

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5957-03  
Bill No.: Truly Agreed To and Finally Passed SS for SCS for HB Nos. 1807, 1093, 1107, 1156, 1221, 1261, 1269, 1641, 1668, 1737, 1782, 1868 & 1878  
Subject: Roads and Highways; Transportation; Transportation Department; Revenue Department; Licenses - Motor Vehicle  
Type: Original  
Date: June 4, 2012

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Bill Summary: This proposal designates several highways in the state of Missouri and creates several special license plates.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
General Revenue	\$0 or (Less than \$100,000)	\$0 or (Less than \$100,000)	\$0 or (Less than \$100,000)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0 or (Less than \$100,000)</b>	<b>\$0 or (Less than \$100,000)</b>	<b>\$0 or (Less than \$100,000)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Highway Fund	\$0 or Less than \$100,000	\$0 or Less than \$100,000	\$0 or Less than \$100,000
Martin Luther King Jr. State Celebration Commission Fund	\$0 or Less than \$100,000	\$0 or Less than \$100,000	\$0 or Less than \$100,000
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0 or Less than \$100,000</b>	<b>\$0 or Less than \$100,000</b>	<b>\$0 or Less than \$100,000</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 18 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 or Less than \$100,000</b>	<b>\$0 or Less than \$100,000</b>	<b>\$0 or Less than \$100,000</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Corrections, Missouri Department of Conservation, Office of Prosecution Services, Department of Public Safety - Missouri Highway Patrol, Office of the State Public Defender, Department of Insurance, Financial Institutions and Professional Registration and Department of Natural Resources** assume the proposal will have no fiscal impact on their organization.

In response to a previous version of this proposal, officials from **Department of Transportation and Department of Agriculture** the each assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **Department of Revenue** state that the Department's response to a proposal similar to, or identical to, this one in a previous session indicated the Department planned to absorb the administrative costs to implement the proposal. Due to budget constraints, reduction of staff and the limitations within the Department's motor vehicle legacy systems, changes cannot be made without significant impact to the Department's resources and budget. Therefore, the fiscal impact is:

#### Section 301.473

Officials from the **Department of Revenue (DOR) - Motor Vehicle Bureau (MVB)** estimates procedures will need to be revised by a Management Analyst Specialist I requiring 40 hours of overtime at a cost of \$1,182. The Application for Missouri Personalized and Specialty License Plates (DOR-1716) will need to be revised to include a new plate type. This will require 40 hours of overtime for a Management Analyst Specialist I, at a cost of \$1,182. The Department's web site will need to be updated to include the new plate type. This will require 10 hours of overtime for an Administrative Analyst III, at a cost of \$319. The Department would incur 20 overtime hours for a Revenue Processing Tech II to work with the organization on the design of the plate and finalizing the design of the plate at a cost of \$411. The Department would incur 20 overtime hours for a Revenue Processing Tech II to set up the new specialty plate within MVB systems and testing at a cost of \$411.

The printing of flat plates has changed from Irwin Hodson to Missouri Vocational Enterprises (MVE); as a result the cost for the set-up of a new specialty plate has changed from previous years. The Department is charged \$215 for the initial set-up of a new specialty plate for passenger, truck, RV, disabled, and motorcycle plates. This is a one-time fee.

ASSUMPTION (continued)

The Department pays \$3.50 per plate (\$7 per set of plates) for manufacturing flat plates through MVE. The number of applicants who will obtain this plate is unknown. Therefore the Department is assuming 200 applicants at a cost of \$1,167 (10 Months) in FY13, \$1,435 in FY14, and \$1,471 in FY15. It currently costs the Department, on average, \$5.55 to ship a box of 10 sets of plates to license offices once they have completed the manufacturing process through MVE. Assuming 200 applications are received, it would cost the Department \$93 in FY13 (10 Months), \$114 in FY14, and \$117 in FY15 to ship 200 sets of plates to license offices in various regions across the state.

