

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1800-03
Bill No.: SCS for SB 411
Subject: Licenses - Motor Vehicle; Motor Vehicles; Transportation; Revenue Department
Type: Original
Date: April 5, 2013

Bill Summary: This proposal modifies Missouri's commercial motor vehicle law to conform with Federal Motor Carrier Safety Administration regulations.

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 8 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

Officials from the **Office of Administration, Administrative Hearing Commission, Department of Public Safety - Missouri Highway Patrol, Department of Insurance, Financial Institutions and Professional Registration, Department of Corrections, Missouri Veterans Commission, Department of Mental Health, Office of the State Public Defender, Office of the State Courts Administrator, Department of Labor and Industrial Relations, Department of Agriculture, Department of Natural Resources** and the **Office of Prosecution Services** each assume the proposal will have no fiscal impact on their respective organizations.

In response to a previous version, Officials from the **Missouri Department of Conservation, Department of Health and Senior Services, Metropolitan St. Louis Sewer District** and the **City of Kansas City** each assumed the proposal would have no fiscal impact on their respective organizations.

Officials from the **Joint Committee on Administrative Rules** state this legislation is not anticipated to cause a fiscal impact beyond its current appropriation.

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.

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

Officials from the **Department of Revenue (DOR)** state the proposed changes will require the 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 Commercial Driver's License (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; and
- 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=	<u>\$3,960</u>
	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 =	<u>\$2,400</u>
	Total = \$4,880

MorphoTrust costs for modification to the CLP document totaling \$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 3,324 FTE hours at \$27.05 per hour totaling \$89,914.

KC:LR:OD

ASSUMPTION (continued)

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.

§302.755

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 at \$27.05 per hour totaling \$10,820.

§ 304.820

OA-ITSD staff will need to make programming changes to MODL.

The level of effort is calculated at 120 hours at \$27.05 per hour totaling \$3,246.

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".

Officials from the **Department of Transportation (DHT)** anticipates no fiscal impact if this legislation were to pass. If it does not pass, DHT is subject to a withhold of federal funds amounting \$30 million the first year and \$60 million each year there after.

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

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
GENERAL REVENUE			
<u>Costs - DOR</u>			
Administrative changes to prepare for updates in the proposal	<u>Up to</u> <u>(\$166,560)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>Up to</u> <u>(\$166,560)</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This proposal modifies Missouri's commercial motor vehicle law to conform with Federal Motor Carrier Safety Administration regulations.

The proposal modifies several definitions contained in the "Uniform Commercial Driver's License Act" (Sections 302.700 to 302.780). Most notably, the proposal provides definitions for the terms "electronic device", "mobile telephone", and "texting". In addition, the act modifies the definition of the term "serious traffic violation" to include violating a state or local law or ordinance on motor vehicle traffic control prohibiting texting while driving a commercial motor vehicle and violating a state or local law or ordinance on motor vehicle traffic control restricting or prohibiting the use of a hand-held mobile telephone while driving a commercial motor vehicle. The proposal also modifies the term "disqualification" so that commercial driver's instruction permit holders are held to the same standards and disqualification penalties as commercial driver's license holders (Section 302.700).

FISCAL DESCRIPTION (continued)

Under the terms of this proposal, all applicants for a commercial driver's license shall have maintained the appropriate class of commercial driver's instruction permit issued by this state or any other state for a minimum of 14 calendar days prior to the date of completing skills testing (Section 302.720).

Under current law, the commercial motor vehicle driving skills test may be waived under certain circumstances for members of the military. Currently, one of the conditions for obtaining a waiver is that the applicant must be regularly employed in a job requiring operation of a commercial motor vehicle and has operated the vehicle for at least 60 days during the two years immediately preceding application for a commercial driver's license. This proposal qualifies this condition by providing that the applicant must be regularly employed "within the last 90 days in a military position" in order to obtain the skills test waiver (Section 302.720).

This proposal modifies the provisions pertaining to nonresident commercial drivers licenses. Under the act, the term "nonresident" is changed to "nondomiciled" and the provisions for obtaining a nondomiciled commercial driver's license are changed to reflect that such applicants can obtain commercial driver's instruction permits as well (Section 302.735).

The proposal provides that commercial driver's instruction permits must include the same data elements as commercial driver's licenses and must also contain the words "CDL PERMIT" or "COMMERCIAL LEARNER PERMIT" (Section 302.740).

This proposal provides that disqualification periods must be in addition to any other previous periods of disqualification in a manner consistent with federal law, except when the major or serious violations are a result of the same incident (Section 302.755).

Under current law, texting while driving is limited to persons under the age of 21 and excludes the majority of commercial driver's license holders. Under this proposal, a person convicted of texting while operating a commercial motor vehicle or convicted of using a hand-held mobile telephone while driving a commercial motor vehicle, may have his or her commercial driver's license disqualified. Under the proposal, texting while driving and using a hand-held mobile telephone while driving a commercial motor vehicle has been defined as a serious traffic violation under Section 302.700. The disqualification provisions for such violations may be found under Section 302.755.5. This proposal makes it an infraction to operate a moving commercial motor vehicle while using a hand-held mobile telephone or text while operating a moving commercial motor vehicle (Section 304.820).

FISCAL DESCRIPTION (continued)

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

SOURCES OF INFORMATION

Department of Agriculture
Department of Corrections
Administrative Hearing Commission
Office of the State Public Defender
Department of Revenue
Department of Labor and Industrial Relations
Department of Public Safety
Office of the Secretary of State
Joint Committee on Administrative Rules
Office of the State Courts Administrator
Department of Insurance, Financial Institutions and Professional Registration
Missouri Veterans Commission
Department of Health and Senior Services
Office of Administration
Missouri Department of Conservation
Department of Mental Health
Department of Natural Resources
Office of Prosecution Services
Metropolitan St. Louis Sewer District
City of Kansas City
Department of Transportation



Ross Strobe
Acting Director
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