

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1687-05
Bill No.: HCS for SCS for SB 293
Subject: Motor Vehicles: Roads and Highways; Transportation; Transportation Department
Type: Original
Date: April 27, 2009

Bill Summary: This proposal modifies provisions regarding transportation and motor vehicles.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
General Revenue	(Unknown - Expected to be less than \$100,000) Up to \$150,000	(Unknown - Expected to be less than \$100,000)	(Unknown- Expected to be less than \$100,000)
Total Estimated Net Effect on General Revenue Fund	(Unknown - Expected to be less than \$100,000) Up to \$150,000	(Unknown - Expected to be less than \$100,000)	(Unknown- Expected to be less than \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Highway Fund	Unknown - Expected to be Less than \$100,000	(Unknown - Up to \$263,074)	(Unknown- Up to \$526,148)
State Road Fund	(\$158,000)	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	Unknown - Up to (\$158,000)	(Unknown - Up to \$263,074)	(Unknown - Up to \$526,148)

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 17 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
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 2010	FY 2011	FY 2012
Local Government	Unknown - Expected to be less than \$100,000	Unknown - Expected to be less than \$100,000	Unknown - Expected to be less than \$100,000

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration - Administrative Hearing Commission, Department of Public Safety - Missouri State Highway Patrol, Department of Agriculture, Department of Natural Resources, Department of Health and Senior Services, and the Department of Financial Institutions and Professional Registration** assume this proposal will have no fiscal impact on their respective agencies.

Officials from the **Department of Conservation (MDC)** assume this proposal will have no fiscal impact on MDC funds.

Officials from the **Office of Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials from the **Office of State Courts Administrator** state this proposal will have no fiscal impact on the Courts.

Officials from the **Department of Public Safety - Office of the Director** assume any costs associated with this proposal can be absorbed with existing resources.

According to officials from the **Office of Secretary of State (SOS)**, many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the proposal. 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.

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. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

§21.795 and 226.030 - Transportation Inspector General

Officials from the **Missouri House of Representatives, Missouri Senate, and the Missouri Department of Transportation** assume that there is no fiscal impact from portion of the proposal.

ASSUMPTION (continued)

§23.156 - Oversight oath of confidentiality

Oversight assumes that there is no fiscal impact from section of the proposal.

§226.222 - MoDOT planning process

Officials from the **Missouri Department of Transportation (MoDOT)** assume MoDOT's normal planning process includes analysis of all transportation users' needs on every project. During each project's development, MoDOT staff works to identify all needs, not just those of motorized traffic, to ensure projects are comprehensive in addressing appropriate facilities. This is done through a collaborative process involving locally elected officials, communities, users, advocacy groups, public meetings and all others potentially impacted. Therefore there is no impact from this proposal.

§227.310, 227.311, 227.313, 227.368, 227.402, 227.407, 227.409, 227.410 - Memorial Highway and Bridge Signs

MoDOT officials assume no fiscal impact from the proposed legislation because the legislation states that the signs will be paid for by private donations. This proposal will require MoDOT to fabricate, install and maintain memorial highway signs. MoDOT will not fabricate the signs until payment is received.

§301.130 - License tabs and window stickers

Officials from **DOR** assume they will need to:

- Revise the renewal print program to inform applicants about the rear tab and window sticker provisions and revise appropriate procedures. There are no added costs for these revisions;
- Order window stickers for all vehicles except trailers and cycles and inventory them to offices. DOR anticipates paying \$.26 for each window sticker;
- Notify all dealers (motor vehicle, salvage, and leasing) – DOR will request funding in the amount of \$4,254 in FY 11.

Oversight assumes that, due to carryover of funds from year to year, there are sufficient funds in the Motor Vehicle Commission Fund to cover the notification costs of this proposal.

ASSUMPTION (continued)

Tab Savings from order one tab: Currently, DOR pays \$.26 for each set of tabs and \$.13 for each single tab. The amount of year tabs currently ordered is 6,813,600. By going to one tab this would decrease by half to 3,406,800 individual tabs resulting in a cost savings to the Highway Fund of \$221,442 (6 months for January 1, 2011 effective date) in FY 11, \$442,884 in FY 12, and \$442,884 in FY 13. Note: MVE indicated that the cost of tabs is inductive to the cost of raw materials, thus if the cost of raw materials goes up then the cost of tabs will increase.