**Note:** The \$5.55 is an average cost to ship a box of 10 sets of plates to contract offices. The cost may decrease or increase based on the weight of the box, the area to which the box is being sent, and how many boxes are being sent at one time.

The Department would incur an additional postage cost for mailing notifications to those applicants notifying them that their plates are ready for pickup at the respective license office. Assuming 200 are mailed it would cost the department \$86 in FY13 (10 Months), \$107 in FY14, and \$109 in FY15 for envelopes (\$0.04), letters (\$0.025), and postage (\$0.45).

In summary, DOR assumes a cost of \$5,067 in FY 2013, \$1,656 in FY 2014 and \$1,697 in FY 2015 for full time employees, plate set-up, manufacturing and mailings.

DOR states the number of applicants who will wish to obtain this plate is unknown. However, for each 200 Missouri Junior Golf Foundation specialty plate applications received, there will be an increase in revenue each year of \$3,000 as a result of the \$15 specialty plate fee that is constitutionally distributed as follows:

75% -Highway Fund	\$2,250
15% - Cities	\$450
10% - Counties	\$300

Section 301.3052

The printing of flat plates has changed from Irwin Hodson to Missouri Vocational Enterprises (MVE); as a result the cost for the set-up of a new specialty plate has changed from previous years. The Department is charged \$215 for the initial set-up of a new specialty plate for passenger, truck, RV, disabled, and motorcycle plates. This is a one-time fee that will be charged upon passage of this proposal.

ASSUMPTION (continued)

The Department pays \$3.50 per plate (\$7 per set of plates) for manufacturing flat plates through MVE. The Department contacted the Missouri Veterans Commission for statistics on the Navy Cross military award. The Missouri Veterans Commission informed the Department that it does not maintain such Veteran data. The Department, through research, determined that the Navy Cross was awarded to 92 recipients who reside in Missouri. The 92 recipients who received the award were from the eras of World War II (85), Korea (1), Vietnam (1) and the War on Terror (5) to residents of Missouri who were living at the time of the award. FY14, and \$1,471 in FY15.

It is unclear as to how many of these recipients would apply for these license plates. The Department is assuming 20% (18) of these Navy Cross recipients would apply for these plates in FY 13 at cost to the Department of \$105 (10 Months) in FY 13, \$129 in FY 14, and \$132 in FY 15.

It currently costs the Department, on average, \$5.55 to ship a box of 10 sets of plates to license offices once they have completed the manufacturing process through MVE. Assuming 20% (18) of these Navy Cross recipients would apply for these plates in FY13 at cost the Department \$9 in FY 13 (10 Months), \$11 in FY14, and \$12 in FY15 to ship 18 sets of plates to license offices in various regions across the state.

**Note:** The \$5.55 is an average cost to ship a box of 10 sets of plates to contract offices. The cost may decrease or increase based on the weight of the box, the area to which the box is being sent, and how many boxes are being sent at one time.

The Department would incur an additional postage cost for mailing notifications to those applicants notifying them their plates are ready for pickup at the respective license office. Assuming 20% (18) of these Navy Cross recipients would apply for these plates it would cost the Department \$8 in FY13 (10 Months), \$10 in FY14, and \$10 in FY15 for envelopes (\$0.04), letters (\$0.025), and postage (\$0.45).

In summary, DOR assumes a cost of \$337 in FY 2013, \$150 in FY 2014 and \$154 in FY 2015 for full time employees, plate set-up, manufacturing and mailings.

Department of Revenue assumes if 20% (18) of these Navy Cross recipients would apply for these plates, there will be an increase in revenue each year of \$270 as a result of the \$15 specialty plate fee. These fees will be constitutionally distributed as follows:

ASSUMPTION (continued)

75% -Highway Fund	\$203
15% - Cities	\$40
10% - Counties	\$27

Section 301.3084

As the printing of flat plates has changed from Irwin Hodson to Missouri Vocational Enterprises (MVE), the cost for the set-up of a new plate and the cost for design modification of an existing plate has changed from previous years.

