

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2155-01  
Bill No.: SB 525  
Subject: Motor Vehicles; Roads and Highways; Licenses - Motor Vehicle  
Type: Original  
Date: March 6, 2009

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Bill Summary: This proposal modifies the law with respect to certain off-highway vehicles (ATV's and recreational off-highway vehicles).

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
General Revenue	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>	<b>Unknown to (Unknown)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Highway Fund	Unknown	Unknown	Unknown
Motor Vehicle Commission Fund	(\$3,648)	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>Unknown to (\$3,648)</b>	<b>Unknown</b>	<b>Unknown</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</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 2010</b>	<b>FY 2011</b>	<b>FY 2012</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 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
<b>Local Government</b>	<b>Unknown</b>	<b>Unknown</b>	<b>Unknown</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Missouri Department of Transportation, Missouri Highway Patrol, Department of Agriculture, Missouri Department of Conservation, Department of Public Safety** and the **Department of Natural Resources** assume that there is no fiscal impact from this proposal.

Officials at the **Department of Revenue** assume that this proposal is intending for the "Recreational off-highway vehicles" to be titled and registered under the same requirements of the ATV. DOR expects an unknown increase in revenue (General Revenue fund and cities/counties) due to the title, registration, and processing fees collected, since these units are not currently titled and registered. Additionally, there will be an unknown increase in use tax for sales of recreational off-highway vehicles between individuals (sales tax is already collected on these units on retail sales).

Therefore DOR will need to process applications for title on vehicles such as Mules, Gators, etc.; issue registration; collect sales/use taxes on recreational off-highway vehicle; revise related policies/procedures; and provide a mailing to dealers and lienholders.

Although the volume of transactions for recreational off-highway vehicles is unknown, DOR will require funding in the amount of \$638 per 1,000 transactions to cover additional titles (\$27.98 for 1,000 titles), title envelopes (\$.014), printing (\$.05), registration decal (\$.13), and postage costs (\$.42) expenses for processing and preparing the titles and registration.

DOR will request funding from the Motor Vehicle Commission Fund in the amount of \$3,648 for a one-time informational dealer/lienholder mailing.

**Oversight** assumes it is difficult to determine the number of recreational off-highway vehicles in Missouri. Therefore, Oversight has shown the increase in revenue and the costs as "Unknown".

<u>FISCAL IMPACT - State Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
<b>GENERAL REVENUE</b>			
<u>Increase</u> - Dept. of Revenue title, registration & processing fees	Unknown	Unknown	Unknown
<u>Cost</u> - Dept. of Revenue title expenses	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>Unknown to (Unknown)</u></b>	<b><u>Unknown to (Unknown)</u></b>	<b><u>Unknown to (Unknown)</u></b>
<b>HIGHWAY FUND</b>			
<u>Income</u> - Dept. of Revenue Use tax	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<b>ESTIMATED NET EFFECT ON HIGHWAY FUND</b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>
<b>MOTOR VEHICLE COMMISSION FUND</b>			
<u>Cost</u> - Dept. of Revenue Dealer/Lienholder Mailings	<u>(\$3,648)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON MOTOR VEHICLE COMMISSION FUND</b>	<b><u>(\$3,648)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
<b>LOCAL GOVERNMENT FUNDS</b>			
<u>Increase</u> - Cities and Counties title, registration & processing fees	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<b>ESTIMATED NET EFFECT ON LOCAL GOVERNMENT FUNDS</b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>

FISCAL IMPACT - Small Business

Any business that owns a recreational off-highway vehicle or will purchase one may now have to title or register them.

FISCAL DESCRIPTION

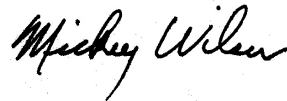
This act modifies the definition of all-terrain vehicles by increasing the vehicle's unladen dry weight from 1,000 pounds to 1,500 pounds. The definition is also modified by stating that an ATV is a vehicle with four or more non-highway tires (current law uses the term low pressure tires).

The act also provides a definition for the term "recreational off-highway vehicle" for purposes of Missouri's titling and registration laws. Under the act, a recreational off-highway vehicle is any motorized vehicle manufactured and used exclusively for off-highway use which is 60 inches or less in width, with an unladen dry weight of 1,500 pounds or less, traveling on four or more non-highway tires, with a non-straddle seat, and steering wheel, which are subject to the same registration requirements and trail use as all-terrain vehicles.

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  
Missouri Highway Patrol  
Department of Agriculture  
Missouri Department of Conservation  
Department of Public Safety  
Department of Natural Resources  
Department of Revenue



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Director  
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