Sticker Costs: Under this proposal, all vehicles except cycles and trailers (which would still receive a tab but no sticker) would be issued a window sticker as well as one tab. Assuming a window sticker cost of \$.26 each and assuming 3,406,800 window stickers would be ordered the cost to the Highway Fund would be \$442,884 (6 months for January 1, 2011 effective date) in FY 11, \$885,768 in FY 12, and \$885,768 in FY 13.

Total effect on Highway Fund:

	FY 2011 (6 months)	FY 2012	FY 2013
Savings from one tab at \$.13	\$221,442	\$442,884	\$442,884
Cost from window sticker at \$.26	(\$442,884)	(\$885,768)	(\$885,768)
Total difference	(\$221,442)	(\$442,884)	(\$442,884)

A new window sticker would need to be issued with each license plate transfer resulting in 320,247 additional stickers at a yearly cost of \$83,264.

FY'11 at 6 months: \$41,632 (transfer stickers)
 FY'12 for 12 months: \$83,264 (transfer stickers)
 FY 13 for 12 months: \$83,264 (transfer stickers)

Existing printers and printer cartridges would be used so no equipment cost is being shown. Contract offices would print the decals displaying the license plate number in their offices. In many cases these cartridges are refurbished and probably will not suffice for the venter sticker guarantee for two years. It is anticipated the brand new cartridges will be in excess of \$100,000.

IT will need to revise TRIPS to issue/accommodate a window sticker on demand that contains

LMD:LR:OD

ASSUMPTION (continued)

the license plate number and whatever other vehicle information is decided. Appropriate changes will need to be made to the inventory system. These systems will still need to accommodate one rear tab.

§301.140 - Proof of financial responsibility

Officials from the **Department of Insurance, Financial Institutions and Professional Registration** assume this proposal will have no fiscal impact on their agency.

Officials from the **Department of Revenue (DOR)** assume they will need to:

- Revise policy and procedures, update the DOR website, and revise the Special Permits Application to reflect the change;
- Notify 8,920 dealers of the change at a cost to the Motor Vehicle Commission Fund of \$4,130 (paper/envelopes/postage).

Oversight assumes that, due to carryover of funds from year to year, there are sufficient funds in the Motor Vehicle Commission Fund to cover the notification costs of this proposal.

§301.143 - Accessible Parking

Officials from the following agencies assumed no fiscal impact resulting from this proposed legislation: **Department of Revenue, Missouri Department of Transportation, Department of Conservation, Department of Public Safety - Office the of Director and the Office of Administration - Division of Facilities Management, Design and Construction.**

Officials from the following local political subdivisions also assumed no fiscal impact resulting from this proposed legislation: **City of Kansas City; City of West Plains; St Louis County; Cass County Commission; Springfield Police Department and Boone County Sheriff's Department.**

§301.165, 301.3155, 301.3158, 301.4005, 301.4006, 301.4010, 301.4016, 301.4018, 301.4020 - Specialty license plates

Officials from the **Department of Corrections - Missouri Vocational Enterprises** state this portion of the proposal would have no fiscal impact on their agency.

ASSUMPTION (continued)

Officials from the **Missouri Veterans Commission** state this proposal will have no fiscal impact on their agency.

This proposed legislation provides authorization for nine specialized license plates. According to officials from the **Department of Revenue (DOR)**, the number of applicants who will wish to obtain these specialized plates are unknown. However, for each 100 of the individual specialty plate applications received, there will be an increase in revenue each year \$1,500 from the \$15 specialty plate fee of which 75% would be distributed to the Highway Fund, 15 % to cities, and 10% to counties. The one exception is the Brain Tumor Awareness Organization plate which has a \$25 specialty plate fee. DOR will need to revise procedures, update the TRIPS plate table, and request funding in the amount of \$1,500 for every 100 specialty applications received per application for plate set-up, postage, envelope, notification, and plate costs.

§301.190 - Adding or deleting names on application for ownership

Officials from the **Department of Insurance, Financial Institutions and Professional Registration** state this proposal will have no fiscal impact on their agency.

Officials from **DOR** state this portion of the proposal will have a minimal fiscal impact on their agency.