The change of the Breast Cancer Awareness plate will be considered a new design graphic as the design graphic of the plate is changing. The new design set-up includes passenger plates, RV plates, 6,000/18,000 lb truck plates, motorcycle plates, and disabled plates at a new set-up cost of \$215. This is a one-time fee that will be charged upon passage of this bill in FY 13.

Officials from the **Department of Revenue - Information Technology - (DOR- ITSD)** state the Department's response to a similar proposal in prior years would have indicated the Department planned to absorb the administrative costs to implement the proposal. Due to budget constraints, reduction of staff and the limitations within the Department's motor vehicle legacy systems, changes cannot be made without significant impact to the Department's resources and budget. Therefore, the IT portion of the fiscal impact is estimated with a level of effort valued at \$2,120 calculated on 80 FTE hours.

In summary, DOR assumes a cost of \$2,335 ( \$2,323 + \$215 + \$2,120) in FY 2013 to provide for the implementation of the changes in this proposal.

Section 301.3161

The printing of flat plates has changed from Irwin Hodson to Missouri Vocational Enterprises (MVE); as a result the cost for the set-up of a new specialty plate has changed from previous years. The Department is charged \$215 for the initial set-up of a new specialty plate for passenger, truck, RV, disabled, and motorcycle plates. This is a one-time fee that will be charged upon passage of this proposal.

**Oversight** assumes that any other potential cost arising from the proposal would be covered by the organization.

ASSUMPTION (continued)

Section 301.3163

There are no additional administrative impact costs for manufacturing of the “Don’t Tread on Me” license plate or mailings of the plate to license offices. The “Don’t Tread on Me” license plate is already in existence and this proposal only modifies the appearance of the “Don’t Tread on Me” license plate and adds the \$15 specialty plate fee.

The printing of flat plates has changed from Irwin Hodson to Missouri Vocational Enterprises (MVE); as a result the cost for the set-up of a new specialty plate has changed from previous years. The Department is charged \$215 for the initial set-up of a new specialty plate for passenger, truck, RV, disabled, and motorcycle plates. This is a one-time fee that will be charged upon passage of this proposal.

Since the current legislation went into effect on August 28, 2011, the Department has not issued any “Don’t Tread on Me” license plates. Therefore, no statistics are available of the revenue impact due to the proposed \$15 specialty plate fee to be charged.

DOR states the number of applicants who will wish to obtain this plate is unknown. However, for each 200 “Don’t Tread on Me” specialty plate applications received, there will be an increase in revenue of \$3,000 as a result of the \$15 specialty plate fee that is constitutionally distributed as follows:

75% -Highway Fund	\$2,250
15% - Cities	\$450
10% - Counties	\$300

Section 301.3165

The printing of flat plates has changed from Irwin Hodson to Missouri Vocational Enterprises (MVE); as a result the cost for the set-up of a new specialty plate has changed from previous years. The Department is charged \$215 for the initial set-up of a new specialty plate for passenger, truck, RV, disabled, and motorcycle plates. This is a one-time fee that will be charged upon passage of this proposal.

The Department pays \$3.50 per plate (\$7 per set of plates) for manufacturing flat plates through MVE. The number of applicants who will obtain this plate is unknown. Therefore the Department is assuming 200 applicants at a cost of \$1,167 (10 Months) in FY13, \$1,435 in FY14, and \$1,471 in FY15.

ASSUMPTION (continued)

It currently costs the Department, on average, \$5.55 to ship a box of 10 sets of plates to license offices once they have completed the manufacturing process through MVE. Assuming 200 applications are received, it would cost the Department \$93 in FY13 (10 Months), \$114 in FY14, and \$117 in FY15 to ship 200 sets of plates to license offices in various regions across the state.

**Note:** The \$5.55 is an average cost to ship a box of 10 sets of plates to contract offices. The cost may decrease or increase based on the weight of the box, the area to which the box is being sent, and how many boxes are being sent at one time.

