

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0864-02
Bill No.: Truly Agreed To and Finally Passed SCS for HB 403
Subject: Department of Revenue - Licenses - Motor Vehicle; Veterans; Military Affairs
Type: Original
Date: May 26, 2015

Bill Summary: This proposal designates Missouri as a "Purple Heart State" and removes the additional fee equal to the fee for personalized license plates for subsequent sets of special Purple Heart license plates.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	(Minimal)	(Minimal)	(Minimal)
Total Estimated Net Effect on General Revenue	(Minimal)	(Minimal)	(Minimal)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any Of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Section 42.045 - Purple Heart State designation:

Officials from the **Department of Transportation**, the **Department of Public Safety - Missouri Veterans Commission** and the **Office of Administration** each assume the proposal would not fiscally impact their respective agencies.

In response to a previous version of this proposal, officials from the **Department of Public Safety - Office of the Adjutant General** assumed the proposal would not fiscally impact their respective agencies.

Section 301.451 - Purple Heart license plates:

In response to a similar proposal from this year, SB 446, officials from the **Department of Revenue (DOR)** assumed this proposal eliminates the one-time \$15 plate fee charged for each additional set of Purple Heart license plates.

Administrative Impact:

The following procedures will need to be implemented for the changes in this proposal:

- Procedures will need to be revised by a Management Analyst Specialist I requiring 40 hours at a cost of \$890 in FY '16.
- The Application for Personalized and Special License Plates (DOR-1716) will need to be revised. This will require 40 hours for a Management Analyst Specialist I, at a cost of \$890 in FY '16.
- The Department's website will need to be updated. This will require 10 hours for an Administrative Analyst III, at a cost of \$240 in FY '16.

In summary, DOR assumes a cost of \$2,020 (\$890 + \$890 + \$240) in FY 2016 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 the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request

ASSUMPTION (continued)

funding through the appropriation process.

Revenue Impact:

DOR states this proposal will also result in a loss of \$585 (39 additional sets) to General Revenue due to the Department not charging the \$15 to applicants for each additional set of Purple Heart license plates.

Oversight assumes some of the potential applicants for the Purple Heart specialty license plate may not apply for an additional set of plates. Oversight will estimate a minimal loss to the General Revenue Fund.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
GENERAL REVENUE			
Loss - DOR	<u>(Minimal)</u>	<u>(Minimal)</u>	<u>(Minimal)</u>
Removing additional \$15 fee for Purple Heart license plates			
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>(Minimal)</u>	<u>(Minimal)</u>	<u>(Minimal)</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2016 (10 Mo.)	 FY 2017	 FY 2018
	<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.

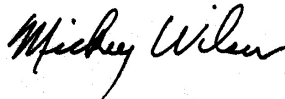
FISCAL DESCRIPTION

This act removes the additional fee equal to the fee charged for personalized license plates for subsequent sets of special Purple Heart license plates so that all Purple Heart license plates carry no fee in addition to regular registration fees.

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

Department of Revenue
Department of Public Safety
Missouri Veterans Commission
Office of the Adjutant General
Office of Administration
Department of Transportation



Mickey Wilson, CPA
Director
May 26, 2015

Ross Strobe
Assistant Director
May 26, 2015