

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4277-05  
Bill No.: HCS for SS for SCS for SB 443  
Subject: Motor Vehicles; Revenue Department; Licenses Motor Vehicles; Drunk Driving/  
 Boating; Licenses - Driver's  
Type: Original  
Date: February 9, 2012

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Bill Summary: This proposal modifies the law with respect to the regulation of motor vehicles.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 8 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</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 2013</b>	<b>FY 2014</b>	<b>FY 2015</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 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of the State Courts Administrator** and **Department of Public Safety - Missouri Highway Patrol** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **Joint Committee on Administrative Rules** assumed the proposal will have no fiscal impact beyond its current appropriation on their respective organization.

In response to a previous version of this proposal, officials from the **Department of Public Safety - Directors Office**, assumed any cost associated with this proposal could be absorbed with existing resources.

Officials from the **Office of the Secretary of State (SOS)** assume many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the Secretary of State's Office 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, we also recognize 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 our office can sustain with our core budget. Therefore, we reserve 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.

### Section 302.341

Officials from the **Department of Revenue** assume this section proposes changes to meet federal commercial driver license requirements relating to failure to appear in court actions. The proposed change indicates these actions cannot be removed from the record upon reinstatement if the applicant was operating a commercial motor vehicle at the time of the offense or is a commercial driver license holder.

Officials from DOR assume applications will need to be modified by a Management Analyst Specialist II requiring 80 hours of overtime (at \$23 per hour or \$1,840) and the same for an Administrative Analyst (at \$16 per hour or \$1,280).

ASSUMPTION (continued)

DOR states the administrative impact for Section 302.341 will require the Department to modify the Missouri Driver License system and supporting applications related to failure to appear actions and complete end user testing of all changes.

In summary, DOR assumes a cost of \$3,120 (\$1,840 + \$1,280) in FY 2013 to provide for the implementation of the changes in this proposal.

Section 302.700 & 302.768

Officials from the **Department of Transportation** state the enactment of these changes to Missouri's CDL statutes will be necessary to bring this State into compliance with the Federal mandate prescribed by 49 USC Section 31311 (a) (1) and (21), section 31309 (e) (4) and Section 31305 (a) (7); and 49 CFR 383.73 and Section 384.301.

If not enacted, Missouri's federal-aid highway funds are subject to withholding in the amounts of \$30 million the first fiscal year and \$60 million the second year and thereafter.

**Oversight** assumes Missouri will be in compliance with the mandated provisions and will assign no cost for sanctions.

Officials from the **Department of Revenue** state this section proposes new definitions and modifications to current definitions related to commercial driver license requirements to comply with Federal Motor Carrier Safety regulations and support the implementation of the federal rule labeled "Medical Certification Requirements as part of the Commercial Driver License (CDL)".

DOR states cost associated with development and implementation of the proposed medical certification program (Section 302.700) will be absorbed as part of a system upgrade project and through federal funds.

Section 302.768

Officials from the **Department of Revenue** state this proposes a new section to support the implementation of Federal Motor Carrier Safety Regulation changes defined in a finalized federal rule affecting 49 CFR Parts 383, 384, 390 and 391 labeled "Medical Certification Requirements as part of the CDL". This section requires commercial driver license applications to complete certain self certifications and submit required medical certification documents when applicable.

ASSUMPTION (continued)

The state must capture and store data related to drivers who are required to submit proof of medical certification. These certifications must be updated at least every two years based on federal requirements. The state must store and pass this data to law enforcement, commercial motor vehicle enforcement and other states.

