

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5123-04
Bill No.: Truly Agreed To and Finally Passed SS for HB 1733
Subject: Emergencies; National Guard; Motor Vehicles; Roads and Highways
Type: Original
Date: June 6, 2016

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

FISCAL SUMMARY

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

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

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 9 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
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 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

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

§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.

- 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 this section of the proposal.

ASSUMPTION (continued)

DOR notes 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.

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
Total Increase to Highway Fund	\$1,135,091	\$1,623,577	\$1,076,526

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**.

§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:

ASSUMPTION (continued)

- 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
- 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

ASSUMPTION (continued)

Requirements and procedures development and user acceptance testing by DLB:

Administrative Analyst II -	240 hrs @ \$31.00 (1 ½) 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.

§577.060

Officials from the **Department of Corrections (DOC)** assume the following regarding this section:

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).

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 January 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 effecting 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.

ASSUMPTION (continued)

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.

For the purpose of this proposed legislation, officials at the **Office of State Public Defender (SPD)** cannot assume that existing staff will provide effective representation for any new cases arising where indigent persons are charged with the proposed new crime of leaving the scene of an accident if a death has occurred as a new Class D felony.

While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide effective representation in all cases where the right to counsel attaches.

Oversight assumes the SPD can absorb the additional caseload that may result from this proposal.

Officials from the **Department of Public Safety - Missouri Highway Patrol, Office of State Courts Administrator, Office of Prosecution Services and Department of Transportation** each assume this proposal will have no fiscal impact on their respective organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
GENERAL REVENUE			
<u>Savings</u> - DOR §301.067	\$0	\$5,764	\$9,722
<u>Cost</u> - DOR Administrative costs for implementation §301.067	<u>(\$19,021)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO GENERAL REVENUE	<u>(\$19,021)</u>	<u>\$5,764</u>	<u>\$9,722</u>

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

HIGHWAY FUND

<u>Revenue - DOR §301.067</u>	<u>\$1,135,091</u>	<u>\$1,623,577</u>	<u>\$1,076,526</u>
Trailer registration fees			

ESTIMATED NET EFFECT TO THE HIGHWAY FUND	<u>\$1,135,091</u>	<u>\$1,623,577</u>	<u>\$1,076,526</u>
---	---------------------------	---------------------------	---------------------------

<u>FISCAL IMPACT - Local Government</u>	FY 2017	FY 2018	FY 2019
	(10 Mo.)		

	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
--	------------	------------	------------

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)

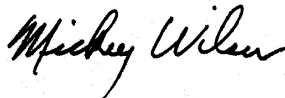
This proposal also adds the provision that a second suspension or revocation of the license or driving privilege of a school bus endorsement holder for any reason the director of the Department of Revenue shall revoke the school bus endorsement. Such driver will not be eligible for any future school 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
Office of State Courts Administrator
Office of Prosecution Services
State Public Defender's Office
Department of Corrections
Department of Transportation



Mickey Wilson, CPA
Director
June 6, 2016

Ross Strobe
Assistant Director
June 6, 2016