

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1620-02
Bill No.: SB 351
Subject: Insurance - Automobile; Transportation; Transportation Department
Type: Original
Date: March 16, 2015

Bill Summary: This proposal creates a regulatory system for transportation network companies.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue*	\$0	\$0	\$0
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

*Revenues and Expenses net to zero.

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

Officials from the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Revenue**, and the **Department of Public Safety - Missouri Highway Patrol** each assume the current proposal would not fiscally impact their respective agencies.

Officials from the **Department of Transportation** did not respond to **Oversight's** request for fiscal impact.

Oversight assumes there will be an unknown cost and unknown income for Department of Transportation (MODOT) to license these transportation companies. The net fiscal impact will remain zero.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
GENERAL REVENUE			
<u>Income - MODOT</u>			
Annual permit fee for transportation network companies §387.420.1	Unknown	Unknown	Unknown
<u>Costs - MODOT</u>			
To administer licensing for transportation network companies §387.420.2	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>\$0</u>	<u>\$0</u>	<u>\$0</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

Small business transportation companies would be impacted by this proposal.

FISCAL DESCRIPTION

This proposal creates a regulatory system for transportation network companies ("TNC") including requirements to obtain a permit from the Department of Transportation, to maintain an agent for service of process in Missouri, and to have a zero tolerance policy on the use of drugs or alcohol while a TNC driver is providing TNC services. This proposal also requires TNCs to conduct specific background checks on TNC drivers and includes restrictions on who may be a TNC driver. This proposal also includes requirements for record maintenance and information disclosure policies.

This proposal also includes specific requirements for TNC interactions with customers, including identification of TNC drivers, notice of fares, and transmittal of electronic receipts. This proposal also prohibits TNC drivers from soliciting or accepting street hails and from soliciting or accepting cash payments for services. This proposal further requires that TNC drivers comply with all applicable laws regarding nondiscrimination against passengers and potential passengers. This proposal also includes procedures for providing services for persons requiring wheelchair-accessible vehicles or referring such persons when a wheelchair-accessible vehicle is unavailable.

This proposal includes requirements for automobile insurance on vehicles used by TNC drivers and a procedure for insurers to deny coverage for TNC drivers while available for TNC service or providing those services. This proposal prohibits further regulation, oversight, or tax by the Regional Taxicab Commission, municipalities, or other local entities.

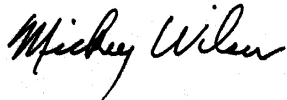
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance, Financial Institutions and Professional Registration
Department of Revenue
Department of Public Safety - Missouri Highway Patrol

Not Responding

Department of Transportation



Mickey Wilson, CPA
Director
March 16, 2015

Ross Strobe
Assistant Director
March 16, 2015