The Department would incur an additional postage cost for mailing notifications to those applicants notifying them that their plates are ready for pickup at the respective license office. Assuming 200 are mailed it would cost the department \$86 in FY13 (10 Months), \$107 in FY14, and \$109 in FY15 for envelopes (\$0.04), letters (\$0.025), and postage (\$0.45)

In summary, DOR assumes a cost of \$1,562 in FY 2013, \$1,656 in FY 2014 and \$1,697 in FY 2015 for full time employees, plate set-up, manufacturing and mailings. The number of applicants who will wish to obtain this plate is unknown. However, for each 200 specialty plate applications received for the "I HAVE A DREAM" plate, there will be an increase in revenue each year of \$3,000 as a result of the \$15 specialty plate fee. As this proposal does not except those applicants from the personalization fee of \$15 set in Section 301.144, for each 200 specialty plate application received for the "I HAVE A DREAM" plate, there will be an increase in revenue each year of \$,3000 as a results of the \$15 specialty plate fee. These fees will be constitutionally distributed as follows:

75% -Highway Fund	\$4,500
15% - Cities	\$900
10% - Counties	\$600

Section 301.4039

The printing of flat plates has changed from Irwin Hodson to Missouri Vocational Enterprises (MVE); as a result the cost for the set-up of a new specialty plate has changed from previous years. The Department is charged \$215 for the initial set-up of a new specialty plate for passenger, truck, RV, disabled, and motorcycle plates. This is a one-time fee that will be charged upon passage of this proposal.



ASSUMPTION (continued)

The Department pays \$3.50 per plate (\$7 per set of plates) for manufacturing flat plates through MVE. The number of applicants who will obtain this plate is unknown. Therefore the Department is assuming 200 applicants in FY13 at a cost of \$1,167 (10 Months), \$1,435 in FY14, and \$1,471 in FY15.

It currently costs the Department, on average, \$5.55 to ship a box of 10 sets of plates to contract offices once they have completed the manufacturing process through MVE. Assuming 200 applications received it would cost the Department \$93 in FY13 (10 Months), \$114 in FY14, and \$117 in FY15 to ship 200 sets of plates to contract offices in various regions across the state.

**Note:** The \$5.55 is an average cost to ship a box of 10 sets of plates to contract offices. The cost may decrease or increase based on the weight of the box, the area to which the box is being sent, and how many boxes are being sent at one time.

The Department would incur an additional postage cost for mailing notifications to those applicants notifying them that their plates are ready for pickup at the respective license office. Assuming 200 are mailed it would cost the Department \$86 in FY13 (10 Months), \$107 in FY14, and \$109 in FY15 for envelopes (\$0.04), letters (\$0.025), and postage (\$0.45).

In summary, DOR assumes a cost of \$1,561 in FY 2013 ( $\$215 + \$1,167 + \$93 + \$86$ ), \$1,656 in FY 2014 ( $\$1,435 + \$114 + \$107$ ) and \$1,697 in FY 2015 ( $\$1,471 + \$117 + \$109$ ) for full time employees, plate set-up, manufacturing and mailings.

The number of applicants who will wish to obtain this plate is unknown. However, for each 200 United States Olympic Committee specialty personalized plate applications received, there will be an increase in revenue each year of \$3,000 as a result of the \$15 specialty plate fee that is constitutionally distributed as follows:

75% -Highway Fund	\$2,250
15% - Cities	\$450
10% - Counties	\$300

ASSUMPTION (continued)

Section 301.4040

The printing of flat plates has changed from Irwin Hodson to Missouri Vocational Enterprises (MVE); as a result the cost for the set-up of a new specialty plate has changed from previous years. The Department is charged \$215 for the initial set-up of a new specialty plate for passenger, truck, RV, disabled, and motorcycle plates.

