at a cost of \$100 per hour. This would be a total of \$48,000 (480 hours x \$100 per hour).

Senate Amendment 11:

Oversight assumes this amendment will not have a fiscal impact on the Department of Public Safety.

Officials from the **Department of Public Safety** assume this amendment would not fiscally impact their agency.

ASSUMPTION (continued)

Senate Amendment 12:

Officials from the **Office of the State Courts Administrator** assume this amendment will not fiscally impact the courts since it is permissive (may).

Officials from the **Department of Revenue** assume no impact from this amendment.

<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 (306.535)	\$430,544	\$516,653	\$516,563
<u>Cost Avoidance</u> - Department of Natural Resources (Sections 260.392 - 260.750)			
Salaries (.27 FTE to .63 FTE)	\$12,677 to \$29,580	\$12,994 to \$30,318	\$13,318 to \$31,076
Fringe Benefits	\$5,606 to \$13,080	\$5,746 to \$13,407	\$5,889 to \$14,291
Equipment & Expense	<u>\$1,503 to \$3,506</u>	<u>\$1,548 to \$3,611</u>	<u>\$1,594 to \$3,719</u>
Total Cost Avoidance - DNR	<u>\$19,786 to \$46,166</u>	<u>\$20,288 to \$47,336</u>	<u>\$20,801 to \$49,086</u>
Estimated Net FTE Change for DNR	.27 to .63	.27 to .63	.27 to .63
<u>Cost</u> -DOR - Printing, envelope, postage, and maintenance costs for vehicle registration renewal notices (SA 2)			
	(\$793,000)	(\$970,878)	(\$1,000,006)
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b>(\$316,290 TO <u>\$342,670</u>)</b>	<b>(\$406,889 TO <u>\$433,937</u>)</b>	<b>(\$434,357 TO <u>\$462,642</u>)</b>

**ENVIRONMENTAL RADIATION  
 MONITOR FUND**

Cost - Department of Health & Senior  
 Services (Sections 260.392 - 260.750)

Salaries (1 FTE)	(\$41,715)	(\$42,966)	(\$44,255)
Fringe Benefits	(\$18,880)	(\$19,446)	(\$20,030)
Equipment & Expense	(\$26,735)	(\$20,474)	(\$21,088)
Other Fund Costs	<u>(\$10,846)</u>	<u>(\$11,171)</u>	<u>(\$11,506)</u>

**ESTIMATED NET EFFECT ON  
 ENVIRONMENTAL RADIATION  
 MONITOR FUND**

<b><u>(\$98,176)</u></b>	<b><u>(\$94,057)</u></b>	<b><u>(\$96,879)</u></b>
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Estimated Net FTE Change for  
 Environmental Radiation Monitor Fund

1	1	1
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**MOTOR VEHICLE COMMISSION**

Costs - Department of Revenue  
 dealer mailings, envelopes, printing and  
 postage (Section 301.010(52))

<u>(\$4,456)</u>	<u>\$0</u>	<u>\$0</u>
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**ESTIMATED NET EFFECT TO THE  
 MOTOR VEHICLE COMMISSION  
 FUND**

<b><u>(\$4,456)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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**ROAD FUNDS**

<u>Income</u> - Department of Transportation Additional license fees (Section 302.305)	Unknown	Unknown	Unknown
<u>Income</u> - Department of Revenue New Beyond Local and Local plates above 80,000 lbs (Sections 301.057 & 301.058)	Unknown	Unknown	Unknown
<u>Loss</u> - Reduced revenue due to refunds from surrendered license plates (Section 301.140.8)	Less than (\$100,000)	Less than (\$100,000)	Less than (\$100,000)
<u>Income</u> - Department of Transportation Sponsoring Fee (SA 1)	\$234,000	\$280,800	\$280,800
<u>Costs</u> - Department of Transportation Expenses of creating & maintaining the signs (SA 1)	(\$234,000)	(\$280,800)	(\$280,800)
<u>Loss</u> - MODOT Motor fuel tax exemption for school bus operation (SA 8).	(\$2,241,956)	(\$2,241,956)	(\$2,241,956)
<u>Cost</u> - Highway Patrol Database changes to MULES (SA 10)	<u>(\$48,000)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON ROAD FUNDS</b>	<b>(Less than to <u>\$2,289,956</u>)</b>	<b>(Less than to <u>\$2,241,956</u>)</b>	<b>(Less than <u>\$2,241,956</u>)</b>



<u>FISCAL IMPACT - Federal Government</u>	FY 2009	FY 2010	FY 2011
<b>FEDERAL GOVERNMENT</b>			
<u>Cost Avoidance (Savings) - Federal Government (Sections 260.392 - 260.750)</u>	<u>\$20,272 to</u> <u>\$47,303</u>	<u>\$20,789 to</u> <u>\$48,508</u>	<u>\$21,318 to</u> <u>\$49,742</u>
<b>ESTIMATED NET EFFECT ON FEDERAL GOVERNMENT</b>	<b><u>\$20,272 to</u></b> <b><u>\$47,303</u></b>	<b><u>\$20,789 to</u></b> <b><u>\$48,508</u></b>	<b><u>\$21,318 to</u></b> <b><u>\$49,742</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
<b>LOCAL GOVERNMENTS</b>			
<u>Loss - Counties - Reduced revenue due to refunds from surrendered license plates (Section 301.140.8)</u>	Less than (\$100,000)	Less than (\$100,000)	Less than (\$100,000)
<u>Loss - Cities - Reduced revenue due to refunds from surrendered license plates (Section 301.140.8)</u>	Less than (\$100,000)	Less than (\$100,000)	Less than (\$100,000)
<u>Loss - Cities</u> Motor fuel tax exemption for school bus operation. (SA 8)	(\$459,166)	(\$459,166)	(\$459,166)
<u>Loss - Counties</u> Motor fuel tax exemption for school bus operation. (SA 8)	(\$359,986)	(\$359,986)	(\$359,986)
<u>Savings - School Districts</u> Motor fuel tax exemption for school bus operation. (SA 8)	<u>\$3,061,109</u>	<u>\$3,061,109</u>	<u>\$3,061,109</u>
<b>ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS</b>	<b><u>Less than</u></b> <b><u>\$2,241,956</u></b>	<b><u>Less than</u></b> <b><u>\$2,241,956</u></b>	<b><u>Less than</u></b> <b><u>\$2,241,956</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

FISCAL DESCRIPTION (continued)

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 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 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).

**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

FISCAL DESCRIPTION (continued)

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).

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

FISCAL DESCRIPTION (continued)

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).

**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).

**Senate Amendment 1** - the Department of Transportation shall establish and administer a drunk driving victim memorial sign program. This act shall be known as "David's Law." 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.

FISCAL DESCRIPTION (continued)

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.

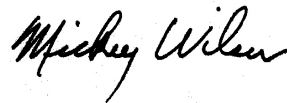
Senate Amendment 2 - prohibits the Department of Revenue from including commercial inserts or other forms of advertising in motor vehicle registration renewal notices.

Senate Amendment 8 - would exempt motor fuel used for school buses from the motor fuel tax.

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  
Office of the Secretary of State  
Missouri Highway Patrol  
Department of Elementary and Secondary Education  
Office of the State Courts Administrator  
Department of Revenue  
Department of Public Safety  
Department of Corrections  
Office of Prosecution Services



Mickey Wilson, CPA  
Director  
March 27, 2008