This would require changes to policies, procedures, and the DOR website. An email will also need to be sent to all lienholders who file their Notice of Liens via the internet notifying them of the change. These costs would be absorbed. Potentially there could be an unknown increase in costs due to increased rejected title application transactions for authorization from the lienholder to add/delete a name at the time application for title is made.

§301.131, 301.150, 301.310, 301.420, 301.440, 301.716, 307.010, 307.015, 307.090, 307.120, 307.125, 307.155, 307.172, 307.173, 307.195, 307.198, 307.365, 307.375, 307.390, 307.400, 488.006 and 556.021 - Modification of penalties for violation of motor vehicle licensing, registration and equipment.

Officials from the **Missouri Office of Prosecution Services** state that this proposal will have no fiscal impact on their agency. The potential fiscal impact on county prosecuting attorneys will necessarily depend on the extent to which law enforcement agencies choose to enforce this provisions and/or are able to enforce this provision. If law enforcement agencies make arrests under this provision, there may be an impact based on the additional cases that may be filed.

ASSUMPTION (continued)

Officials from the **Department of Corrections (DOR)** state that the fiscal impact to their agency is unknown, but assumed to be \$0, or a minimal amount that can be absorbed by DOC each year.

Officials from the **Office of State Public Defender (SPD)** stated this proposal would provide very minimal relief for the SPD System. In FY 2008, SPD provided representation in just 54 cases (out of a total of 85,405) which will be reduced to infractions if this proposed legislation is enacted.

According to officials from the **Department of Elementary and Secondary Education (DESE)**, 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. 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.

Oversight assumes that while this proposal reduces certain misdemeanors to infractions, it also changes punishment for certain actions to a misdemeanor. For fiscal note purposes only, Oversight assumes the decrease in fines from reducing the misdemeanors to infractions may be offset with an increase in fines from the creation of certain misdemeanors. For fiscal note purposes only, **Oversight** will assign no fiscal impact.

§301.571- Mobility Motor Vehicle Dealers

Officials from the **Department of Social Services** and the **Department of Health and Senior Services** state this proposal will have no fiscal impact on their respective agencies.

DOR officials state they would need to make changes to dealer new/renewal instructions and also make changes to the dealer application and procedures. Costs are minimal and would be absorbed.

DOR assumes that the intent is not for a new type of dealer license (mobility motor vehicle) to be

ASSUMPTION (continued)

created, but that an existing new/ used licensed dealer, or other entity, can purchase a new vehicle and make the mobility modifications and have it sold by or through a franchise dealer without obtaining a "mobility motor vehicle" dealer license from DOR, therefore modifications to the IMVDL dealer system would not be necessary.

§304.170 and 304.260 - Tractor Parades

MoDOT officials assume that there is no fiscal impact from this portion of the proposal.

§302.545, 302.700, 302.735, 302.755, and 311.326

DOR officials state that revisions to these sections are mandated for compliance with the Federal Motor Carrier Safety Regulations, 49 CFR Part 383 and §384.403 for Commercial Driver License (CDL) holders, as promulgated by the US Department of Transportation, Federal Motor Carrier Safety Administration (FMCSA)

Officials at the **Department of Natural Resources** assume that there is no fiscal impact from this proposal.

Officials **MoDOT** assume some of the changes contained in this legislation were required in an audit of the Department of Revenue's (DOR's) commercial driver's license (CDL) program conducted by the Federal Motor Carrier Safety Administration. MoDOT assumes no impact to their agency.

§302.182 - Disabled Driver License

Officials from DOR this section will require programming changes to the Missouri Electronic Driver License (MEDL), also referred to as Over The Counter (OTC), software and supporting applications. These programming changes will need to be designed and tested. DOR estimates 80 hours for project completion (requirements and system testing) X \$100. The total cost for an OTC contractor would be \$8,000.

§565.081, 565.082 and 565.083 - Assault of a highway worker in a construction zone or a work zone or a corrections office

Officials at the **Missouri Department of Transportation** and the **Boone County Sheriff Department** assume that there is no fiscal impact from this proposal.

ASSUMPTION (continued)

Officials at the **Office of Prosecution Services** assume no impact on Office of Prosecution Services. The potential fiscal impact on county prosecuting attorneys will necessarily depend on the extent to which law enforcement agencies choose to enforce this provision and or are able to enforce this provision.