The Department pays \$3.50 per plate, \$7 per set of plates, for manufacturing flat plates through Missouri Vocational Enterprises. The number of applicants who will obtain this plate is unknown. Therefore the Department is assuming 200 applicants at a cost of \$1,167 (10 Months) in FY13, \$1,435 in FY14, and \$1,471 in FY15.

It currently costs the Department, on average, \$5.55 to ship a box of 10 sets of plates to license offices once they have completed the manufacturing process through MVE. Assuming 200 applications are received, it would cost the Department \$93 in FY 13 (10 Months), \$114 in FY14, and \$117 in FY15 to ship 200 sets of plates to license offices in various regions across the state.

**Note:** The \$5.55 is an average cost to ship a box of 10 sets of plates to contract offices. The cost may decrease or increase based on the weight of the box, the area to which the box is being sent, and how many boxes are being sent at one time.

The Department would incur an additional postage cost for mailing notifications to those applicants notifying them that their plates are ready for pickup at the respective license office. Assuming 200 are mailed it would cost the Department \$87 in FY13 (10 Months), \$107 in FY14, and \$109 in FY15 for envelopes (\$0.04), letters (\$0.025), and postage (\$0.45). Total cost to the DOR for plate set up, manufacturing and mailings is \$1,562 in FY 2013 (\$215 + \$1,167 + \$93 + \$87), \$1,656 in FY 2014 (\$1,435 + \$114 + \$107) and \$1,697 in FY 2015 (\$1 471 + \$117 + 109).

In summary, DOR assumes a cost of \$1,562 in FY 2013, \$1,656 in FY 2014 and \$1,697 in FY 2015 for full time employees, plate set-up, manufacturing and mailings. The number of applicants who will wish to obtain this plate is unknown. However, for each 200 Missouri Chapter of the American Red Cross specialty personalized plate applications received, there will be an increase in revenue each year of \$5,000 as a result of the \$25 specialty plate fee.

75% -Highway Fund	\$3,7 50
15% - Cities	\$750
10% - Counties	\$500

ASSUMPTION (continued)

Section 301.4042

The printing of flat plates has changed from Irwin Hodson to Missouri Vocational Enterprises (MVE); as a result the cost for the set-up of a new specialty plate has changed from previous years. The Department is charged \$215 for the initial set-up of a new specialty plate for passenger, truck, RV, disabled, and motorcycle plates. This is a one-time fee that will be charged upon passage of this proposal.

The Department pays \$3.50 per plate (\$7 per set of plates) for manufacturing flat plates through MVE. The number of applicants who will obtain this plate is unknown. Therefore the Department is assuming 200 applicants in FY13 at a cost of \$1,167 (10 Months), \$1,435 in FY14, and \$1,471 in FY15.

It currently costs the Department, on average, \$5.55 to ship a box of 10 sets of plates to contract offices once they have completed the manufacturing process through MVE. Assuming 200 applications received it would cost the Department \$93 in FY13 (10 Months), \$114 in FY14, and \$117 in FY15 to ship 200 sets of plates to contract offices in various regions across the state.

**Note:** The \$5.55 is an average cost to ship a box of 10 sets of plates to contract offices. The cost may decrease or increase based on the weight of the box, the area to which the box is being sent, and how many boxes are being sent at one time.

The Department would incur an additional postage cost for mailing notifications to those applicants notifying them that their plates are ready for pickup at the respective license office. Assuming 200 are mailed it would cost the Department \$86 in FY13 (10 Months), \$107 in FY14, and \$109 in FY15 for envelopes (\$0.04), letters (\$0.025), and postage (\$0.45).

Officials from the **Department of Revenue - Information Technology - OA-ITSD** state the Department's response to a similar proposal in prior years would have indicated the Department planned to absorb the administrative costs to implement the proposal. Due to budget constraints, reduction of staff and the limitations within the Department's motor vehicle legacy systems, changes cannot be made without significant impact to the Department's resources and budget. Therefore, the IT portion of the fiscal impact is estimated with a level of effort valued at \$2,120 calculated on 80 FTE hours in FY 13.

