

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5123-04  
Bill No.: SS for HB 1733 with SA 1 and SA 2  
Subject: Emergencies; National Guard; Motor Vehicles; Roads and Highways  
Type: Original  
Date: April 27, 2016

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Bill Summary: This proposal modifies provisions regarding the regulation of vehicles.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
General Revenue	(\$19,021)	\$5,764	\$9,722
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$19,021)</b>	<b>\$5,764</b>	<b>\$9,722</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
Highway Fund	\$1,135,091	\$1,623,577	\$1,076,526
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$1,135,091</b>	<b>\$1,623,577</b>	<b>\$1,076,526</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 9 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</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 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Department of Revenue (DOR)** assume the following regarding this proposal:

#### §302.276

The proposed provisions require the Department to permanently revoke the school bus endorsement of a current school bus endorsement holder where the holder received a second suspension or revocation of the license or driving privilege for any reason. The provisions deny any future school bus endorsement privilege.

To implement these provisions the Department would be required to:

- Define business requirements documents for changes to the school bus endorsement evaluation within MODL, CDIS and Missouri Electronic Driver License (MEDL) to edit for school bus endorsement eligibility at the time of application and current endorsement holders;
- Develop system edits for a second suspension or revocation and take action to revoke the school bus endorsement privilege and deny any future school bus endorsement;
- Modify school bus endorsement manual record review procedures;
- Modify correspondence generated to persons notifying them of school bus endorsement revocation and lifetime denial;
- Complete user acceptance testing of required changes;
- Update internal procedures related to school bus endorsements;
- Update website information detailing school bus endorsement evaluation criteria;
- Complete updates to MEDL procedures;
- Complete end user training;
- Draft information for release to school bus organizations, such as school districts, contractor organizations and others; and

ASSUMPTION (continued)

- Modify 12 CSR 10-24.160 Missouri School Bus Operator Driving History Guidelines.

FY 17

Update Webpage - Administrative Analyst III	10 hrs @ \$24.00 = \$ 240
Update Procedures - Management Analysis Spec I	40 hrs @ \$22.00 = <u>\$ 880</u>
	\$1,120

Requirements and procedures development and user acceptance testing by DLB:

Administrative Analyst II -	240 hrs @ \$31 00 (1 1/2) per hr =	\$7,440
Management Analyst Spec. II -	260 hrs @ \$25.00 per hr =	\$6,500
Revenue Band Manager Band II -	20 hrs @ \$32.00 per hr =	<u>\$ 640</u>
		\$14,580

- OA-ITSD services will be required at a cost of \$3,321 (44.28 hours @ \$75 per hour).

In summary, DOR assumes a cost of \$19,021 (\$1,120 + \$14,580 + \$3,321) in FY 2017 for §302.276.

Officials from the **Department of Public Safety - Missouri Highway Patrol, Office of State Courts Administrator, Department of Corrections, State Public Defender's Office and Department of Public Safety - Missouri National Guard** each assume the proposal will have no fiscal impact on their respective organizations.

In response to a previous version, officials from the **Department of Transportation and Office of Prosecution Services** each assumed the proposal would not have a fiscal impact on their respective organizations.

Senate Amendment 1

Officials from the **Department of Corrections (DOC)** assume the following regarding Senate Amendment 1:

This proposal modifies section 577.060 by creating an enhanced penalty for persons who leave the scene of an accident when a death has occurred. By current statute, leaving the scene of an accident where physical injury was caused to another party is a class D felony (class E, 2017). This bill adds a penalty specifically for the instance of death which would be a class C felony (class D, 2017).

ASSUMPTION (continued)

As the current statute does not specifically address a resulting death in sentencing, an offense could incur a second charge of 1st or 2nd degree involuntary manslaughter. Through 2016, 1st degree manslaughter for recklessly causing death is also a class C felony, and as of Jan. 2017 will be a more serious offense taking precedence over the proposal's enhanced class D felony.

These offenses would carry similar or greater sentencing to the enhanced class C felony proposed in this proposal, thereby affecting no change.

In the case of 2nd degree involuntary manslaughter, which is a class D felony (class E, 2017), the sentence enhancement in this proposal could cause an impact due to additional sentence length and time served. Data does not indicate the number of offenders leaving the scene of an accident where a death was involved. However, we can assume that where this was the case, there is likely a charge of 2nd degree involuntary manslaughter in the same sentencing record. Data from fiscal years 2010-2015 indicate there have been 821 offenders under DOC supervision for the offense of leaving the scene of an accident. Of these, only four also had been convicted of 2nd degree involuntary manslaughter, or ½ of 1 % (0.5%). In FY15, there were 18 admissions for leaving the scene. If approximately 0.5% of these involved a death, there would be fewer than 0.1 offenders per year. Although this proposal proposes an increased sentence for certain instances of leaving the scene of an accident, the result is likely to be so negligible as to have no impact on DOC.

Officials from the **Department of Public Safety - Missouri Highway Patrol, Office of State Courts Administrator, State Public Defender's Office, Department of Revenue** and **Department of Public Safety - Missouri National Guard** each assume Senate Amendment 1 will have no fiscal impact on their respective organizations.

Senate Amendment 2

Officials at the **Department of Revenue (DOR)** assume the following regarding Senate Amendment 2:

§301.067

Opens permanent trailer registrations to any trailer as defined in §301.010, RSMo, and semitrailers, at a fee of \$52.50, by deleting restrictions for trailers or semitrailers which are operated coupled to a towing vehicle by a fifth wheel and kingpin assembly or by a trailer converter dolly.

ASSUMPTION (continued)

- Procedures will need to be revised by a Management Analyst Specialist I requiring 40 hours at a cost of \$890 in FY '17.
- The Department's website will need to be updated to include the new plate type. This will require 10 hours for an Administrative Analyst III, at a cost of \$240 in FY '17.

