

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0198-02
Bill No.: HCS for SB 43
Subject: Motor Vehicles; Transportation; Roads and Highways
Type: Original
Date: April 17, 2013

Bill Summary: Changes the laws regarding commercial motor vehicles.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue	Up to (\$166,560)	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	Up to (\$166,560)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
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 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

In response to a previous version, officials from the **Department of Transportation, Department of Agriculture, City of Kansas City and Boone County Sheriff's Department** each assumed the proposal would have no fiscal impact on their respective organizations.

In response to a similar proposal from this year (HB 771), officials from the **Department of Public Safety - Missouri Highway Patrol and Office of the State Courts Administrator** each assumed the proposal would have no fiscal impact on their respective organizations.

In response to a similar proposal from this year (HB 771), officials from the **Joint Committee on Administrative Rules** stated this legislation is not anticipated to cause a fiscal impact beyond its current appropriation.

In response to a similar proposal from this year (HB 771), officials from the **Office of the Secretary of State (SOS)** assumed 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.

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.

ASSUMPTION (continued)

§302.700, 302.720, 302.735 & 302.740

In response to a similar proposal from this year (HB 771), the proposed changes in these sections will require the **Department of Revenue (DOR)** to:

- Develop requirements and complete end user testing to modify the Missouri Electronic Driver License (MEDL) system and supporting systems to implement changes which include mandated Commercial Learner's Permit (CLP) term, standardization of restrictions and endorsements for CLP's, modifications to CDL and CLP document formats;
- Work with the new license contractor to incorporate required changes to the printed license or permit documents;
- Modify current Code of State Regulations related to third party testing and CLP issuance;
- Develop system changes and procedures to implement required secondary review of all CDL and CLP transactions and supporting documentation.

Testing CLP Issuance and Restriction Changes

Administrative Analyst -	660 hrs @ \$16 per hr =	\$10,560
Management Analyst Specialist II -	660 hrs @ \$23 per hr =	\$15,180
Revenue Band Manager II -	132 hours @ \$30 per hour =	\$3,960
	Total =	\$29,700

Personnel Services Bureau

Update web page - Administrative Analyst III - 40 hrs @ \$22 =	\$880
Update forms - Management Analysis Spec I - 80 hrs @ \$20 =	\$1,600
Update procedures - Management Analysis Spec I - 120 hrs @ \$20 =	\$2,400
	Total = \$4,880

MorphoTrust costs for modification to the CLP document = **\$28,000**.

OA-ITSD staff will need to make programming changes to the Missouri Driver License System, Missouri Electronic Driver License System - Central Issuance and Central Driver Information System.

The level of effort is calculated at 3324 FTE hours @ \$27.05 per hour = **\$89,914**.

In summary, DOR assumes a cost of \$152,494 (\$29,700 + \$4,880 + \$28,000 + \$89,914) in FY 2014 to provide for the implementation of the changes in this proposal in this section.

KC:LR:OD

ASSUMPTION (continued)

§302.755

The proposed changes in this section will require the **Department of Revenue (DOR)** to:

- Include CDL permit holders in the disqualification routine;
- 'Stack' most CDL disqualifications;
- Include texting and hand-held mobile telephone convictions (commercial motor vehicles only) in the serious disqualification routine;
- Updates to Procedures, Correspondence letters and Department's website;
- Requires training of staff;
- Requires a review of administrative rules for possible revisions.

OA-ITSD staff will need to make programming changes to the Missouri Driver License (MODL) system.

The level of effort is calculated at 400 hours @ \$27.05 per hour = \$10,820.

§304.820

This proposal amends existing provisions for hand-held mobile phone and electronic texting to prohibit such use while operating a commercial motor vehicle (CMV), so as to comply with federal requirements in this regard. The act of "texting" while driving a commercial motor vehicle is prohibited under 49 CFR 392.80 of the Federal Motor Carrier Safety Administration (FMCSA) regulations, as an enumerated "serious traffic offense" for commercial driver license (CDL) disqualification under Table 2 of 49 CFR 383.51, and for state compliance for its commercial driver license program under 49 CFR Part 384.

The proposed changes in this section will require the **Department of Revenue (DOR)** to:

- Include current MODL codes for texting while driving (1153, 2153, 3153) in the serious disqualification routine when the CMV indicator is 'Y'; and
- Develop new MODL codes for driving a CMV with a hand-held mobile telephone and include it in the serious disqualification routine.

OA-ITSD Staff will need to make programming changes to MODL. The level of effort is calculated at 120 hours @ \$27.05 per hour = \$3,246.

ASSUMPTION (continued)

In summary, DOR assumes a total cost of \$166,560 (\$152,494 + \$10,820 + \$3,246) in FY 2014 to provide for the implementation of the changes in this proposal.

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; therefore, Oversight will range the cost to DOR as up to \$166,560.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
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GENERAL REVENUE

Costs - DOR

Administrative changes to prepare for updates in the proposal	<u>Up to</u> <u>(\$166,560)</u>	<u>\$0</u>	<u>\$0</u>
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ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND

	<u>Up to</u> <u>(\$166,560)</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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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

Under current law, Missouri allows vehicles equipped with idle reduction technology to exceed the maximum gross vehicle weight limit and the axle weight limit by up to 400 pounds to compensate for the additional weight of the idle reduction technology. Under federal law, the total allowable weight exemption for idle reduction technology was recently increased to 550 pounds. This proposal increases the weight limit for idle reduction technology to 550 pounds to reflect the new maximum federal limit.

This proposal also changes the laws regarding commercial motor vehicles to conform with Federal Motor Carrier Safety Administration regulations.

Part of this legislation is federally mandated. 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
Department of Agriculture
City of Kansas City
Boone County Sheriff's Department
Joint Committee on Administrative Rules
Office of the Secretary of State
Department of Public Safety
Office of the State Courts Administrator



Ross Strobe
Acting Director
April 17, 2013