In summary, DOR assumes a cost of \$3,681 in FY 2013 ( $\$215 + \$1,167 + \$93 + \$86 + \$2,120$ ), \$1,656 in FY 2014 ( $\$1,435 + \$114 + \$107$ ) and \$1,697 in FY 2015 ( $\$1,471 + \$117 + \$109$ ) for full time employees, plate set-up, manufacturing and mailings.

ASSUMPTION (continued)

The number of applicants who will wish to obtain this plate is unknown. However, for each 200 Pony Express specialty personalized plate applications received, there will be an increase in revenue each year of \$5,000 as a result of the \$15 specialty plate fee that is constitutionally distributed as follows:

75% -Highway Fund	\$2,250
15% - Cities	\$450
10% - Counties	\$300

Section 301.4044

The printing of flat plates has changed from Irwin Hodson to Missouri Vocational Enterprises (MVE); as a result the cost for the set-up of a new specialty plate has changed from previous years. The Department is charged \$215 for the initial set-up of a new specialty plate for passenger, truck, RV, disabled, and motorcycle plates. This is a one-time fee that will be charged upon passage of this proposal.

According to the National Wild Turkey Federation there are approximately 12,000 adult members that would be eligible for this plate. The Department pays \$3.50 per plate (\$7 per set of plates) for manufacturing flat plates through MVE. It is assumed that of the 12,000 eligible applicants, 3% (360) will wish to obtain the plate in FY13 at a cost to the Department of \$2,100 (10 months). As knowledge and public awareness of the availability of this plate increases it is assumed that 5% (582) of the remaining 11,640 eligible applicants will apply for these plates in FY 14 at a cost of \$4,176. If 7% (774) of the remaining 11,058 members apply for these plates in FY15 it will result in a cost to the Department of \$5,692.

It currently costs the Department, on average, \$5.55 to ship a box of 10 sets of plates to contract offices once they have completed the manufacturing process through MVE. It is assumed that of the 12,000 eligible applicants, 3%, (360) will wish to obtain the plate in FY13 at a cost to the Department of \$167 (10 months). As knowledge and public awareness of the availability of this plate increases it is assumed that 5% (582) of the remaining 11,640 eligible applicants will apply for these plates in FY 14 at a cost of \$330. If 7% (774) of the remaining 11,058 members apply for these plates in FY15 it will result in a cost to the Department of \$449.

**Note:** The \$5.55 is an average cost to ship a box of 10 sets of plates to contract offices. The cost may decrease or increase based on the weight of the box, the area to which the box is being sent, and how many boxes are being sent at one time.

ASSUMPTION (continued)

The Department would incur an additional cost for mailing notifications to those applicants notifying them that their plates are ready for pickup at the respective license office. Postage costs include envelopes (\$0.04), notices (\$0.025), and postage (\$0.45).

It is assumed that of the 12,000 eligible applicants, 3% (360) will wish to obtain the plate in FY13 at a cost to the Department of \$156 (10 months). As knowledge and public awareness of the availability of this plate increases it is assumed that 5% (582) of the remaining 11,640 eligible applicants will apply for these plates in FY14 at a cost of \$310. If 7% (774) of the remaining 11,058 members apply for these plates in FY15 it will result in a cost to the Department of \$423.

Officials from the **Department of Revenue - Information Technology - OA-ITSD** state the Department's response to a similar proposal in prior years would have indicated the Department planned to absorb the administrative costs to implement the proposal. Due to budget constraints, reduction of staff and the limitations within the Department's motor vehicle legacy systems, changes cannot be made without significant impact to the Department's resources and budget. Therefore, the IT portion of the fiscal impact is estimated with a level of effort valued at \$2,120 calculated on 80 FTE hours.