Currently one and three year trailer registrations expire at the end of each given calendar year. Due to permanent trailer plates being non-expiring, there will be a cost reduction from the elimination of renewal notices that are currently mailed at the end of each year, or three years. This proposal would result in savings to the Department for the cost of postage (\$.224 for each renewal notice) and forms (\$.0224 per renewal notice).

There are currently 297,924 trailer registrations expiring at the end of 2016 (FY 2017), 289,114 at the end of 2017 (FY 2018), and 86,207 at the end of 2018 (FY 2019). Based on current statistics 54% of trailer registrations are one year and 46% are three year.

The Department cannot determine how many applicants will switch to a permanent registration upon renewal of their current one or three year registration; therefore, for purposes of this fiscal note, it is assumed 10% of all applicants will obtain a permanent registration at the time of renewal, thus eliminating the need for a renewal notice in subsequent years. All renewals expiring at the end of 2016 (FY 2017) will need to be mailed, and thus there will be no savings. For FY 2018 there will be a savings of \$5,764 and in FY 2019 \$9,722.

In summary, DOR assumes a cost of \$1,130 (\$890 + \$240) in FY 2017. DOR assumes savings of \$5,764 in FY 2018 and \$9,722 in FY 2019.

**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 Senate Amendment 2.

There are currently 297,924 trailer registrations expiring at the end of 2016 (FY 2017), 289,114 at the end of 2017 (FY 2018), and 86,207 at the end of 2018 (FY 2019). Based on current statistics 54% of trailer registrations are one year and 46% are three year.

DOR cannot determine how many applicants will obtain a permanent registration in lieu of a one or three year registration either at initial issuance or renewal; therefore, for purposes of this fiscal note, it is assumed 10% of all applicants will obtain a permanent registration.

ASSUMPTION (continued)

The fee of \$52.50 will be charged for the issuance of permanent registrations resulting in the revenue estimate impact for permanent registrations vs. one and three-year trailer registrations as shown below:

	FY 2017	FY 2018	FY 2019
1 Year Trailer Plate	(\$120,659)	(\$175,732)	(\$120,319)
3 Year Trailer Plate	(\$308,351)	(\$426,890)	(\$265,957)
Permanent Plate	\$1,564,101	\$2,226,199	\$1,462,802
<b>Total Increase to Highway Fund</b>	<b>\$1,135,091</b>	<b>\$1,623,577</b>	<b>\$1,076,526</b>

Note: All three-year registrations collected in FY 2017, FY 2018 and FY 2019 will not come up for renewal until after the scope of this fiscal note and therefore are not reflected.

This proposal will increase **Total State Revenue**.

Officials from the **Department of Public Safety - Missouri Highway Patrol, Office of State Courts Administrator, State Public Defender's Office, Department of Corrections and Department of Public Safety - Missouri National Guard** each assume Senate Amendment 2 will have no fiscal impact on their respective organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
<b>GENERAL REVENUE</b>			
<u>Savings - DOR (SA 2)</u>	\$0	\$5,764	\$9,722
<u>Cost - DOR</u> Administrative costs for implementation	<u>(\$19,021)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT TO GENERAL REVENUE</b>	<b><u>(\$19,021)</u></b>	<b><u>\$5,764</u></b>	<b><u>\$9,722</u></b>

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2017 (10 Mo.)	FY 2018	FY 2019
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**HIGHWAY FUND**

<u>Revenue - DOR (SA 2)</u> Trailer registrations fees	<u>\$1,135,091</u>	<u>\$1,623,577</u>	<u>\$1,076,526</u>
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<b>ESTIMATED NET EFFECT TO THE HIGHWAY FUND</b>	<b><u>\$1,135,091</u></b>	<b><u>\$1,623,577</u></b>	<b><u>\$1,076,526</u></b>
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<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

The proposed change to §302.276.2 may cause additional hardship for school bus contractors by further limiting applicants eligible for a school bus endorsement.

Small business will have the option to obtain a permanent trailer registration. License offices may see a reduction in processing fees collected from trailer registrations.

FISCAL DESCRIPTION

This proposal revises the definition of an "emergency vehicle" as it relates to traffic regulations to include any vehicle owned and operated by the Civil Support Team of the Missouri National Guard while in the response to or during operations involving specified materials, in support of official requests from the state involving unknown or hazardous materials, or as may be requested by the appropriate state agency acting on behalf of the Governor.

This proposal also defines an autocycle as a three wheeled motor vehicle on which drivers and passengers ride in a completely enclosed, tandem seating area that is controlled with a steering wheel and pedals and contains additional safety and equipment requirements. Autocycle operators are exempted from the motorcycle helmet requirement with specific safety equipment requirements. This act also requires autocycle operators to have a driver's license without requiring a motorcycle or motortricycle license or endorsement.



FISCAL DESCRIPTION (continued)

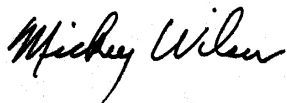
This proposal also adds the provision that a second suspension or revocation of the license or driving privilege of a school bus endorsement holder for any reason the director of the Department of Revenue shall revoke the school bus endorsement. Such driver will not be eligible for any future school bus endorsement.

Currently, only a trailer or semitrailer that is operated coupled to a towing vehicle by a fifth wheel and kingpin assembly or by a trailer converter dolly may permanently registered the trailer upon the payment of a \$25 fee. The proposal allows any trailer or semitrailer that is over twenty-five years old to be permanently registered.

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 Highway Patrol  
Department of Public Safety  
    Missouri National Guard  
Office of State Courts Administrator  
Office of Prosecution Services  
State Public Defender's Office  
Department of Corrections  
Department of Transportation



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