DOR assumes the cost associated with development and implementation of the proposed medical certification program will be absorbed as part of a pending system upgrade project. The Department will continue to seek federal funds to notify Commercial Drivers of the new requirements, however if federal funding is not provided, DOR will require the following state funds in order to notify the 300,000 drivers:

**FY 14**

Printing Cost ( per 1,000)	300 @ .076 =	\$22.80
Letters	300,000 @ .025 =	\$7,500.00
Envelopes	300,000 @ .04 =	\$12,000.00
Postage	300,000 @ .45 =	<u>\$135,000.00</u>
	<b>Total =</b>	<b>\$154,522.80</b>

DOR stated they have been approved for a federal grant to implement the new federal requirements; however, DOR stated they cannot use the grant monies for notification. Therefore, **Oversight** assumes that DOR is not required by this proposal to notify a licensee of this new federal licensing requirement. The notification upon license renewal could be an option.

**Oversight** assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb some of the personal service cost related to this proposal. Oversight assumes some of DOR's anticipated work hours could be performed during the normal work day and not create an additional expense to their budget.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Commercial drivers could be impacted by this proposed legislation.

FISCAL DESCRIPTION

This proposal modifies various provisions relating to the regulation of motor vehicles.

FAILURE TO APPEAR IN COURT- Under current law, if a person fails to timely dispose of a traffic ticket, the court will notify the director of revenue of such fact and the director will suspend the offender's driver's license until such time the person settles the matter by paying the fines and applicable court costs. Upon proof of disposition of the charges, and payment of a reinstatement fee, the director will return the license and remove the suspension from the person's driver's record. This act modifies this provision so that a commercial motor vehicle operator or a holder of a commercial driver's license will not be eligible to have such a suspension removed from his or her driving record (Section 302.341). This provision is also contained in the truly agreed to version of HB 430 (2011) and HCS/HB 818 (2011).

UNIFORM COMMERCIAL DRIVER'S LICENSE ACT - This proposal adds new definitions to Uniform Commercial Driver's License Act (Sections 302.700 to 302.780) and makes modifications to current definitions relating to commercial driver license requirements to comply with Federal Motor Carrier Safety regulations and support the implementation of the federal rule labeled "Medical Certification Requirements as part of the CDL". The act revises the definition section by adding the following terms:

- 1) CDLIS driver record;
- 2) CDLIS motor vehicle record;
- 3) Commercial driver's license downgrade;
- 4) Driver applicant;

FISCAL DESCRIPTION (continued)

- 5) Employee;
- 6) Endorsement;
- 7) Foreign;
- 8) Medical examiner;
- 9) Medical variance (Section 302.700). This provision is also contained in the truly agreed to version of HB 430 (2011) and in HCS/HB 818 (2011).

CDL MEDICAL CERTIFICATION COMPLIANCE - This proposal implements a Federal Motor Carrier Safety Regulation known as "Medical Certification Requirements as part of the CDL".

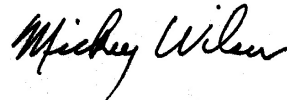
This proposal requires commercial driver license applicants to complete certain self certifications and submit required medical examiner certification documents when applicable. The act specifies the certification process. Applicants certifying to the operation in nonexcepted interstate or nonexcepted intrastate commerce must provide the state with an original or copy of a current medical examiners certificate. The state is required to maintained such documents for a period of 3 years beyond the date the certificate was issued.

The act requires applicants to provide updated medical certificates or variance documents in order to maintain commercial motor vehicle driving privileges. The director must post the medical examiners certificate information to the driver record within 10 calendar days of receipt and the information will become part of the CDLIS driver record. Under the act, any person who falsifies any information in an application for or an update of medical certification status information shall not be licensed to operate a commercial vehicle or the person's commercial driver's license must be canceled for a period of one year after the director discovers the falsification. This provision is also contained in the truly agreed to version of HB 430 (2011), HCS/HB 818 (2011) and HB 820 (2011) (Section 302.768).

The CDL medical certification compliance sections (Section 302.200 and 302.768) shall become effective on the date the director begins accepting commercial driver license medical certifications or on May 1, 2013, whichever occurs first.

SOURCES OF INFORMATION

Department of Revenue  
Office of the State Courts Administrator  
Department of Public Safety  
Department of Transportation  
Office of the Secretary of State  
Joint Committee on Administrative Rules



Mickey Wilson, CPA  
Director  
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