For the purpose of this proposed legislation, officials at the **Office of State Public Defender (SPD)** cannot assume that existing staff will provide competent, effective representation for any new cases arising where indigent persons are charged with the proposed new crime of assaulting a highway worker in a construction zone.

Passage of bills increasing penalties on existing crimes, or creating new crimes, requires the State Public Defender System to further extend resources. While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide competent and effective representation in all its cases.

Oversight assumes the SPD can absorb the additional caseload that may result from this proposal.

Officials at the **Department of Corrections (DOC)** assume these sections add the crime of assault of highway workers and the crime of assault of probation and parole officers to existing statutes. Currently, the DOC cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in direct offender cost either through incarceration (FY08 average of \$15.64 per offender, per day or an annual cost of \$5,709 per inmate) or through supervision provided by the Board of Probation and Parole (FY08 average of \$2.47 per offender, per day or an annual cost of \$902 per offender).

In summary, supervision by the DOC through probation or incarceration would result in additional unknown costs to the department. Eighteen (18) persons would have to be incarcerated per each fiscal year to exceed \$100,000 annually. Due to the narrow scope of this new crime, it is assumed the impact would be less than \$100,000 per year for the DOC.

ASSUMPTION (continued)

Sections 1, 2, 3, 4, 5 - Mississippi River Bridge Project

According to officials from the **Department of Transportation (MoDOT)**, this portion of the proposed legislation authorizes the Governor to convey a parcel of real property owned by the State of Missouri, which is currently being used by the Department of Corrections as a minimum security correctional facility, to the Missouri Highways and Transportation Commission for a new Mississippi River Bridge project. 32,682 square feet of land is conveyed in fee simple for the construction of approach roadways for the new bridge, 17,333 square feet is conveyed by permanent easement for the necessary relocation of Union Electric's existing transmission lines, and there will be temporary easements granted by the State of Missouri as necessary for construction features, such as curb and replacement parking, on the remaining land used by the Department of Corrections. MoDOT officials anticipate purchasing the property for \$158,500.

The **Office of Administration Information Technology (ITSD DOR)** estimates that this legislation could be implemented utilizing 3 existing CIT III's for 3 months at a rate of \$4,441/mo for a total cost of \$39,969. 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.

<u>FISCAL IMPACT - State Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
GENERAL REVENUE			
<u>Transfer In</u> - Office of Administration - Land conveyance (Sections 1, 2, 3, 4, 5)	\$158,500	\$0	\$0
<u>Cost</u> - Dept. of Revenue - Contract programming (§302.182)	(\$8,000)	\$0	\$0
<u>Cost</u> - Department of Revenue - Processing costs for specialty plates (§301.165, 301.3155, 301.3158, 301.4005, 301.4006, 301.4010, 301.4016, 301.4018, 301.4020)	(Unknown - Expected to be less than \$100,000)	(Unknown - Expected to be less than \$100,000)	(Unknown - Expected to be less than \$100,000)
<u>Cost</u> - Department of Corrections - Incarceration costs (§565.081, 565.082, 565.083)	(Unknown - Expected to be less than \$100,000)	(Unknown - Expected to be less than \$100,000)	(Unknown - Expected to be less than \$100,000)
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(Unknown - Expected to be less than \$100,000) Up to \$150,000</u>	<u>(Unknown - Expected to be less than \$100,000)</u>	<u>(Unknown - Expected to be less than \$100,000)</u>

FISCAL IMPACT - State Government FY 2010 FY 2011 FY 2012
 (10 Mo.)

HIGHWAY FUND

Income - DOR - Fees for specialty plates
 (§301.165, 301.3155, 301.3158,
 301.4005, 301.4006, 301.4010, 301.4016,
 301.4018, 301.4020)

Unknown - Unknown - Unknown -
 Expected to be Expected to be Expected to be
 less than less than Less than
 \$100,000 \$100,000 \$100,000)

Savings - DOR - One license tab
 (§301.130)

\$0 \$221,442 \$442,884

Cost - DOR - Window stickers
 (§301.130)

\$0 (\$484,516) (\$969,032)

**ESTIMATED NET EFFECT ON
 HIGHWAY FUND**

Unknown -
Expected to be
less than (Unknown - Up (Unknown - Up
\$100,000 to \$263,074) to \$526,148)

STATE ROAD FUND

Transfer Out - MoDOT - Land
 conveyance (Sections 1, 2, 3, 4, 5)

(\$158,000) \$0 \$0

**ESTIMATED NET EFFECT ON
 STATE ROAD FUND**

(\$158,000) \$0 \$0

FISCAL IMPACT - Local Government FY 2010 FY 2011 FY 2012
 (10 Mo.)