In summary, DOR assumes a cost of \$4,758 in FY 2013 (\$215 + \$2,100 + \$167 + \$156 + \$2,120), \$4,816 in FY 2014 (\$4,176 + \$330 + \$310) and \$6,564 in FY 2015 (\$5,692 + \$449 + \$423) for full time employees, plate set-up, manufacturing and mailings.

There are 12,000 active adult members of the National Wild Turkey Federation in the state of Missouri. It is assumed that of the 12,000 eligible applicants, 3% (360) will wish to obtain the plate in FY13 with an increase in revenue of \$9,000 from the \$25 specialty plate fee. As knowledge and public awareness of the availability of this plate increases it is assumed that 5% (582) of the remaining 11,640 eligible applicants will apply for these plates in FY14 resulting in an increase in revenue of \$14,550. If 7% (774) of the remaining 11,058 members apply in FY15 there will be an increase of \$19,350. This increase will be distributed as follows:

75% -Highway Fund	\$14,513
15% - Cities	\$2,903
10% - Counties	\$1,935

ASSUMPTION (continued)

Section 301.4045

The printing of flat plates has changed from Irwin Hodson to Missouri Vocational Enterprises (MVE); as a result the cost for the set-up of a new specialty plate has changed from previous years. The Department is charged \$215 for the initial set-up of a new specialty plate for passenger, truck, RV, disabled, and motorcycle plates. This is a one-time fee that will be charged upon passage of this proposal.

The Department pays \$3.50 per plate (\$7 per set of plates) for manufacturing flat plates through MVE. The number of applicants who will obtain this plate is unknown. Therefore the Department is assuming 200 applicants in FY13 at a cost of \$1,167 (10 Months), \$1,435 in FY14, and \$1,471 in FY15.

It currently costs the Department, on average, \$5.55 to ship a box of 10 sets of plates to contract offices once they have completed the manufacturing process through MVE. Assuming 200 applications received it would cost the Department \$93 in FY13 (10 Months), \$114 in FY14, and \$117 in FY15 to ship 200 sets of plates to contract offices in various regions across the state.

**Note:** The \$5.55 is an average cost to ship a box of 10 sets of plates to contract offices. The cost may decrease or increase based on the weight of the box, the area to which the box is being sent, and how many boxes are being sent at one time.

The Department would incur an additional postage cost for mailing notifications to those applicants notifying them that their plates are ready for pickup at the respective license office. Assuming 200 are mailed it would cost the Department \$86 in FY13 (10 Months), \$107 in FY14, and \$109 in FY15 for envelopes (\$0.04), letters (\$0.025), and postage (\$0.45).

Officials from the **Department of Revenue (DOR) - Information Technology - OA-ITSD** state the Department's response to a similar proposal in prior years would have indicated the Department planned to absorb the administrative costs to implement the proposal. Due to budget constraints, reduction of staff and the limitations within the Department's motor vehicle legacy systems, changes cannot be made without significant impact to the Department's resources and budget. Therefore, the IT portion of the fiscal impact is estimated with a level of effort valued at \$2,120 calculated on 80 FTE hours.

In summary, DOR assumes a cost of \$3,681 in FY 2013 ( $\$215 + \$1,167 + \$93 + \$86 + \$2,120$ ), \$1,656 in FY 2014 ( $\$1,435 + \$114 + \$107$ ) and \$1,697 in FY 2015 ( $\$1,471 + \$117 + \$109$ ) for full time employees, plate set-up, manufacturing and mailings.

ASSUMPTION (continued)

The number of eligible applicants for the National Rifle Association plate is unknown. However, for each 200 National Rifle Association specialty personalized plate applications received, there will be an increase in revenue each year of \$5,000 as a result of the \$25 specialty plate fee that is constitutionally distributed as follows:

75% -Highway Fund	\$3,750
15% - Cities	\$750
10% - Counties	\$500

Section 304.033.1

Permits operation of "recreational off-highway vehicles" on roadways for specific purposes; requires valid drivers license except for handicapped persons; lighting and safety equipment, and creates the offense of 'operating a recreational off-highway vehicle while under the influence of alcohol or a controlled substance'. The Driver License Bureau estimates 40 hours of system testing for new conviction codes.

**FY 13**

Administrative Analyst - 40 hrs @ \$24 (1 1/2) per hr = \$960

The Information Technology department's response to previous separate specialty plate fiscal notes indicated a minimal impact. Due to the number of specialty plates in this bill, the IT portion of the fiscal impact is estimated with a level of effort valued at \$6,890.

Since it is unknown how many plate applications will be received for these plates, for fiscal note purposes only, **Oversight** will estimate revenue as: \$0 to Less than \$100,000. Oversight will also estimate cost to General Revenue as: \$0 to (Less than \$100,000). Oversight assumes an unknown amount of contributions received by the Martin Luther King Jr State Celebration Commission Fund.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
<b>GENERAL REVENUE</b>			
<u>Cost</u> - Department of Revenue - Processing costs for specialty plates	\$0 or (Less than <u>\$100,000</u> )	\$0 or (Less than <u>\$100,000</u> )	\$0 or (Less than <u>\$100,000</u> )
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>\$0 or (Less than \$100,000)</u></b>	<b><u>\$0 or (Less than \$100,000)</u></b>	<b><u>\$0 or (Less than \$100,000)</u></b>
<b>HIGHWAY FUND</b>			
<u>Income</u> - Specialty plate fees	\$0 or Less than <u>\$100,000</u>	\$0 or Less than <u>\$100,000</u>	\$0 or Less than <u>\$100,000</u>
<b>ESTIMATED NET EFFECT ON HIGHWAY FUND</b>	<b><u>\$0 or Less than \$100,000</u></b>	<b><u>\$0 or Less than \$100,000</u></b>	<b><u>\$0 or Less than \$100,000</u></b>
<b>MARTIN LUTHER KING JR STATE CELEBRATION COMMISSION FUND</b>			
<u>Income</u> - Specialty plate fees	\$0 or Less than <u>\$100,000</u>	\$0 or Less than <u>\$100,000</u>	\$0 or Less than <u>\$100,000</u>
<b>ESTIMATED NET EFFECT ON MARTIN LUTHER KING JR STATE CELEBRATION COMMISSION FUND</b>	<b><u>\$0 or Less than \$100,000</u></b>	<b><u>\$0 or Less than \$100,000</u></b>	<b><u>\$0 or Less than \$100,000</u></b>



L.R. No. 5957-03

Bill No. Truly Agreed To and Finally Passed SS for SCS for HB Nos. 1807, 1093, 1107, 1156, 1221, 1261, 1269, 1641, 1668, 1737, 1782, 1868 & 1878

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<u>FISCAL IMPACT - Local Government</u>	<u>FY 2013</u> <u>(10 Mo.)</u>	<u>FY 2014</u>	<u>FY 2015</u>
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**LOCAL POLITICAL SUBDIVISIONS**

<u>Income</u> - Cities and Counties - Specialty plate fees	\$0 or Less than <u>\$100,000</u>	\$0 or Less than <u>\$100,000</u>	\$0 or Less than <u>\$100,000</u>
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<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b>\$0 or Less than <u>\$100,000</u></b>	<b>\$0 or Less than <u>\$100,000</u></b>	<b>\$0 or Less than <u>\$100,000</u></b>
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FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This proposal designates several highways and bridges and creates or modifies several special license plates.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

KC:LR:OD

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1737, 1782, 1868 & 1878

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## SOURCES OF INFORMATION

Department of Corrections

Department of Transportation

Department of Revenue

Department of Public Safety

Missouri Department of Conservation

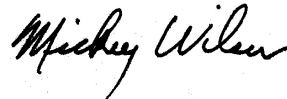
Department of Agriculture

Department of Natural Resources

Office of the State Public Defender

Office of Prosecution Services

Department of Insurance, Financial Institutions and Professional Registration



Mickey Wilson, CPA

Director

June 4, 2012