LOCAL POLITICAL SUBDIVISIONS

Income - Cities - Fees for specialty plates
 (§301.165, 301.3155, 301.3158,
 301.4005, 301.4006, 301.4010, 301.4016,
 301.4018, 301.4020)

Unknown - Expected to be less than \$100,000	Unknown - Expected to be less than \$100,000	Unknown - Expected to be Less than \$100,000)
---	---	--

Income - Counties - Fees for specialty
 plates (§301.165, 301.3155, 301.3158,
 301.4005, 301.4006, 301.4010, 301.4016,
 301.4018, 301.4020)

Unknown - Expected to be less than \$100,000	Unknown - Expected to be less than \$100,000	Unknown - Expected to be Less than \$100,000)
---	---	--

**ESTIMATED NET EFFECT ON
 LOCAL POLITICAL SUBDIVISIONS**

<u>Unknown - Expected to be less than \$100,000</u>	<u>Unknown - Expected to be less than \$100,000</u>	<u>Unknown - Expected to be Less than \$100,000)</u>
---	---	--

FISCAL IMPACT - Small Business

There may be an impact to dealers who sell mobility motor vehicles.

FISCAL DESCRIPTION

§301.130 - License tabs and window stickers

This section requires the Director of Revenue to issue a rear license plate tab and a window sticker to renew or issue a registration for all motor vehicles except for a motorcycle or trailer registration.

DESCRIPTION (continued)

§301.165, 301.3155, 301.3158, 301.4005, 301.4006, 301.4010, 301.4016, 301.4018, 301.4020 -
Specialty license plates

This proposal would provide authorization for the following specialty license plates: Brain Tumor Awareness Organization, Armed Forces Expeditionary Medal, Legion of Merit Medal, Missouri Bicycle Federation, Nixa Education Foundation, National Wild Turkey Federation, Missouri Stream Team Program, Missouri State D.A.R.E. Training Center, United State Submarine Incorporation.

§302.182- Disabled Driver's License

This section allows an individual who is permanently disabled to apply to the Department of Revenue to have a notation indicating that status on his or her driver's or nondriver's license. The department will establish the cost and criteria for the placement of the notation.

§565.081, 565.082 and 565.083

This portion of the proposal expands the crime of assault of a law enforcement officer, emergency personnel, or probation and parole officer in the first, second, and third degree to include a highway worker in a construction or work zone and correctional officers.

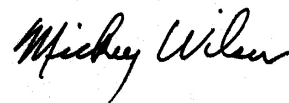
Sections 1, 2, 3, 4, 5 - Mississippi River Bridge Project

This portion of the proposed legislation authorizes the Governor to convey a parcel of real property, which is being currently used by the Department of Corrections as a minimum security correctional facility, to the Missouri Highways and Transportation Commission for a new Mississippi River Bridge project.

This legislation 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
Missouri Senate
Missouri Veterans Commission
Department of Insurance, Financial Institutions and Professional Registration
Office of Administration
 Administrative Hearing Commission
 Division of Facilities Management, Design and Construction
Department of Conservation
Department of Agriculture
Department of Health and Senior Services
Department of Public Safety
 Office of the Director
 Missouri State Highway Patrol
Department of Natural Resources
Office of the Secretary of State
 Administrative Rules Division
Missouri House of Representatives
Office of the State Public Defender
Office of Prosecution Services
Department of Corrections
 Missouri Vocational Enterprises
Department of Elementary and Secondary Education
Office of the Attorney General
Office of the State Courts Administrator
City of Kansas City
City of West Plains
St. Louis County
Cass County
Boone County Sheriff Department
Springfield Police Department



Mickey Wilson, CPA
Director

L.R. No. 1687-05
Bill No. HCS for SCS for SB 292
Page 17 of 17
April 27, 2009

April 27, 2009

LMD:LR:OD